

CENTRAL COALFIELDS LIMITED

A Miniratna Company



2013-14

Annual Report & Accounts

Co-creating value for the nation

PRESENT MANAGEMENT

As on 11th June, 2014

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

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri T.K. Nag : Director (Tech./Oprn.)
Shri R. R. Mishra : Director (Personnel)
Shri D. K. Ghosh : Director (Finance)

PART TIME OFFICIAL DIRECTORS

Shri S. K. Singh, IAS : Jt. Secretary
Ministry of Coal,
Govt. of India, New Delhi

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

PERMANENT INVITEES

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

Shri Arun, IAS : Secretary, Mines & Geology Deptt.
Govt. of Jharkhand

COMPANY SECRETARY :

Shri C. V. N. Gangaram

MANAGEMENT DURING 2013-2014

CHAIRMAN-CUM-MANAGING DIRECTOR

Shri Gopal Singh

FUNCTIONAL DIRECTORS

Shri T. K. Nag : Director (Tech./Oprn.)
Shri R. R. Mishra : Director (Personnel)
Shri D. K. Ghosh : Director (Finance) (w.e.f. 06.07.2013)

PART TIME DIRECTORS

Shri Shailesh Kumar Singh, IAS : Jt. Secretary, Ministry of Coal
Govt. of India, New Delhi
Shri R. Mohan Das : Director(P&IR),
Coal India Limited, Kolkata.

PART TIME NON-OFFICIAL DIRECTORS (INDEPENDENT DIRECTORS)

Shri Gautam Basu : From 27.04.2010 to 26.04.2013
Shri S. K. Sarkar : From 27.04.2010 to 26.04.2013
Shri S. Chakrabarti : From 23.02.2011 to 22.02.2014
Shri Anand Kumar, and : From 23.02.2011 to 22.02.2014
Prof. K. V. Ramani : From 23.02.2011 to 22.02.2014

PERMANENT INVITEES

Shri Deepak Nath, IRTS : Chief Operations Manager,
East Central Railway, Hajipur (Bihar)
(From 02.05.12) (MOC Letter No. 21/21/2008-ASO
dated 22.05.2012)
Shri S. K. Barnwal, IAS : Secretary (Mines & Geology)
Govt. of Jharkhand
(From 02.03.2013 to 22.07.2013)
Shri Satendra Singh, IAS : Secretary (Mines & Geology)
Govt. of Jharkhand
(From 23.07.2013 to 30.09.2013)
Shri D. K. Tiwary : Secretary (Mines & Geology)
Govt. of Jharkhand
(From 30.09.2013 to 15.01.2014)
Shri Arun : Secretary (Mines & Geology)
Govt. of Jharkhand (w.e.f. 16.01.2014)

COMPANY SECRETARY

Shri C. V. N. Gangaram

BANKERS

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

STATUTORY AUDITORS

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

BRANCH AUDITORS

M/s. K. C. Tak & Co.
1, New Anantpur,
Ranchi – 834002, Jharkhand

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

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

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

REGISTERED OFFICE

Darbhangha House
Ranchi 834 029
(Jharkhand)

NOTICE

Ref. No. : Secy. 3(2)/58/2014/529

Dated : 31.05.2014

FIFTY EIGHTH ANNUAL GENERAL MEETING

Notice is hereby given to all Shareholders of Central Coalfields Limited that the Fifty Eighth Annual General Meeting of the Company will be held on Wednesday, the 11th day of June, 2014 at 12.00 Noon at Darbhanga House, Ranchi to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date together with the Reports of the Statutory Auditors, Comptroller & Auditor General of India and the Board of Directors of the Company thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2014 as proposed by the Board.
3. To re-appoint Shri S. K. Singh, Joint Secretary, Ministry of Coal, Govt. of India, as a Part-time Director of the Company as per the provisions of Article 34 (iii) of the Articles of Association of the Company.
4. To re-appoint Shri R. Mohan Das, Director (P&IR), Coal India Limited as a Part-time Director of the Company as per the provisions of Article 34 (iii) of the Articles of Association of the Company.

By order of the Board of Directors
Central Coalfields Limited
Sd/-
(C.V.N. Gangaram)
Company Secretary

Registered Office : Darbhanga House
Ranchi 834 029
(Jharkhand)

Note :

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The Shareholders are also requested to accord their consent for convening the Annual General Meeting at a shorter notice pursuant to the provisions of the Sec. 101 of the Companies Act, 2013.

MEMBERS

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

Shri S. Narsing Rao
Chairman,
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

Shri Gopal Singh
Chairman-cum-Managing Director,
Central Coalfields Limited,
Darbhanga House,
Ranchi – 834 029

Shri Abhijit Chatterjee
Director (Finance),
Coal India Limited,
10, Netaji Subhas Road,
Kolkata- 700 001

CHAIRMAN – AUDIT COMMITTEE, CCL

Shri S. K. Singh
Joint Secretary, MoC,
Government of India,
Shastri Bhawan, New Delhi – 110001

STATUTORY AUDITORS

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

VISION

To emerge as a National player in the Primary Energy Sector, committed to provide energy security to the Country, by attaining environmentally and Socially Sustainable Growth , through best practices from Mine to Market.

MISSION

The Mission of Central Coalfields Limited (CCL) is to produce and market the planned quantity of Coal and Coal products efficiently and economically in Eco-Friendly manner, with due regard to Safety, Conservation and Quality.

OBJECTIVES

The major objectives of Central Coalfields Limited (CCL) are —

1. To optimize generation of internal resources by improving productivity of resources, prevent wastage and to mobilize adequate external resources to meet investment need.
2. To maintain high standards of Safety and strive for an accident free mining of Coal.
3. To lay emphasis on afforestation, protection of Environment and control of Pollution.
4. To undertake detailed exploration and plan for new Projects to meet the future Coal demand.
5. To modernize existing Mines.
6. To Develop technical know-how and organizational capability of Coal mining as well as Coal beneficiation and undertake, wherever necessary, applied research and development work related to Scientific exploration for greater extraction of Coal.
7. To improve the quality of life of employees and to discharge the corporate obligations to Society at large and the community around the Coalfields in particular.
8. To provide adequate number of skilled manpower to run the operations and impart technical and managerial training for up gradation of skill.
9. To improve consumer satisfaction.
10. To enhance the CSR activities specifically in the field of Health, Sanitation and Drinking Water in the Surrounding villages.

OPERATIONAL STATISTICS

Year Ending 31st March	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
1. (a) Production of Raw Coal : (Million Tonnes)										
Underground	0.96	1.02	1.09	1.27	1.47	1.56	1.83	1.96	2.31	2.66
Opencast	49.06	47.04	46.91	46.25	45.61	41.68	42.32	39.36	38.20	34.73
TOTAL	50.02	48.06	48.00	47.52	47.08	43.24	44.15	41.32	40.51	37.39
(b) Overburden Removal : (Million Cu.Mts.)	59.02	63.31	65.68	62.52	56.05	55.63	55.22	45.90	49.97	46.68
2. Off take (Raw Coal) (Million Tonnes)										
Steel	0.32	1.07	4.04	4.95	4.31	4.37	4.14	4.85	5.49	5.82
Power	32.10	31.56	33.68	30.76	28.89	29.80	29.25	25.29	27.29	25.35
Cement	0.00	0.00	0.11	0.22	0.08	0.05	0.07	0.05	0.05	0.05
Fertilizer	0.27	0.64	0.95	0.94	0.83	0.88	0.59	0.75	0.60	0.60
Others	9.00	8.98	9.25	9.50	9.79	8.55	7.53	7.12	5.37	3.98
Coal Feed to Washeries	10.43	10.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Colliery Consumption	0.00	0.01	0.01	0.01	0.01	0.02	0.02	0.04	0.06	0.09
TOTAL	52.12	52.89*	48.04	46.38	43.91	43.67	41.60	38.10	38.86	35.89
3. Average Manpower	47406	49076	51156	53171	55305	57681	60209	62905	65536	68335
4. Productivity :										
(A) Average per Man per Year (Tonnes)	1055.14	979.30	938.32	893.72	851.28	749.65	733.28	656.86	618.14	547.16
(B) Output per manshift (OMS) :										
(i) Underground (Tonnes)	0.33	0.33	0.32	0.34	0.35	0.36	0.39	0.40	0.43	0.47
(ii) Opencast (Tonnes)	6.26	6.09	5.79	5.45	5.24	4.65	4.66	4.02	4.12	3.75
(iii) Overall (Tonnes)	4.64	4.42	4.19	3.88	3.66	3.27	3.22	2.81	2.75	2.51
5. Information — As per Cost Report										
(i) Earning per Manshift (₹)	2377.57	2174.95	1862.96	1615.93	1445.82	1616.43	1099.19	868.48	781.13	774.22
(ii) Avg. Cost of Production of Net Saleable Coal (₹ P.T.)	1079.17	1020.42	1038.67	844.65	802.07	914.03	696.70	630.71	600.00	644.03
(iii) Avg. Sale Value of Production of Net Saleable Coal (₹ P.T.)	1414.86	1423.22	1258.70	1072.82	1021.59	977.45	868.97	807.04	798.25	768.30

* Note : Raw Coal Offtake has been re-arranged from the Financial Year 2012-13.

FINANCIAL POSITION**As per Revised Schedule VI**

(₹ in Crore)

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

FINANCIAL POSITION**As per Earlier Schedule VI**

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005
(A) What is owned							
Gross Fixed Assets	4590.13	4659.00	4484.91	4378.64	4198.81	4036.93	3811.03
Less Depreciation	3204.05	3142.81	3038.01	2982.93	2783.73	2696.42	2467.28
(1) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51	1343.75
(2) Capital Work -in -Prog	408.34	343.04	311.35	323.38	267.08	271.74	436.35
(3) Misc expenditure (others)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(4) Investment	47.12	56.54	65.96	75.39	84.81	94.23	94.23
(5) Deferred Tax Assets	493.16	507.28	565.00	343.57	214.06	166.19	129.72
(6) Current Assets:							
(i) (a) Inventory of coal, coke etc.	1292.31	1006.38	806.26	858.04	682.68	578.82	442.69
(b) Inventory of stores & Spares etc.	143.57	154.79	141.99	129.87	127.93	135.18	145.18
(c) Other Inventories	11.11	16.01	19.81	3.27	3.02	1.85	18.00
(ii) Trade Receivables	941.64	512.45	745.26	541.31	472.17	611.07	659.84
(iii) Cash & Cash Equivalents	2582.77	2607.01	1815.88	1115.47	334.09	234.82	184.11
(iv) Loans & Advances (incl. Other C/Assets & Adj)	1677.16	1369.81	2740.92	2236.96	2076.97	1881.82	796.48
(v) O.B.R. Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets (6)	6648.56	5666.44	6270.13	4884.92	3696.86	3443.55	2246.30
(7) Less Current Liab & Prov. (Excl. intt Accd. but not Due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81	2295.29
Net Current Assets (6-7)	794.22	349.64	51.59	171.00	288.38	345.74	—48.99
TOTAL (A)	3128.92	2772.69	2440.80	2309.05	2269.41	2218.41	1955.07
(B) What is owed :							
(1) Govt Loan/CIL	0.00	0.00	157.27	307.28	457.28	757.28	907.27
(2) Interest Accrued but not Due	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(3) Term Loan (F.intt & Banks)	90.91	112.05	136.70	115.60	125.85	138.66	151.43
TOTAL (B)	90.91	112.05	293.97	422.88	583.13	895.94	1058.70
Net Worth (A-B)	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37
Represented by							
(1) Equity Capital (incl. pending allotment)	940.00	940.00	940.00	940.00	940.00	940.00	940.00
(2) Reserves	792.18	580.47	405.54	325.80	222.28	116.50	0.00
(3) Profit/Loss(+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98	—43.63
Net Worth (1 to 3)	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37
Capital Employed	2180.30	1865.83	1498.49	1566.72	1703.46	1686.25	1294.76

INCOME AND EXPENDITURE STATEMENT

As per Revised Schedule VI

(₹ in Crore)

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

INCOME AND EXPENDITURE STATEMENT

As per Earlier Schedule VI

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005
(A) Earned From							
Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91	4043.73
Less Coal from Development Mines	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less Levies (Royalties, Cess etc.)	1041.43	803.70	767.49	697.60	605.68	602.90	551.62
(1) Net Sales	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01	3492.12
(2) Accretion/Depletion in Stock	285.81	162.44	-69.94	136.58	72.70	137.62	109.11
(3) Coal Issued For Other Purposes (including washery)	0.00	1093.13	1038.45	1078.00	1059.72	1029.39	1037.03
(4) Other Revenue Receipts — Others	398.91	505.86	464.58	365.53	418.48	260.12	221.39
TOTAL(A)	6726.42	7249.65	6643.97	5943.06	5451.63	5337.14	4859.65
(B) Paid to/Provided for							
Employees' Benefit Expenses (Gross -Rev)	2588.50	2360.03	2621.29	1799.90	1451.16	1311.86	1706.95
Less Trans to Oth Rev Heads	0.00	44.67	46.41	33.41	30.73	24.88	24.26
(1) Net Employee Benefit Expenses (Exclud V.R.S Payment)	2588.50	2315.36	2574.87	1766.49	1420.43	1286.98	1682.68
(2) V.R.S Payment	10.91	13.40	14.41	24.43	30.82	35.94	35.77
(3) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78	116.45
Less : Social Overheads Dep & intt	0.00	6.41	7.49	6.42	7.70	7.43	8.18
Welfare Expenses (Exclud. Dep & Int)	86.55	196.52	185.52	158.85	135.90	112.34	108.28
(4) Cost of Material Consumed (Gross-Rev)	533.19	507.18	484.91	488.35	424.18	441.07	423.54
Less: Trans to oth. Rev. Heads	0.00	4.21	5.11	6.79	7.49	6.50	8.87
Cost of Material Consumed (Net)	533.19	502.97	479.80	481.55	416.69	434.57	414.67
(5) (i) Power & Fuel	202.52	266.90	256.29	225.95	226.52	219.53	211.52
(ii) Coal issued for other purposes (including washery)	0.00	1053.15	1020.17	1037.73	1024.89	1042.94	1032.42
(6) Contractors (Including Repairs)	545.93	488.51	492.78	438.92	380.97	370.77	319.28
(7) (a) Other Expenses	334.48	336.09	375.35	280.46	183.56	249.51	162.56
(b) Provisions/Write-off	200.34	132.06	185.93	91.91	52.09	97.48	95.15
(8) Interest	8.96	17.39	43.51	64.26	89.18	97.98	109.62
(9) Depreciation	242.54	208.05	192.08	238.64	194.89	325.73	192.23
(10) O.B.R. Adjustment	100.63	185.02	71.98	103.57	263.83	21.79	59.22
(11) Financial Charges	1.57	1.86	3.31	1.74	2.02	2.36	2.66
(12) Prior Period Adj.	10.08	-0.68	-15.83	-6.68	9.53	-125.78	-4.23
TOTAL (B)	4866.20	5716.60	5880.17	4907.81	4431.32	4172.16	4421.84
Profit/Loss for the Year (A-B)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98	437.81
Fringe Benefit Tax	0.00	0.00	11.89	10.51	9.11	7.52	0.00
Provision for Income Tax	601.49	506.59	483.41	461.23	409.31	445.66	228.92
Provision for Deferred Tax	14.12	57.72	-221.43	-62.06	-47.86	-36.47	-70.97
Provision for I.Tax for Earlier Years	-2.22	2.96	0.00	0.00	0.00	-10.11	0.00
Trans to General Reserve	186.02	153.31	79.74	103.52	105.78	116.50	0.00
Trans to Reserve for CSR	25.69	21.62	0.00	0.00	0.00	0.00	0.00
Dividend (Including Dividend Tax)	869.46	451.98	229.28	292.76	285.94	332.27	0.00
Cumulative Profit/Loss b/f from Prev. Year	1140.17	801.29	620.37	391.07	265.98	-43.63	-323.50
Cumulative Profit/Loss trans to Balance Sheet	1305.83	1140.17	801.29	620.37	524.00	265.98	-43.63

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Revised Schedule VI

(A) FINANCIAL INFORMATION

(₹ in Crore)

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

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Earlier Schedule VI

(A) FINANCIAL INFORMATION

(₹ in Crore)

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005
(A) Related to Assets & Liabilities :							
(1) Shareholders' Fund :							
(a) Equity	940.00	940.00	940.00	940.00	940.00	940.00	940.00
(b) Reserve & Surplus	792.18	580.47	405.54	325.80	222.28	116.50	0.00
(c) Profit/Loss (+)/(-)	1305.83	1140.17	801.29	620.37	524.00	265.98	-43.63
Net Worth	3038.01	2660.64	2146.83	1886.17	1686.28	1322.48	896.37
(2) Loan	90.91	112.05	293.97	422.88	583.13	895.94	1058.70
(3) Capital Employed	2180.30	1865.83	1498.49	1566.72	1703.46	1686.25	1294.76
(4) (i) Net Fixed Assets	1386.08	1516.19	1446.90	1395.71	1415.08	1340.51	1343.75
(ii) Current Assets	6648.56	5666.44	6270.13	4884.92	3696.86	3443.55	2246.30
(iii) Net Current Assets (W/C)	794.22	349.64	51.59	171.00	288.38	345.74	-48.99
(5) Current Liabilities							
(Excl. intt. accrued & due)	5854.34	5316.80	6218.54	4713.91	3408.48	3097.81	2295.29
(6) (a) Trade Receivables (Net)	941.64	512.45	745.26	541.31	472.17	611.07	659.84
(b) Cash & Cash Equivalents	2582.77	2607.01	1815.88	1115.47	334.09	234.82	184.11
(7) Closing Stock of :							
(a) Stores & Spares (Net)	143.57	154.79	141.99	129.87	127.93	135.18	145.18
(b) Coal & Cokes etc. (Net)	1292.31	1006.38	806.26	858.04	682.68	578.82	442.69
(c) Other Inventories (Net)	11.11	16.01	19.81	3.27	3.02	1.85	18.00
(8) Average Stock of Stores & Spares (Net)	149.18	148.39	135.93	128.90	131.56	140.18	145.77
(B) Related to Profit/Loss :							
(1) (a) Gross Margin	2080.04	1758.49	999.39	1338.14	1304.37	1588.70	739.67
(b) Gross Profit	1869.17	1550.44	807.31	1099.50	1109.49	1262.96	547.43
(c) Net Profit (Before Tax & Invest Allowance etc.)	1860.22	1533.05	763.80	1035.25	1020.30	1164.98	437.81
(2) (a) Gross Sales	7083.13	6291.92	5978.37	5060.54	4506.41	4512.91	4043.73
(b) Net Sales (after levies & Dev. etc.)	6041.70	5488.22	5210.89	4362.94	3900.73	3910.01	3492.12
(c) Paid/Payable Amount of Royalty, Cess etc.	1041.43	803.70	767.49	697.60	605.68	602.90	551.62
(d) Avg. Net Sales per Month	503.47	457.35	434.24	363.58	325.06	325.83	291.01
(3) Cost of Goods Sold (Sales-Profit)	4181.48	3955.17	4447.08	3327.70	2880.42	2745.03	3054.30
(4) (a) Total Expenditure (Excl. Recov. & others)	6206.18	5716.60	5880.17	4907.81	4431.32	4172.16	4421.84
(b) Employee Benefit Expenses	2576.25	2360.03	2621.29	1799.90	1451.16	1311.86	1706.95
(c) Cost of Material Consumed	533.22	507.18	484.91	488.35	424.18	441.07	423.54
(d) Power & Fuel	206.74	266.90	256.29	225.95	226.52	219.53	211.52
(e) Int. & Depreciations (Gross rev. only)	219.82	225.44	235.59	302.90	284.07	423.72	301.85
(5) Avg. Consump. of Stores & Spares (Gross) per month	44.44	42.26	40.41	40.70	35.35	36.76	35.30
(6) (a) Avg. Manpower Employed during the year	53171	55305	57681	60209	62905	65536	68335
(b) Welfare Expenses	86.55	202.93	193.01	165.27	143.60	119.78	116.45
(c) Welfare Expenses/Employee (₹ '000)	16.28	36.69	33.46	27.45	22.83	18.28	17.04
(7) (a) Value Added	5587.48	4881.40	4405.78	3793.27	3332.71	3398.10	2982.48
(b) Value Added per employee (₹ '000)	1050.85	882.63	763.82	630.02	529.80	518.51	436.45

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Revised Schedule VI

(B) FINANCIAL RATIOS/PERCENTAGES

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

IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS

As per Earlier Schedule VI

(B) FINANCIAL RATIOS/PERCENTAGES

Year Ending 31st March	2011	2010	2009	2008	2007	2006	2005
(A) PROFITABILITY RATIO :							
(1) As % Net Sales :							
(a) Gross Margin	34.43	32.04	19.18	30.67	33.44	40.63	21.18
(b) Gross Profit	30.94	28.25	15.49	25.20	28.44	32.30	15.68
(c) Net Profit	30.79	27.93	14.66	23.73	26.16	29.79	12.54
(2) As % Total Expenditure							
(a) Employee Benefit Expenses	41.51	41.28	44.58	36.67	32.75	31.44	38.60
(b) Cost of Material Consumed	8.59	8.87	8.25	9.95	9.57	10.57	9.58
(c) Power & Fuel	3.33	4.67	4.36	4.60	5.11	5.26	4.78
(d) Interest & Depreciation	3.54	3.94	4.01	6.17	6.41	10.16	6.83
(3) As % Capital Employed							
(a) Gross Margin	95.40	94.25	66.69	85.41	76.57	94.22	57.13
(b) Gross Profit	85.73	83.10	53.88	70.18	65.13	74.90	42.28
(c) Net Profit	85.32	82.16	50.97	66.08	59.90	69.09	33.81
(4) Operating Ratio (Sales-Profit/Sales)	0.69	0.72	0.85	0.76	0.74	0.70	0.87
(B) LIQUIDITY RATIO :							
(1) Current Ratio (Current Asset/Current Liability)	1.14	1.07	1.01	1.04	1.08	1.11	0.98
(2) Quick Ratio (Quick Asset/Current Liability)	0.60	0.59	0.41	0.35	0.24	0.27	0.37
(3) Working Capital as % of							
(a) Capital Employed	36.43	18.74	3.44	10.91	16.93	20.50	-3.78
(b) Net Fixed Assets	57.30	23.06	3.57	12.25	20.38	25.79	-3.65
(C) TURNOVER RATIO							
(1) Capital Turnover Ratio (Net Sales/Capital Employed)	2.77	2.94	3.48	2.78	2.29	2.32	2.70
(2) Working Capital Turnover Ratio (Net Sales/Working Capital)	7.61	15.70	101.00	25.51	13.53	11.31	-71.28
(3) Sundry Debtors as no. of months							
(a) Gross Sales	1.60	0.98	1.50	1.28	1.26	1.62	1.96
(b) Net Sales	1.87	1.12	1.72	1.49	1.45	1.88	2.27
(4) As Ratio of Net Sales							
(a) Sundry Debtors	0.16	0.09	0.14	0.12	0.12	0.16	0.19
(b) Coal Stocks	0.21	0.18	0.15	0.20	0.18	0.15	0.13
(5) Stock of Stores & Spares							
(a) Avg. Stock/Annual Consumption	0.28	0.29	0.28	0.26	0.31	0.32	0.34
(b) Closing Stock as no. of months consp.	3.23	3.66	3.51	3.19	3.62	3.68	4.11
(D) STRUCTURAL RATIO							
(1) Debt : Equity	0.10	0.12	0.31	0.45	0.62	0.95	1.13
(2) Debt : Net Worth	0.03	0.04	0.14	0.22	0.35	0.68	1.18
(3) Net Worth : Equity	3.23	2.83	2.28	2.01	1.79	1.41	0.95
(4) Net Fixed Assets : Net Worth	0.46	0.57	0.67	0.74	0.84	1.01	1.50

DIRECTORS' REPORT

To

The Shareholders,
Central Coalfields Limited

Members,

I, on behalf of the Board of Directors have great pleasure in presenting to you the 58th Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2014. The Audited Statements of Accounts, report of the Statutory Auditors and Management's reply thereon as well as comments of the Comptroller & Auditor General of India on the audited Accounts are annexed to this report.

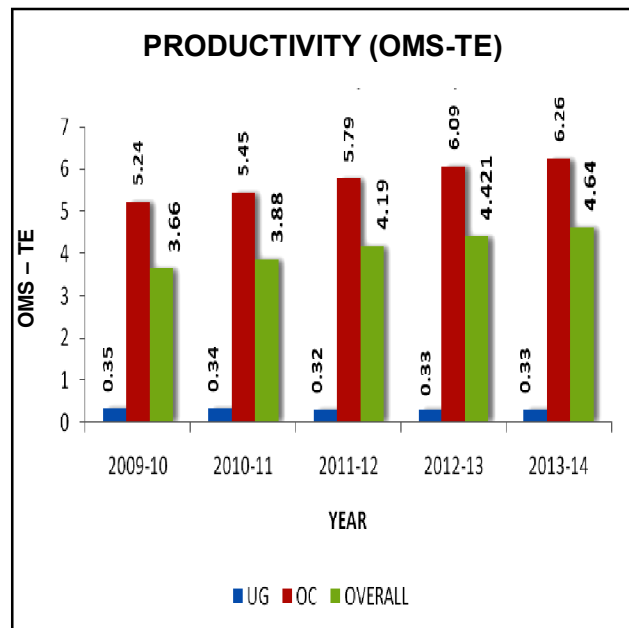
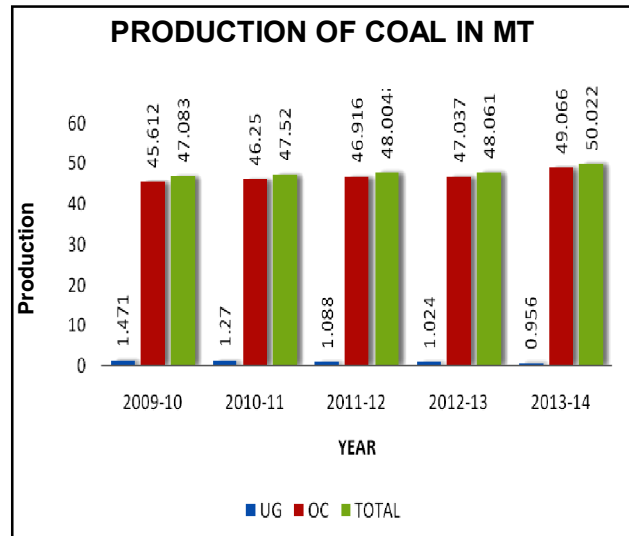
1. PRODUCTION

The Production and Productivity figures achieved by your Company during the year 2013-14 as compared to the actual of 2012-13 is as under :

Particulars	2013-14		2012-13	%age Growth over last year
	Target	Actual	Actual	
Production				
From OC (MT)	52.480	49.066	47.037	4.31
From UG (MT)	1.020	0.956	1.024	(-) 6.64
TOTAL (MT)	53.500	50.022	48.061	4.08
OBR (MM³)	68.600	59.022	63.308	(-) 6.77
Composite				
Production(MM³)	106.585	94.538	97.431	(-) 2.97
Washed Coal (Coking)				
Production(MT)	1.470	1.358	1.239	9.60
Dispatch (MT)	—	1.361	1.288	5.67
Washed Coal (Non-Coking)				
Production(MT)	7.330	6.930	7.217	(-) 3.98
Dispatch (MT)	—	6.698	7.334	(-) 8.67
Productivity (OMS-Te)				
OC	7.020	6.260	6.093	2.74
UG	0.300	0.330	0.325	1.54
OVERALL	4.910	4.640	4.421	4.95

2. WASHERY PERFORMANCE

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



- ❖ The Washeries have contributed ₹ 660.10 Crore towards overall profit in the year 2013-14, against ₹ 512.99 Crore during 2012-13.

COKING COAL WASHERIES

- ❖ Washed Coking Coal production during 2013-14 has been 13.5758 lakh tonne .
- ❖ Coking Coal Washeries have contributed a profit of ₹ 356.02 Crore during 2013-14, against ₹ 278.14 Crore during 2012-13.

- ❖ Rajrappa Washery: Renovation Work has been completed on 31.08.2013. Thus we have achieved Excellent Rating for the activity against MOU Target for Dec.'13.
- ❖ Washery wise production and yield for 2013-14 vis-à-Vis the last year is given below :

Washery	Production (in lakh tonnes)		Yield Percentage	
	2013-14	2012-13	2013-14	2012-13
Kathara	1.59560	1.394	29.59	31.34
Sawang	1.65971	1.674	44.31	38.98
Rajrappa	4.84894	6.531	49.19	47.26
Kedla	3.53255	2.791	44.14	41.99
Kargali	1.93900	0.000	78.98	—
Total	13.57580	12.390	46.09	42.42
Equivalent Clean Coal production for Raw Coking Coal diverted to SAIL-ISP	—*	4.420	—	42.42
Grand Total	13.57580	16.810	46.09	42.42

* CCL has dispatched 2,93,878 tonne of raw coking coal to SAIL & 7,167 tonne of raw coking coal to RINL during 2013-14.

NON-COKING COAL WASHERIES

- ❖ Washed Non-Coking Coal production during 2013-14 has been 69.30025 lakh tonne, against 72.1706 Lakh tonne during 2012-13.
- ❖ Non-Coking Coal Washeries have contributed a profit of ₹ 304.08 Crore during 2013-14, against ₹ 234.85 Crore during 2012-13.
- ❖ Washery wise production and yield for 2013-14 vis-à-Vis the last year is given below :

Washery	Production (in lakh tonnes)		Yield Percentage	
	2013-14	2012-13	2013-14	2012-13
Piparwar	64.71425	65.2085	94.44%	93.13%
Kargali	2.64500	5.1721	98.04%	90.18%
Gidi	1.94100	1.7900	51.77%	56.78%
Total	69.30025	72.1706	92.43%	91.46%

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

2 (A) STATUS OF NEW WASHERIES PROPOSED FOR CONSTRUCTION

1. Ashok Washery (10.0 MTY)

- (i) MOEF Clearance has been obtained.
- (ii) NOC for "Consent to Establish" from JSPCB has been obtained on 08.08.2013
- (iii) LoA has been issued to the bidder on 21.07.2012.
- (iv) Bidder has been requested to sign the agreement.
- (v) Due to inordinate delay in NOC for 'Consent to Establish' from JSPCB, Bidder is asking for price escalation which is beyond NIT condition.

2. Karo Washery (11.0 MTY)

- (i) Identification of site & other activities will be started after Forest Clearance.
- (ii) Stage I : Applied, Clearance is awaited for want of FRA from DC, Bokaro.

3. Konar (3.5 MTY)

- (i) Stage-II clearance of land given on 23.10.2012 by MoEF.
- (ii) The Land has been handed over to CCL by DFO, Bokaro; actual possession of land where washery is proposed is in progress.
- (iii) Conceptual Report has been submitted by CMPDI, under process of approval.

3. OFFTAKE

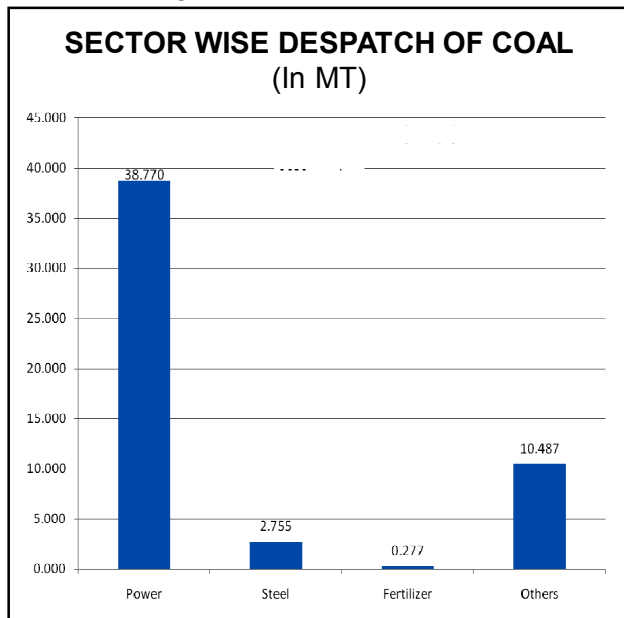
The total Offtake of Raw Coal during 2013-14 was 52.122 Million Tonnes. The Mode-wise details of Offtake compared to that of last year is as under :

(Fig. In Million Tonnes)

Mode	2013-14	2012-13
Rail	26.180	29.021
Road	15.511	13.230
Feed to Washery	10.428	10.634
Colliery Consumption	0.003	0.006
Total	52.122	52.891

Total offtake includes raw coal supplied to various customers, raw coal feed to internal washeries and raw coal consumed by internal collieries.

The total despatch during 2013-14 was 52.289 Million Tonnes. Sector-wise despatches of coal and its different by-products during the year 2013-14 are given below :



(Figs. in Million Tonnes)

Sector	Raw Coal	Clean Coal	Non-Coking washed Coal	Washed Coal Power	Slurry	Rejects	Total
Power	32.101	—	6.262	0.407	—	—	38.770
Steel	0.317	1.361	0.436	0.641	—	—	2.755
Fertilizer	0.277	—	—	—	—	—	0.277
Others*	8.996	—	—	—	0.362	1.129	10.487
Total	41.691	1.361	6.698	1.048	0.362	1.129	52.289

* Others include e-auction, erstwhile non-core consumers, Sponge Iron and State Agencies.

Total despatch includes raw coal, washery products and by-products supplied to various customers.

4. COAL STOCK

The stock of Raw Coal(*) as on 31st March 2014 stood at 9.404 Million Tonnes as against 11.504 Million Tonnes as on 31.03.2013.

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

5. TURNOVER AND SALES REALIZATION

During the year under reference the Gross Sales Turnover of the Company was ₹ 10514.50 Crore and the Sales Realisation was ₹ 10832.08 Crore (including advance received from customers). The Sector wise position of Debtors (Gross) as on 31st Mar'2014 is given below :

(Figs. in ₹ Crore)

SECTOR	As on 31.03.2014	As on 31.03.2013
Power	2102.45	1701.75
Steel	332.68	378.70
Others	63.18	0.00
Total	2498.31	2080.45

6. POPULATION AND PERFORMANCE OF HEMM

The population of HEMM in Mechanized Opencast Mines of CCL as on 31.03.2014 against that of 31.03.2013 is given below :

HEMM	POPULATION AS ON	
	31.03.14	31 .03.13
Shovel	105	104
Dumper	507	502
Dozer	175	159
Drill	104	107

The performance of HEMM in terms of Availability and Utilization percentage against CMPDIL norms during the year 2013-14 vis-à-vis 2012-13, is given as under :

HEMM	% Availability			% Utilization		
	Norms	Actual		Norms	Actual	
		2013-14	2012-13		2013-14	2012-13
Shovel	80	75	72	58	48	46
Dumper	67	66	63	50	36	37
Dozer	70	60	59	45	24	25
Drill	78	80	80	40	31	28

7. SYSTEM CAPACITY UTILISATION

System Capacity for 2013-14 assessed as on 01.04.13 (MM ³)	Achievement of Production by OC Mines (2013-14)			% Capacity Utilisation	
	Coal (MT)	OBR (MM ³)	Composite (MM ³)	2013-14 2012-13	
105.65	49.066	59.022	93.859	88.84	89.56

8. COAL MARKETING

8.1 Demand Satisfaction as per AAP

(Fig. in Million Tonne)

Sector	Demand (AAP)	Despatch	% Sastisfaction	Demand (AAP)	Despatch	% Sastisfaction
	2013-14	2013-14	2013-14	2012-13	2012-13	2012-13
Steel	3.338	2.755	83	3.180	3.380	106
Power	41.665	38.770	93	39.720	39.023	98
Fertiliser	1.000	0.277	28	1.000	0.644	64
Cement	0.020	0.000	0	0.220	0.000	0
Others	11.177	10.487	94	12.480	11.005	88
Total	57.200	52.289	91	56.600	54.052	95

CCL has got Excellent MoU Rating by achieving offtake of 52.122 MT of coal against revised MoU target of 51.1 MT for 2013-14.

8.2 Wagon Loading

The coalfield wise wagon loading position for the year 2013-14 is given below :

(Fig. in FWW/Day)

RAILWAY FIELDS	2013-14	2012-13
South Karanpura	707	714
North Karanpura	2120	2150
Sub Total Karanpura	2827	2864
Jharia	953	908
Total E.C.Railway	3780	3772
Giridih	56	57
Total Eastern Railway	56	57
Adra	168	204
Total S.E.Railway	168	204
Total CCL	4004	4033

8.3 e-Auction of Coal

The performance of spot e-auction during the period 2013-14 is as under :

Period	Spot e-Auction Scheme	Offered Quantity (Million Tonnes)	Booked Quantity (Million Tonnes)	Gain over Notified Price (in lakh)	% Gain Over Notified Price
2013-14	Rail	0.688	0.635	5193.5	58
	Road	8.082	6.393	55891.1	54
	Slurry	0.978	0.406	2141.5	26
	Rejects	1.033	0.631	2789.7	43
Total		10.781	8.065	66015.8	52

e-Auction of coal during 2013-14 was about 16.123% of coal production.

9.1 SIZING AND CRUSHING OF COAL

For crushing ROM Coal, one (1) Inpit Crusher at Piparwar and four (4) Coal Handling Plants at Gidi A, Sirka (in Argada Area), Bhurkunda (in Barka-Sayal Area) and Selected Dhori CHP (In Dhori Area) are in operation. From In-pit Crusher coal is directly fed to Piparwar washery through a series of belt conveyors. The CHPs have the facilities of Primary Crushing and loading into wagons through conveyors. Four more old CHPs are also there at Dakra, KD in N.K. Area, Bachra in Piparwar Area and Sayal in Barka Sayal Area.

Besides the above, as on 31st Mar'2014, there are 28 nos. of Feeder Breakers at different Projects for crushing of ROM coal to (-) 200 mm size. During 2013-14, 2 (Two) nos. of Feeder breakers of 0.5 Million Tonne per Annum capacity and (-)100 mm size, had been released from SECL and are being commissioned in Dhori Area. These are likely to be put into operation by the end of Jul'14. Further phase wise survey off of old Feeder Breaker & CHPs is also under consideration & in place of it (-)100 mm size FBs & CHPs will be installed. The project/Area wise details of capacity addition is as follows :

Capacity Addition {(-) 100 mm size}

Sl. No.	Area	Size	No.	Capacity (MTY)	Present Status
1.	Dhori	-100 mm	2	1.0 each	2 Nos. Feeder Breaker with Secondary sizers, Black Diamond make had been released from SECL & in the process of being installed at Dhori Area. These are likely to be commissioned by the end of December '14.

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

Sl.No.	Location	Area	Number	Capacity (MTY)	Present Status
1	Jarangdih Sdg.P.F.-1	B&K	1	1.0	
2	Jarangdih Sdg.P.F.-2	Kathara	1	1.0	
3	Giridih Sdg.	B&K	1	1.0	
4	Tarmi Sdg.	Dhori	1	1.0	Order placed, likely to be installed by Dec'14.
5	Dhori Sdg.	Dhori	1	1.0	
6	Jharkhand	H'bagh	1	1.0	
Total			6	6.0	

During 2013-14 about 24.475 million tonne of coal was crushed through CHPs, Feeder Breakers, In-pit Crusher & Surface Miner.

During 2013-14, we have dispatched 99.43% of sized Coal and we have achieved excellent rating against MOU target of 99%.

9.2 Improvement in Underground Production through LHD/SDL

Production through LHD /SDL in the year 2013-14 had been reported as 5,08,621 Te, as compared to 4,68,981 Te in the year 2012-13. This growth is about 8.45 % as compared to previous year. In the year 2013-14, 2 no. new SDL had been added. To further improve underground production 9 no. SDL had been procured. Out of these 3 nos have already been installed in Barka-

Sayal area. Three more SDL are under Installation , 2 in Barka- Sayal Area and 1 in Kuju Area. Further Three more SDLs, 2 nos for Kuju & 1 no. for Kedla U/G will be delivered in May'14 and are likely to be commissioned by Jun'14.

9.3 Installation and Commissioning of Solar Panel in Darbhanga House Complex and Solar Water Heater in Gandhi Nagar Hospital

Centralised solar water heating System has been installed in Gandhi Nagar Colony and roof top solar panel has been installed on Damodar Building (one of the administrative buildings) of CCL Corporate office for partial power back up on 13.02.2014. Thus we have achieved excellent rating for above activities against MOU target for excellent 15.02.2014. CCL is taking steady steps towards Solar Energy Entrapment . Schemes are under preparation to shift more load on environmental friendly Solar Power.

10. PERFORMANCE OF WEIGHBRIDGES

Sincere effort have been made to ensure 100 % weighment of coal before despatch. Thirty three Rail weighbridges were fully functional to weigh the coal despatch by rail in the year 2013-14. These thirty three Rail weighbridges also include seven stand by rail weighbridges located at Ray, Mcluskiganj, Jarangdih, RCM, Tarmi, Chainpur and N.R. sidings. Further to meet the enhanced dispatch target, 4(Four) new 100 Te Rail weighbridges at Kuju, Barka- Sayal, Amlo & Rajrappa (w) are in the process of commissioning and likely to be in operation by Dec'14. To ensure correct weighment for the satisfaction of consumers and Railways ,regular FIO testing of Rail weighbridges had been carried out in presence of officials of Weights & Measurement Deptt., Govt. of Jharkhand and Representative of Consumers. The Rail Weigh Bridge of Tori siding is awaiting permission from Railways for commercial operation. Supply order has been placed for one "In motion Rail Weigh Bridge" for Kargali Washery and supply is awaited.

At present for weighment of coal being despatched by road, there are 100 Road weighbridges, having capacity from 30 Te to 50 Te.

Most of the weighbridges which have the capacity less than 50 Te have been upgraded to 50 Te. Out of these 100 Road Weigh Bridges, 18 new 50 Te Electronic Road weighbridges have been installed in the year 2013-14 only. Further, 11 more Road Weighbridges are under process of installation. These are likely to be installed by Sep'14. And also, Supply order has been placed for additional 20 no. 60Te Electronic Road weighbridges. 50% of these will be ready for operation by Dec'14 and rest by Mar'15.

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

Weighment of 99.9% of Coal has been done before dispatch by rail and we have achieved excellent rating against MOU target of 98.5%.

11. CONSUMER SATISFACTION

The satisfaction of consumers in respect of quantity, quality and size of coal supplies is one of the prime objectives of the company. Your company has an effective Quality Management Team with well-trained officials and adequate infrastructure, like sampling arrangements, well-equipped coal analysis laboratory etc. at company head quarter as well as in all Areas of the company. In accordance with the decision of Govt. of India to switch over from Useful Heat Value (UHV) based system of grading and pricing of Non-Coking Coal to fully Variable Gross Calorific Value (GCV) based system with effect from 1st January, 2012, your company has implemented the determination of GCV through its Automatic Bomb Calorimeters, at Head Quarter Ranchi and at other Area Laboratories. Presently, 14 numbers of automatic Bomb Calorimeters are in operation for the purpose of determination of GCV. Samples collected and analysed by a Govt. agency i.e. CIMFR.

To improve the customer satisfaction, CCL has invited suggestions from the consumers in the Month of April'13 and accordingly in consultation with the consumers and their suggestions, Customer Satisfaction Performa has been designed and finalized in Nov'13.

Further effective measures have been taken for achieving better consumer satisfaction through delivery of sized coal of proper quality and quantity. In the process of collection of samples and analysis by 3rd Party, participation of consumer's representative is also there.

Dispatch covered under agreed sampling to power sector by rail was 99.32% during 2013-14 against 98.58% during 2012-13.

12. ENERGY CONSERVATION & AUDIT

Energy is the basic input for any country for keeping the wheels of its economy running. It is needless to emphasize that energy is the prime mover of development process. In the highly mechanized and the fast-moving world today, the consumption of Energy has become an important yard-stick of a country's prosperity. Oil, Coal, Natural Gas are non-renewable sources of Energy. Formation of such Energy resources takes thousands of year and considering the speed at which we are consuming the resources, we may run out of these resources in the near future. Life without energy is impossible. Therefore Energy conservation is emerging as a sector of global concern. The need of Energy conservation in our country assume greater significance because of increasing gap between demand and supply of Energy. Conservation of Energy can be achieved by bringing down the total energy consumption by minimizing and reducing the losses through Energy Audit, implementing Energy efficient technologies and application of renewable sources of Energy.

Performance/Achievement of CCMC Department

- ❖ Energy Audit & Benchmarking (Electrical & Diesel) of all Opencast & Underground Projects of CCL in collaboration with CMPDIL(14 nos. by CMPDIL & 42 nos. by CCMC) and implementation of 'Energy Audit Recommendation' for Energy Conservation in Mines.
- ❖ Checking, Calibration and Maintenance of all Diesel Dispensing Units of company with

the help of different Oil companies, like IOC, HPCL & BPCL to optimize HSD consumption.

- ❖ Compilation & Publication of Energy Audit report of 2012-13 of all underground & Opencast Projects of CCL and circulated to all concerned.
- ❖ Monitoring of 'Diesel Consumption & Record Keeping' by surprise inspection of OCPs of CCL.
- ❖ In compliance of the directive of the Board, a benchmark for "Specific Diesel Consumption (SDC)" & "Specific power consumption (SPC)" mine-wise has been drawn and monthly performance of all mines analysed.
- ❖ For the year 2013-14, approved benchmark of the company for SDC is 0.95 Ltr/Cum. Continuous monitoring resulted in achieving SDC of 0.954 Ltr/Cum.
- ❖ Specific consumption of diesel, per tone of coal produced in 2013-14, is 1.60 Ltrs/Te, whereas in previous year 2012-13, it was 1.71 Ltrs./Te. There is decrease of 6.43% in diesel consumption this year, per tonne of coal produced in comparison to last year
- ❖ Actions have been initiated to re-start the defunct CMC Laboratories at Rajrappa, Kathara & NK Areas of CCL. This will help in predictive & preventive maintenance of HEMMs to reduce downtime of the machines.

13. COMMUNICATION ARRANGEMENT & INFORMATION SYSTEM

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

In order to have on the spot Mobile communication from the farthest point of CCL command areas to CCL (HQ), Ranchi, a work order for Closed User Group (CUG) Network for mobile phone along with FCTs was placed to M/s BSNL on 19.05.2012 for 1428 connections. Primary Rate Interface (PRI) connectivity is

provided in the EPABX of CCL. The 1st phase CUG voice communication becomes operational in CCL since Aug-2012. Further subsequent work order was issued and presently we are operating on approx 3100 CUG connection across CCL. All command areas, projects, weighbridges, centralized units are covered by this CUG network. The Closed User Group facility provides free calling facility among various Operational / Managerial Executives in the entire CCL. Apart from voice communication, system provides SMS, GPRS and other facilities for the CUG users. Now this CUG become backbone of voice and data communication of CCL and communication has been improved a lot. SMS alert is being sent to CUG connections for the official e-mail received through CCL e-mail id.

B. WAN/LAN network of CCL

To have data transfer facility from all the units, Projects, Road weighbridges, Rail weighbridges and Regional stores of Areas of CCL to CCL (HQ) and Central Units located in the command areas to CCL(HQ) and vice versa, the WAN / LAN network was designed by E&T deptt. The same was tendered and the work order was placed for setting up WAN in CCL on rental basis for 5 years. The order has been placed to M/s Telecommunication Consultant India Limited, New Delhi. M/s Reliance Communication Ltd will provide bandwidth service for MPLS, VSAT and ILS. The e-Tendering from the area will be done through this WAN platform. This system is going to be installed and operational by July-2014. This will ensure online data exchange between various location of all Area Offices, Central and Regional Store, Project Offices, Central Hospital, Mine Rescue Station etc. on real time basis. The WAN point is provided in 176 locations and all WAN point of Area office will have minimum 20 points of LAN ports and all project office will have 5 Points of LAN ports. All future development of any data based network will be on the communication Network of the WAN/LAN platform. Using WAN/LAN backbone, a tender has been done for GPS/GPRS based Vehicle Tracking System and RFID with CCTV based Weighing Control and Monitoring System across CCL for safety,

efficiency and to stop pilferage. The system provides monitoring of vehicles on real time basis from all Project offices, Area office and CCL, HQ.

C. Modernization of steering control and PLC system of 1 no. of Mobile Inpit Crusher and 2 nos. of Belt Wagon of Piparwar Project

Mobile Inpit Crusher with two Belt Wagon was installed at Piparwar Mine during 1992-93. The average production of the machine is 15,000 tons per day . Since we were not getting any spares of steering, travelling, lifting and PLC control system of Inpit crusher from OEM M/s ThyssenKrupp, Germany as they had indicated that the system become obsolete and no spares are available. The steering, travelling, lifting and PLC control system is the heart of the Inpit crusher and belt wagon. The average production from the machine is gradually decreasing because of non availability of spares. To sustain production up to 15,000 tons per day by the machine, the modernization of electronic steering control & PLC system of Inpit crusher and belt wagon is very much essential. Accordingly offer was collected from the OEM and the work order was placed on 27.03.2013 at the cost of Euro 646,310 to M/s ThyssenKrupp, Resource Technology, Germany (OEM). The up-gradation work will ensure the maximum production of Inpit Crusher. The spare parts have been shipped and material has been received at Piparwar Area, installation and commissioning work will be completed by Oct-2014.

D. RFID based weighing Control and Monitoring system for Ashoka OCP

In order to check pilferage of coal on enroute from Ashoka Project to RCM siding, the RFID with CCTV Based weighing control and monitoring system was designed by E&T Dept, The same was tendered and the work order has been placed to M/s Wipro Ltd. This system will ensure both way weighments with CCTV monitoring. The weighing data will be passed on to Area Head Quarter and receiving end on real time basis. This will ensure reconciliation of number trips and

tallying of quantity of sending end and receiving end. Any difference of quantity will be recovered from the transporter. M/s Wipro Ltd. has been installed the system at Ashoka OCP during Dec-2013.

E. CCTV based Coal Dispatch Monitoring System

In order to avoid chances of any theft/pilferage of coal, the CCTV based Coal Dispatch Monitoring System is installed in 5 mines of CCL during March-2014. The mines covered by the monitoring system are Piparwar OCP, Ashoka OCP, Bachra UG, Dakra OCP & Churi UG. This system is working satisfactory.

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

As per the directives received from Ministry of coal for setting up of a monitoring system for movement of coal in the mines and from mines to the railway siding or Washeries through GPS (Global Positioning System) in all mines of CIL, a pilot project of GPS/GPRS based vehicle tracking system for departmental truck was installed and commissioned during Dec-2012 at Piparwar mine of Piparwar Area. For implementing GPS/GPRS based vehicle tracking system in all mines, the assessment work was completed during March-2013. The detailed scheme was prepared and tendering has been done for tracking of 2150 nos. (Departmental Trucks, Dumpers & Private. Tippers), RFID with CCTV based weighing control and monitoring system for 112 Road Weighbridges, computerization of 52 Project Office and control rooms in 11 Area Office for monitoring on 24x7 basis with one central control room in CCL (HQ), Ranchi. Tendering process is in final stage.

G. Online Tele monitoring system for Gases in UG at Swang UG mine of Kathara Area

It is proposed to install online Tele monitoring system at Swang UG Mine of Kathara area for the safety purpose of mine for monitoring

the gases present in the UG Mine on 24 hrs. basis for CH₄, CO and O₂. The centralized control room will be located on the Pit head of the mine with 24 hrs. manning and monitoring. The audio and video alert will be generated and flashed time to time in presence of any abnormality. The Hourly report will be taken and will be informed to manager and safety officer of the mine for taking any preventive action. This system will provide complete monitoring of gases present in the mine and its air velocity. By taking preventive action the safety of the mine will improve and any untoward incident will be completely avoided. Final NIT is under preparation by CMPDIL.

H. ACM system for UG Mine of CCL Command area

Almost all UG Mines are being provided with intrinsically safe (DGMS approved) auto-cum manual UG communication system. This system provides communication up to coal face besides the communication provided at all strategic points of Mines such as pump station, electric substation and all coal transfer points. The ACM system is interfaced with automatic EPABX which enables to have direct dialing facility from Surface to underground and vice-versa. The Emergency/Loud hauling facility available in the centralized control room provides Public address system in all phones parallelly to listen any Emergency announcement. This system helps in improving the safety and production of the mine. UG system for 3 nos. of Bhurkunda UG, Urimari UG and Saunda'D' UG of Barka Sayal Area has been supplied and installed.

I. IP compatible EPABX for CCL Command Area

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

14. SAFETY

Safety has always been one of the priority areas of CCL to provide safe and healthy environment to its workers. A meticulously planned and structured approach towards safety in mines as well as in allied operations like workshops has gone a long way to ensure the safety of men, material and machines.

Every incident ranging from "Near misses" to Fatal are thoroughly enquired into detail and its recommendations are religiously discussed at all safety forums i.e. at Unit, Area and Corporate level. Training on Risk assessment and Management of all UG and OC mines of CCL has been completed by SIMTARS trained faculties from CIL. Till 31st March 2014 Safety Management Plan of 5 UG & 18 OC mines have been prepared.

Underground Mines

One of the major causes of Fatal/ Serious accidents in underground coal mines had been fall of roof and side. Proper thrust is continuously given to the support of "Green Roof" with steel supports i.e. Steel cogs, Pit props, roof bolts, W-straps etc. The culture of "No work other than support work after blasting" has been introduced and is being monitored. The inspection of the face, equipments and their required maintenance are carried out with a well equipped team of skilled work force. Again in furtherance of the compliance of the recommendations of the safety conference, special drive is being made to make all underground mines loader less with a view to increase safety and productivity. A total of 23 nos. of SDLs and 5 nos. LHDs are deployed in U/G mines of CCL. The loaders are being engaged gainfully in some other activities. Self Contained Self Rescuer (SCSR) have been provided to all the UG mines to ensure the safe escape of persons in case of any emergency. Mechanized Roof Bolting Machines have been provided to all U/G mines to ensure timely and safe bolting of roof beds to avoid bed separation. Emergency organization plan for every underground mines with marking of escape route were formulated and displayed at the mine entrances to make all the workers aware of the same. Mock rehearsal/

drill were also done to keep the workers prepared. Sectionalisation workings of U/G Mines is in progress. Lighting of U/G mines have been improved.

5 Nos of Mechanised roof Drilling Machines have been introduced in 5 Under Ground mines of CCL and they are in operation. Thus we have achieved the Excellent Rating.

Opencast Mines

As Opencast mines contribute majority of share in the total output of the company, special thrust is being given to ensure safety and health of the employees. Training has been given with special impetus on the growing mechanization in terms of higher capacity and technology. Regular training to HEMM operators /maintenance crews for the operation and maintenance of HEMM is being imparted. A simulator is under procurement to impart better training to operators of HEMM. Different drives are being conducted throughout the year related to various activities of opencast mining e.g. haul roads, bench stability, Safe Operating Procedures (SOPs), Traffic Rule etc. As contractors participation in production is gradually increasing, proper attention is being given on their training and health. Lighting of OC mines with the introduction of high mast cluster tower has improved. Automatic Fire Detection & Suppression System (AFDSS) are being installed in HEMM to deal with any exigency arising out of eruption of fire.

Scientific Study

Scientific Study conducted in the year 2013

1. Conducting Trial blasting for obtaining deep-hole blasting permission from DGMS within 300 meter and beyond 100 meters from nearby village/ hutment/ dwellings at patch "B" & "C" of Tarmi OC of Dhori area.
2. Conducting scientific study for control blasting at Kargali OC of B&K area.
3. Conducting scientific study for control blasting at Religara & Gidi OC of Argada area.
4. Control deep-hole experimental blasting and assessment of blast induced ground vibration at KDH project NK area.
5. Non-destructive test (NDT) of excavator at NK area for 8 nos of EKG-5A.
6. Scientific study and design of embankment along diverted Benti Nallah of Piparwar OC.
7. Determination of RMR at two depillaring districts of incline no. 4,5,6 and incline no. 7,8 of Dhori Khas Underground mines.
8. NDT test of P&H – 2300 shovel at in-pit crusher at Piparwar OC.
9. NDT of two nos of P&H -1900 AL shovels and one CK – 300 at Piparwar OC.
10. Conducting scientific study for obtaining deep-hole blasting permission from DGMS within 300 meter but beyond 100 meter from the nearby villages at KDH mine of NK area.

Annual Safety Week

Annual Safety Week 2013 was observed from 06.01.2014 to 12.01.2014 in all UG & OC mines of CCL under the guidance of DGMS (SEZ Zone & Central Zone). During the week, special emphasis was laid on wide publicity of safety rules, regulation and practices. Final day function was held at Hazaribagh Area on 03rd of May 2014.

Special Safety Drives

Following Safety Drives were conducted in the mines of your company to enhance safety standard in the particular areas

1. Safety Drive on Monsoon preparation has been conducted from 06.05.2013 to 18.05.2013 in Open Cast Mines and 24.05.2013 to 30.05.2013 in Under Ground Mines.
2. Special Safety Drive for the Safety of Contractor workers has been conducted from 22.07.2013 to 02.08.2013.
3. Safety drive on VTC was conducted from 19.08.2013 to 24.08.2013.
4. Special Safety Drive for Mine working and maintenance of Statutory reports & records was conducted from 18.09.2013 to 28.09.2013 for UG Mines of CCL.
5. Special Safety Drive on use and maintenance of SCSR, Roof Bolting

Machine & Anchorage Testing was conducted from 18.09.2013 to 28.09.2013 for UG Mines of CCL.

6. Annual Mines Safety Week was observed in every UG and OC mines of CCL from 06.01.2014 to 11.01.2014.
7. Annual Safety Inspection of all the Washeries of CCL was observed from 20.01.2014 to 25.01.2014

G.V.T. CENTRES

Workers are being aware toward safety through various training programmes at 13 Group Vocational Training Centre (GVT) spreading across the company. In order to improve and refresh the skills of our manpower through Basic, Refresher & Special Training, modern training aid such as LCD projector, models, training gallery etc have been provided in Vocational Training Centers.

Performance by CCL in All India Mines Rescue Competition 2013

All India Mines Rescue Competition was organized by BCCL at Mines Rescue Station, Dhansar, Dhanbad from 22-12-2013 to 24-12-2013. Total 18 teams participated in the competition. Two teams from CCL namely 'A' & 'B' participated in the competition.

CCL Team bagged the following prizes in the competition :

- | | | |
|-------------------------------|---|-----------------|
| 1. Overall Best performance | : | 3rd CCL Team-A. |
| 2. Rescue & Recovery combined | : | 3rd CCL Team-A. |
| 3. Theory Test | : | 3rd CCL Team-A. |
| 4. Turn out & Drill | : | 3rd CCL Team-B. |

Special Emphasis on safety

To enhance Safety following special jobs have been undertaken in 2013-14 :

Sl. No.	Special Emphasis
A	7 (seven) nos of Total Stations were provided to areas to enhance the accuracy of survey plan.
B	11 (eleven) nos of Modern Theodolites and 13 (thirteen) nos of Levels were procured and distributed amongst the areas.
C	15 (fifteen) nos of Personal Dust Samplers with Electronic weighing balance were provided to areas to regularly monitor the dust concentration level at work places.
D	CIL-CIMFR R&D Project to assess the contain of free Silica in the Air-Borne dust was taken up in CCL and 100 samples kits have been sent to CIMFR, Dhanbad for assessing the same.

Accident statistics pertaining to CCL Mines for the Year 2013-14 as compared to Year 2012-13 :

Details	2013-14	2012-13
Fatal accidents	6	7
Fatalities	6	8
Serious accident	5	10
Serious injuries	5	10

Place-wise Classification of Accident :

	2013-14	2012-13
Fatal:		
Underground	0(0)	1(2)
Opencast	6(6)	6(6)
Aboveground	0(0)	0(0)
Total	6(6)	7(8)

Serious:

Underground	0(0)	2(2)
Opencast	5(5)	8(8)
Aboveground	0(0)	0(0)
Total	5(5)	10(10)

Rate of Accident :

	2013-14	2012-13
Overall		
Fatality rate per million cub. meter	0.0638	0.0825
Fatality rate per 3 lakh man shift	0.18	0.24
Serious Injury rate per million cub. meter	0.0531	0.103
Serious Injury rate per 3 lakh man shift	0.15	0.30
Under Ground		
Fatality rate per million cub. meter	0.00	2.80
Fatality rate per 3 lakh man shift	0.00	0.19
Serious Injury rate per million cub. meter	0.00	2.80
Serious Injury rate per 3 lakh man shift	0.00	0.19
Open Cast		
Fatality rate per million cub. meter	0.06	0.06
Fatality rate per 3 lakh man shift	0.26	0.26
Serious Injury rate per million cub. meter	0.05	0.08
Serious Injury rate per 3 lakh man shift	0.22	0.32

Cause wise breakup of Fatal and Serious Accident :

Cause	2013-14		2012-13	
	Fatal	Serious	Fatal	Serious
Roof /side fall	—	—	—	—
Haulage/conveyor	—	—	—	1(1)
Electricity	—	—	1(1)	—
Other Machinery/Shovel	—	—	1(1)	—
Fall of Person	1(1)	1(1)	—	5(5)
Fall of Object/Bench Slide	1(1)	1(1)	1(1)	3(3)
Dumper & Truck	4(4)	—	2(2)	—
Misc.UG/Water in rush	—	—	1(2)	—
Fall of roof	—	—	—	—
Misc. Surface/Suspension Rep.	—	3(3)	1(1)	1(1)
Total	6(6)	5(5)	7(8)	10(10)

Area-wise breakup of Accident :

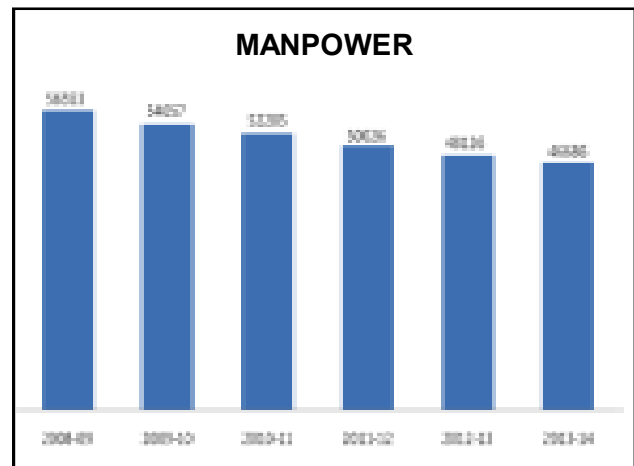
Area	2013-14		2012-13	
	Fatal	Serious	Fatal	Serious
Barka-Sayal	NIL	NIL	NIL	1(1)
Argada	NIL	1(1)	NIL	4(4)
Kuju	NIL	1(1)	1(1)	NIL
Hazaribagh	1(1)	1(1)	1(1)	NIL
B&K	1(1)	NIL	NIL	NIL
Dhori	1(1)	NIL	3(4)	NIL
Kathara	NIL	NIL	NIL	1(1)
Rajrappa	1(1)	NIL	NIL	1(1)
N.K	1(1)	2(2)	1(1)	3(3)
Piparwar	1(1)	NIL	1(1)	NIL
Rajahra	NIL	NIL	NIL	NIL
Total:	6(6)	5(5)	7(8)	10(10)

15. PERSONNEL MANAGEMENT AND INDUSTRIAL RELATIONS

The manpower strength of the company as on 31.03.2014 was 46686 as against 48126 as on 31.03.2013. The category wise break up of manpower strength as on 31.03.2014 vis-à-vis 31.03.2013 is given below :

Category	31.3.2014	31.3.2013
Executive	2765	2824
Supervisory	3173	3324
Highly Skilled/Skilled	15279	15446
Semi Skilled/Unskilled (TR)	17151	16567
Semi Skilled/Unskilled (PR)	3613	5284
Ministerial Staff	4120	4231
Others	585	450
Total	46686	48126

Hence during the year 2013-2014 the overall reduction in manpower was to the tune of 1440, while the number of employees in the Company came down by 2774 during the year under reference, 1334 employees were added to the existing manpower.



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

REDUCTION :

Manpower reduction under the head	No. of Employees (31.03.14)
Retirement/Superannuation	2082
VRS (GHS)	25
Death	434
Termination/Dismissal	44
Resignation	09
Inter Company Transfer	123
Medically Unfit	35
Others	22
Total Reduction	2774

ADDITION :

Manpower Addition under the head	No. of Employees (31.03.14)
Appointment under 9.3.0	510
Appointment under 9.4.0	14
Appointment under Dependent of deceased Executives	01
Appointment under Land loser's scheme	546
Inter Company Transfer	105
Reinstatement	29
Fresh Recruitment	129
Award Case	00
Others	00
Total	1334

At the beginning of the year 2013-2014, 852 cases relating to labour and industrial disputes were pending before different courts, authorities and industrial tribunals. While 147 cases of labour and industrial disputes were added, 81 cases were disposed off during the year. Thus 918 cases in total remained pending on 31.03.2014.

The Industrial Relations scenario was peaceful and harmonious throughout the year (2013-2014) due to sincere effort and approach by the IR Department in handling and resolving the workmen's disputes and grievances. There were regular bipartite meetings held with the representatives of different trade unions at unit, area and corporate level. Industrial Relation Machinery (IRM) consisting of JCSC at Company level, ACC at Area level and UCC at Unit level have sorted out major collective bargaining issues through discussions and this has created a lot of goodwill amongst the workers.

With a view to maintaining harmonious industrial relation as well as to serve the society as a responsible corporate citizen, the Company has issued a total of 524 cases of compassionate appointments under Para 9.3.0/9.4.0 and 546 cases of appointment under Land Loser's Scheme to dependents during 2013-2014. During this period; 3942 no. of employees were benefited by way of promotion/selection to the higher posts and 1482 nos. of surplus Piece Rated employees were converted in Time Rated category. Apart from this, 27 nos. of employees were selected to the post of Mining Sirdar.

In summary, the manpower profile of the Company have been accessible to poor and marginalized section of the society. During the year 2013-14, 1543 number of vacancies for both the Statutory and Non-statutory posts were advertised for outside recruitment for every section of society and process is going on for their recruitment.

Details is as under :

Statutory and Other Posts

Sl. No.	Name of Post	UR	Reserved for OBC (NCL)	SC	ST	Back log of OBC	Back log of SC	Back log of ST	Total
1	Jr. Overman	143	34	34	73	07	03	08	302
2	Mining Sirdar	189	44	44	96	Nil	20	45	438
3	Overseer (Civil)	05	01	01	02	Nil	Nil	Nil	09
4	Dy.Surveyor (Mining)	11	02	02	05	Nil	04	10	34
5	Asst.Foreman (Elect.)	126	30	30	65	Nil	Nil	Nil	251
6	E.P.Electrician (Excv.)/ Technician	39	08	08	19	Nil	Nil	Nil	74
7	Electrician (Non Excv.)/ Technician	161	38	38	82	Nil	Nil	Nil	319

Para Medical Posts

Sl. No.	Name of Post	UR	OBC (NCL)	SC	ST	Total	Out of which		Backlog of		Total including backlog
							Ex SM	PH	Ex SM	PH	
1.	Staff Nurse	8	2	2	4	16	1	Nil	01-SC 02-ST 01-OBC (OH) (OL)	01-UR 02-ST (OH) (OL)	23
2.	Technician (Radiographer) (Trainee)	8	1	1	3	13	1	Nil	Nil	Nil	13
3.	Pharmacist (Trainee)	25	6	6	13	50	5	2 (OH) (OL/BL)	Nil	Nil	50
4.	Technician (Pathological) (Trainee)	13	2	2	5	22	2	1 (OH) (OL/BL) (HH)	Nil	Nil	22
5.	Physiotherapist (Trainee)	3	Nil	Nil	1	4	Nil	Nil	Nil	Nil	4
6.	Technician (Dietician) (Trainee)	1	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	1
7.	Technician (Audiometry) (Trainee)	1	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	1
8.	Technician (Refraction/Optomtry) (Trainee)	1	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	1
9.	Technician (Dental) (Trainee)	1	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	1

16. HUMAN RESOURCE DEVELOPMENT

The training/workshop/seminars attended by different segments in different institute in 2013-14 are as under :

	Training		Wrokshop/Seminar/ Conference	
	Executives	Non Executives	Executives	Non Executives
In Company				
MTC	366	176	461	119
BTTI	—	580	—	—
CETI	—	152	—	—
STI	—	87	—	—
IOMH	—	56	—	—
Group VTCs	—	7046	—	—
Sub Total	366	8097	461	119
External				
(Out of Company CCL/CIL)	215	18	114	1
IICM (Ranchi)	314	—	27	—
Grand Total	895	8115	602	120

Achievements during 2013-14

1. Befitting with the aim to connect to society at large as well as to cater for the future need of the industry, 236 students from various Mining Institution completed their PDPT/VT course during the year.
2. 722 students from different institutions/ colleges doing Engineering / MBA/BBA/ MCA/BCA were provided on the job practical training.
3. With a view to create a pool of specialist group of project managers: 78 Nos. executives attended Certificate Course of Project Management training and 12 executives attended the Contract Management Training.
4. While taking another drive by CCL to create an elite pool of risk managers, HRD, CCL has trained 12 executives on Certification

Course of Enterprise Risk Management this year.

5. To create a supply chain of talents for the organization as well as to facilitate employability of its extended stakeholders of project affected people and others in its command area, CCL is going to start the first academic session of ITI in engineering stream at BTTI, Bhurkunda by the month of August, 2014.
6. With the advent of modern tool of Risk Analysis, your company took initiatives to train the executives in the field on Risk Management and assist in creating Safety Management Plans of all the mines. HRD in coordination of safety department almost completed the second phase of reviewing as well as fine tuning the safety management plan by 234 executives in the respective area/unit.
7. In an effort to give a proper orientation about the process, people and places of work in CCL to ensure smooth transition of new recruits from campus life to corporate and coalfields, HRD, has started full fledged orientation course from the last year. Complemented by two/three field visits, HRD, CCL has given orientation to 56 nos. of management /technical entrants of different disciplines by exposing them to multifarious processes we follow in coal excavation as well as sales, logistics, beneficiation etc.
8. Following the same cue of giving orientation to new recruits a three days consolidated CCL appraisal cum induction has been organized by HRD, CCL for one group of chief managers who have come to CCL with promotion from different subsidiaries. Two field visits of underground and opencast have been organized to let these executives have a feel of the people, process and the place of working in CCL.
9. In an effort to give specialized training in land acquisition, environment and forest

management, this year HRD, CCL has trained 29 executives on the line of MOU mandated coursework of the same.

10. In a view to facilitate the personality and leadership components in the best of breed in CCL, a precursor of succession planning, this year CCL has organized a programme in the name of "Art of Operating from Core to become Extremely Effective" for a batch of 19 senior management.
11. In another role of facilitator of upcoming implementation of wide area network, an integrated framework of data and information sharing across the industry, RFID enabled transport cum logistic of coal, as well as laying out the path for new BSC (Balance Score Card) based PMS for executive evaluation in the organization HRD, CCL organised a big numbers of training for different layers of user, process owners etc or the new technology (WAN/OITDS/RFID) and management framework (PRIDE). One exclusive programme dedicated to new LC (Letter of Credit) module developed by SBI has been organised to create the awareness and pretext of introduction of this new tool of import financing in the organization.
12. In an effort to disseminate the knowledge over the rank and file of the organization earned through different external training resources, HRD initiate from this year a mandatory presentation and dissertation either in HRD Dept. or Area Training Offices on the subject covered and lesson learned after participation in any resourceful external training. It creates a true platform in the organization to explore and exploit every bit of knowledge for further lay out of a knowledge management framework in near future.

17. WELFARE & COMMUNITY DEVELOPMENT

Central Coalfields Limited adopts a multi-disciplinary approach for welfare incorporating

health, family welfare, education, drinking water and sanitation, while utilizing the Welfare Funds, more emphasis is laid on the projects for providing Clean Drinking Water, Health & Medical Care and Education.

Main thrust area

The activities undertaken under thrust areas are as under :

Development of Infrastructural Facilities

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

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

Health Care and Family Welfare

CCL has 19 Nos. of Hospitals and 63 nos. of Dispensary having strength of 892 nos. of bed with the availability of 233 nos. of doctors. Company owns 111 nos. of ambulances. Medical cards are issued not only to the existing employees but also retiring employees. Medical/Health Camps on Family Planning, Immunization, and AIDS awareness, Pulse Polio, Eye, Blood Donation, Pre and Post-natal Care, Homeopathic Medicine etc. are being organized at regular interval for health awareness and benefits of employees and villages of Coal field vicinity.

Medical treatment is also being provided to the Contractual workers free of cost at par with our own employees. Super Specialty

Clinic in Cardiology is being regularly conducted on monthly basis at Gandhi Nagar Hospital. Visiting Cardiologist from Max Hospital, New Delhi and Yashoda Hospital, Hyderabad are conducting above clinic on rotation basis. Hridaya Suraksha Abhiyan Project for treating Cardiac Muscle damage in Heart Attack by thrombolytic therapy has been started at Central Hospital Naisarai, Dhorri & Dakra. CSR Hospital at Ranchi (Jan Arogya Kendra) for Below Poverty Line and Project Affected People has been started in January 2013. Up-gradation of Dhorri and Dakra Regional Hospital to Central Hospital is in final stage.

Education

Specific emphasis is being given by CCL for providing quality educational facilities to the wards of its employees. There are number of schools running on 10+2 CBSE pattern in the vicinity of CCL.

- **Schools** : One no. of Kendriya Vidyalaya, 14 nos. of DAV Public Schools and 43 nos. of Privately Managed Schools are getting financial assistance as well as infrastructural support to schools.

Schools	2013-14 (₹ in crore)
DAV	17.57
Kendriya Vidyalaya	1.57
Privately Managed Schools	1.58

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

CIL Scholarship

Scholarship under the Central Coalfield Employees Benevolent Fund Society (CCEBFS) Scheme

Scholarship	2013-14	
	(₹ in Lakh)	No. of Beneficiaries
CIL Scholarship (From Class Vth onwards)	12.82	795
CCEBF Scholarship (From Class Xth onwards)	In process	

- **Tuition Fee reimbursement** : CCL awards scholarships to meritorious students pursuing full-time courses in Engineering/Medical to nurture and support talent among the deserving students belonging to families of non executive under NCWA IX.

2013-14	
No. of Beneficiaries	19
Amount in ₹	6,51,372

Promotion of Sports and Culture

- To promote the sports in rural areas and to encourage the talented youths , CCL is organizing Rural Football in all the command areas of CCL.
- Coaching Camps/ Tournaments for different games are organized on regular basis for young and budding talents of Jharkhand .
- CCL conducts different sports activities for its employees and the selected sportspersons are encouraged to participate at higher level.

- (d) To develop sports in Jharkhand, CCL is providing continuous financial and technical aid to different Sports Organization such as Jharkhand Olympic Association, Jharkhand Volleyball Association, Hockey Jharkhand etc.
- (e) CCL is supporting Differently Abled Sports Organization to conduct its sports activities.
- (f) CCL successfully organized 2013-14 CIL Intercompany Hockey Tournament at Barka Sayal Area

Canteen

At present, there are 56 nos. of canteen are functioning in different command areas of CCL. One no. of Canteen at Kathara, One no. of Canteen at Dhori and One no. of Canteen at HQ are air-conditioned for convenience of the employees.

Field Visits

A Welfare Inspection Team consisting of the members of CCL welfare board was constituted who visited all areas of CCL and inspected the ongoing welfare activities in the areas. It gives impetus to ongoing welfare activities in different areas.

Kaya Kalp Yojna

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

Bitiya Samman Varsh

Year 2013-14 had been observed as 'Bitiya Samman Varsh'. In continuation of that Ms. Rakhi Tirkey "Young wrestler", Ms. Began Soy "Young Hockey Player" of Ranchi and Female Sports persons had been felicitated. Rs. One Lakh has been given to Ms. Pinki Toppo for nursing training.

18. CORPORATE SOCIAL RESPONSIBILITY

Achievement of CSR activities against the MOU target for 2013-14

Sl. No.	Evaluation Criteria	Target for Excellent Rating	Achievement of MOU for the year 2013-14
1(i)	The degree of involvement of the employees and the top management in internalizing the CSR and sustainability agenda with the organization.		
(a)	Seminars/workshops to be organized organized	2 Nos.	3 Nos. (26.08.13 to 27.08.13) (28th February and 1st March, 2014) (28th March, 2014)
(b)	The presence of top management/ executives in such seminar/workshop	15 Nos.	42 Nos.
(c)	The total numbers of employees covered through such initiatives	20 Nos.	234 Nos.
1(ii)	Impact of such involvement on products/services/ processes and reduction in Carbon Footprint.		
(a)	Fitting of timer in colony street lights	2 colonies	Completed in 2 colonies at Piparwar
(b)	Base line study on carbon foot print	2 (unit)	Work completed at Piparwar & Ashoka OCP by CIMFR, Dhanbad. Final report submitted
2	The efforts made and the success achieved in the engagement of key stake holders through adoption of a good corporate communication strategy.		
	The numbers of meetings with Gram Sabha	5 Nos.	5 Nos./03.09.13 at Badhu, Ranchi, 30.11.13 at Rajrappa, 21.12.13 at Argada, 03.01.14 at B&K & 10.02.2014 at Simartoli
3	The adoption of sustainability reporting and disclosure procedures and practices.		
(a)	Publication of annual report on CSR and sustainability for 2012-13	Feb'14	Work order given to CMPDIL; work completed; Report submitted by CMPDIL
(b)	Frequently updated display of information in this regard on the company web site	Quarterly	Update upto 4th quarter done
4	The degree of success in implementing the CSR and sustainability projects they undertake during the year.		
(a)	Rain water harvesting	4 Nos.	Works completed 2 Nos. - Piparwar 2 Nos. - Kathara
(b)	Financial support for one backward district for skill development and infrastructure development for the benefit of the marginalized & underprivileged section of the society.	Jan'14	Financial support to 78 dropout students of Piparwar of Chatra District already provided.
5	The expenditure incurred on CSR and Sustainability activity (vis-à-vis the annual budgetary allocation @1% of PAT of 2012-13)	>75%	26.94 Cr. (1% PAT - 18.85 Cr.) Achievement - 143%
6	The effectiveness of the two tier organizational culture in the process of planning, implementing and monitoring the CSR activities.		
(a)	The existence of the two tier organizational structure with mandatory membership of an independent director on the Board level committee	To be formed	Exist
(b)	The frequency of meeting held by the Board level committee	4 Nos.	4 Nos. held on 05.07.13, 19.11.13, 28.01.2014 and 19.02.2014
(c)	The frequency of meeting held by the below Board level committee	4 Nos.	4 Nos. held on 19.08.13, 30.09.13, 10.01.2014 and 14.02.2014



Highlights of CSR Works during the year 2013-14

- **Education** – CCL has spent an amount of 792.15 lakh for the following activities

CCL – Ke Lal

Twenty two (22) meritorious students from different command areas are selected for getting the following facilities:

- ❖ Admission in Class-XI at DAV, Gandhinagar School, Ranchi
- ❖ Free coaching for getting admission in reputed technical institutions of the country.
- ❖ Free Boarding & Lodging facility at Ranchi.

Infrastructural support to 75 Nos rural schools by constructing and repairing school buildings and giving other supports.

- **Drinking water** – Providing potable drinking water to the villagers is one of the major CSR activities. During this fiscal year the following works have been done

- ❖ Installation of Hand pumps – 615 nos.
- ❖ Construction of wells – 38nos.
- ❖ Deep borings & Submersible pumps – 124 nos.

- **Road Infrastructure** – Construction/Repair of 35.84Kms.of rural roads have been done during the year 2013-14.



- ❖ **Culverts** – 17 culverts have been constructed in the fiscal.
- **Community Centers** – 53 Community Centers/ Mandaps have been constructed in the peripheral villages of the command areas during the year 2013-14 .
- **Yatri Shed** – During the year 2013-14, 20 yatri sheds have also been constructed.



- **Social Empowerment/Skill Development** – Skill development is the priority area of CCL CSR activities. During the year 2013-14 the following activities have been done:

Training to the villagers ICAR Centre – 50 villagers of Pattagain, Bukru and Semar toli of Kanke block Ranchi have been trained at ICAR centre, Palandu on advance agriculture techniques, drip irrigation system etc.

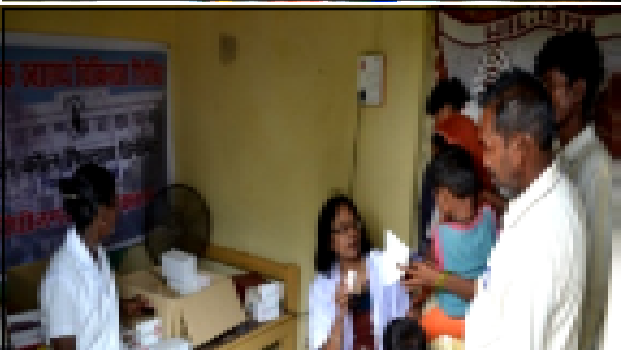
Computer Training – 20 women have been imparted training on computer application at Barka Sayal area for making them self sufficient for gainful employment.

Tailoring and Embroidery Training – 39 women of CWS Barkakana and Piparwar areas have been given training on tailoring and embroidery works for earning their livelihood.

- ❖ Apart from the above 44 nos of rural youth have been imparted training on motor driving.

- **Health** – Value added medical service to the needy people has always been given top priority subject matter of CSR activities of the company. During the year the following works have been done:

- ❖ **Operation Jyoti** – During the year 2013-14, 11 mega eye camps have been organized at different places of the company where 1295 patients were screened out of which 722 patients have been operated IOL successfully and were also been provided spectacles and post operative services free of cost.



- ❖ **Health Camps** – 105 health/health awareness camps have been organized at different areas rendering

services to an universe of 4825 beneficiaries.

- **Woman Empowerment**

- ❖ **Adoption Of Blind Girl Child** – Support of ₹ 1,98,000/- has been provided to 11 nos. girl students of Brajkishore Netrahin Balika Vidyalaya adopted for their skill development.
- ❖ Pinky Toppo, an inmate of Woman Remand Home, Ranchi has been Supported with an amount ₹ 1.00 Lakh for nursing training.



- **Sports and Culture** – During the year the following activities were undertaken :

- ❖ **Village Football** – CCL has started organizing Inter Village Football Tournament in its command areas in 2013-14 where around 300 village football teams are participating in the tournaments being organised at different command areas. Out of these tournaments 30 talented footballers will be selected by state level selectors and CCL will send them to football academy of national level for better coaching so that they can be spotted showing their talent in

national and international arena. 29 matches have been played and the tournament is ongoing.

- ❖ **Development of Play Grounds – 5** playgrounds have been developed in different areas.



● **Sustainable Development**

Sustainability Report – CCL has prepared the Sustainability Report 2012-13 of the company in association with CMPDI Ranchi, which reflects the total business activities of the company.

Carbon footprint – Baseline study on carbon footprint at Piparwar and Ashoka projects of the company has been done in association with Central Institute of Mining and Fuel Research (CIMFR), Dhanbad. The report reveals that the performance of Green House Gas (GHG) emission per tonne of coal production has improved year on year. The per Kg CO₂ equivalent per tonne of coal production has reduced gradually in the last two years and there is

a performance improvement of about 5%-9% from the level of previous years.

Timer fitting in street lights – For saving energy in planned manner, timers have been fitted in the street lights of two colonies of Piparwar area during the fiscal.

Environment – Conserving environment is the focus area of sustainable development. Accordingly, the following major activities have been done during the year:

Digging Ponds – 33 ponds have been dug in different villages in and around the command areas of the company.

Construction of Check dams – For retaining the water and for better recharging of ground water, 7 check dams have been constructed at different places during the year.

Rainwater Harvesting – For ground water conservation, 4 rainwater harvesting units, 2 at Piparwar and 2 at Kathara have been installed during the year 2013-14.



Sectorwise CSR Expenditure during the year

Sl. No.	Activity	Exp. in ₹ Lakh 2013-14 (upto 31.03.2014)
1.	Education	365.86
2.	Water Supply	821.78
3.	Health	24.03
4.	Environment	179.76
5.	Social Empowerment	43.15
6.	Solar Light	—
7.	Sports	45.81
8.	Infrastructure	1140.01
9.	Others	73.74
Total		2694.14

19. SAMADHAN SCHEME

A Grievance cell has been established on 27/4/12 for redressal of grievances for employees, contractors and consumers of CCL. The complainants lodge their grievance either in writing or over toll free no 1800-345-6501 or verbally being present in the office himself. The complaints are registered in a register having a serial no. and the receipt of the complaint is given to them indicating the probable date keeping in view the nature for redressal of their grievances. Attempt is made to inform the respective HODs over phone regarding receipt of the complaint. Subsequently, a letter is written annexing the complaint to the respective HODs requesting them to redress the same within a time mentioned therein. On non-receipt of reply the HODs are reminded over phone as well as in writing. The reply received from the HOD's is examined and if found satisfactory, the complainants are informed over their mobile phone and reply is also given. In case if reply not being found satisfactory, case is again sent to HOD for review and if reply received is still the same, then the case is referred to the Standing Committee for re-examination. After re-examining the case, Standing Committee submits its recommendation to GM, Samadhan Cell and GM Samadhan, after due recommendation, sends the proposal for deliberation in FD's.

The nature of complaints being received in the Samadhan Cell are as follows:

1. Grievance of CCL employees- regarding non-payment of their gratuity, CMPF, and other retirement benefits.
2. Grievance of CCL employees- with regards to anomaly in their pay.
3. Grievance of CCL employees- with regards to re-fixation of their increment, seniority and promotion.
4. Grievance of CCL employees- with regards to repair and maintenance of CCL quarters.
5. Grievance of Contractors, Consumers against respective departments, where they have under taken any contractual job or are consumers for Coal.
6. Grievance of Dependents- demanding compassionate appointment after death of father/ mother.
7. Grievance of local People with regards to their employment and rehabilitation after acquisition of the land.
8. Grievance of CCL employees- for non-payment of medical reimbursement Bill.
9. On receipt of family dispute emerging on compassionate appointment between employee and his mother/ brother/ sister and so on.
10. Any other compliance and grievance / complaints brought to the notice of this cell.

Achievement

During the financial year 2013-14, 344 grievances have been received out of which 294 cases have been disposed off and 50 are under process. Overall achievement is 85.46%.

Long pending cases received at Samadhan Cell of 21yrs. and other old cases are under consideration for finalization.

20. CAPITAL EXPENDITURE ON SOCIAL OVERHEAD ASSETS TILL 31.03.2014

Till 31.03.2014, the cumulative amount spent by your Company towards social overhead assets is ₹ 406.33 Crore, details of which are tabulated below :

(₹ in Cr.)			
Sl. No.	Particulars	2013-14	2012-13
(i)	Building	312.18	298.79
(ii)	Plant & Machinery	50.17	52.82
(iii)	Furniture & Fittings	17.36	16.65
(iv)	Vehicles	7.69	7.75
(v)	Developments	18.93	18.41
Total		406.33	394.42

21. FINANCIAL PERFORMANCE

(₹ in Cr.)

The financial results of your Company during 2013-14 as compared to 2012-13, are as under :

(₹ in Cr.)

Sl. No.	Particulars	2013-14	2012-13
(i)	Gross profit before Depreciation and Interest	2775.28	2901.19
(ii)	Depreciation	254.10	235.21
(iii)	Interest	6.58	6.09
(iv)	Net profit before prior period adjustment	2514.60	2659.89
(v)	Adjustment pertaining to Prior period (Cr.)	(11.27)	(23.67)
(vi)	Net profit after prior period adjustment	2525.87	2683.56
(vii)	Extraordinary Items	—	—
(viii)	Profit before Tax	2525.87	2683.56
(ix)	Provision for Income Tax	841.05	897.45
(x)	Income tax for earlier year	—	(22.64)
(xi)	Provision for Deferred Tax (Cr)	13.06	(76.86)
(xii)	Net Profit after tax	1671.76	1885.61

The Board of Directors of your Company has paid an Interim Dividend of ₹ 573 Cr. (Previous year – 695 Cr.) and recommended a final dividend of ₹ 430.05 Cr. (Previous Year- ₹ 436.37 Cr.). Total dividend in 2013-14 is ₹ 1003.05 Cr. (dividend per equity share is ₹ 1067.07, including interim dividend on 94,00,000 equity shares of 1000.00 each – previous year ₹ 1203.58).

22. CAPITAL EXPENDITURE

The capital expenditure during the year 2013-14 is ₹ 657.18 Cr. compared to ₹ 397.42 Cr. in the previous year. The head-wise details of capital expenditure during the year 2013 - 14, are detailed below :

Sl.No.	Heads of expenditure	2013-14	2012-13
(i)	Land	47.57	17.00
(ii)	Building	6.45	11.54
(iii)	Plant & Machinery	403.87	114.74
(iv)	Furniture & Fittings	6.54	3.63
(v)	Railway Siding	0.55	0.00
(vi)	Vehicles	0.64	1.14
(vii)	Prospecting & Boring	0.00	0.00
(viii)	Other Developments	6.45	5.31
(ix)	Capital work in progress	185.11	244.06*
TOTAL		657.18	397.42

*Capital work in progress (including long term capital advance) for the year 2012-13 is gross amount before adjustment of refund of ₹ 104.29 Crore by M/s RITES for construction of balance work of Piparwar Railway Siding.

Your company has achieved the Excellent Rating for the activity “Reduction in cost of production in real terms” by reducing the cost by 8.11% in real terms.

23. CONTRIBUTION TO EXCHEQUER

The contribution to the State/Central Exchequer during the year 2013-14 vis-à-vis 2012-13 is detailed below :

(₹ in Cr.)

Sl. No.	Particulars	2013-14	2012-13
i)	Royalty on Coal	945.68	916.56
ii)	Sales Tax / VAT	322.25	273.05
iii)	Stowing Excise Duty	46.61	52.13
iv)	Income Tax	849.31	764.27
v)	Dividend Tax	171.54	241.18
vi)	Service Tax	32.40	20.67
vii)	Clean Energy Cess	258.82	259.91
viii)	Central Excise on Coal	496.11	547.08
TOTAL		3122.72	3074.85

24. CAPITAL STRUCTURE

During the year under report, the Authorised Share Capital and the Paid-up Share Capital of your Company remained unchanged viz. ₹ 1100.00 Cr. and ₹ 940.00 Cr. respectively. The net worth of the Company as on 31 March 2014 is ₹ 4502.95 Cr. compared to ₹ 4008.08 Cr. as on 31 March 2013.

25. LOAN

During the year, your Company has made repayment of entire loan of IBRD and JBIC to the tune of ₹ 44.33 Crore and ₹ 42.57 Crore respectively. Moreover, repayment amount has increased by ₹ 9.22 Crore due to unfavourable foreign exchange rate fluctuation.

26. STATUS OF PROJECT IMPLEMENTATION

Till 31.3.2014, a total number of 62 mining projects with ultimate capacity of 115.86 MTY and 26 Non-mining projects of each costing ₹ 2.00 Crore and above, were sanctioned by different competent authorities. Out of these projects, 51 projects (31 mining & 20 non-mining) have already been completed. The remaining 31 mining ongoing projects having an aggregate ultimate capacity of 87.54 million tonnes per annum at a sanctioned capital cost of ₹ 5718.21 Crore and six non-mining Projects at a sanctioned capital cost of ₹ 113.42 Crore, (including DRD AAP) are at various stages of implementation. Besides above, six numbers of projects Approval/ "In Principle Approval" (First stage approval) have been obtained for different projects having ultimate capacity of 75.15 MTY (Peak).

Category wise details are tabulated below :

Projects	Total No. of Projects (Incl. Compl. Proj.)	Capital Outlay (₹ Cr.)	Ultimate Capacity (MTY)(Coal)
ABOVE ₹ 150 CRORE			
MINING	13	5208.78	73.46
NON-MINING	0	0.00	—
₹ 50 Cr. TO ₹ 150 Cr.			
MINING	11	910.53	22.66
NON-MINING	3	290.75	—
₹ 20 Cr. TO ₹ 50 Cr.			
MINING	6	204.32	4.55
NON-MINING	1	48.78	—
₹ 2 Cr. TO ₹ 20 Cr.			
MINING	32	460.92	15.19
NON-MINING	22	160.22	—
MINING	62	6784.55	115.86
NON-MINING	26	499.75	—
GRAND TOTAL	88	7284.30	115.86

Details of 51 completed projects are as under:

Projects	Number			Sanc. Capital (₹ Cr.)			Ultimate Capacity (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above ₹ 150 Cr.	2	0	2	479.00	0.00	479.00	6.25
Between ₹ 150 Cr to ₹ 50 Cr.	4	3	7	344.23	291.75	635.98	7.75
Between ₹ 50 Cr to ₹ 20 Cr.	4	0	4	122.00	0.00	122.00	2.75
Between ₹ 20 Cr to ₹ 2 Cr.	21	17	38	325.76	114.06	439.82	11.57
Sub-Total	31	20	51	1270.99	405.81	1676.80	28.32

Implementation status of 37 ongoing projects costing ₹ 2 Cr. and above :

Projects	Number			Sanc. Capital (₹ Cr.)			Ultimate Capacity (MTY) (Coal)
	Min.	Non-Min.	Total	Min.	Non-Min.	Total	
Above ₹ 150 Cr.	11	—	11	4729.78	—	4729.78	67.21
Between ₹ 50 Cr to ₹ 150 Cr.	8	—	8	770.95	—	770.95	14.91
Between ₹ 20 Cr to ₹ 50 Cr.	2	1	3	82.32	48.78	131.10	1.80
Between ₹ 2 Cr to ₹ 20 Cr.	10	5	15	135.16	64.64	199.80	3.62
Sub-Total	31	6	37	5718.21	113.42	5831.63	87.54

(Fig. in MT)

Out of 21 delayed projects (mining) two are yet to start, namely Hurilong UG & Pisri UG remaining 19 projects are delayed due to:

- (a) Land Acquisition and possession including forest land : 10
 (b) Adverse Geo-Mining Condition : 4
 (c) Change/Finalisation of Technology & others : 5

Projects commissioned/approved/in principle approved during the XII Plan Period (2012-13)

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

Sl. No.	Name of Project	Capacity (in MTY)	Approval from CCL/ CIL Board	Govt.'s Approval/ Present Status
1.	RCE Kathara OCP	1.9	Approved in the 390th Meeting of Board of Directors of CCL held on 01.10.2012	Under Implementation
2.	Sayal D OC	1.0	Approved by CCL Board on 10.10.2013	Under Implementation
3.	Mahendra OC	4.0/5.4	Approved from CCL Board in April'13	EC, FC under progress
4.	Pachra Integrated OC	15.0/20.0	Approved from CCL Board in April'13	EC, FC under progress
5.	Karo Expansion OC	11.0/15.0	Approved from CCL Board in May'13	FC under progress
6.	Ashok OC	22.0/30.0	Approved Variant II from CCL Board in Nov'13 and recommended for financial appraisal	EC, FC under progress
7.	Ara OC	2.5/3.4	Approved Variant II from CCL Board in Nov'13	EC, FC under progress
8.	Jeewandhara OC	1.0/1.35	Approved Variant II from CCL Board in Nov'13	Proposal for acquisition of non-forest land under formulation
Total		58.4/75.15		

Urimari Expansion OCP (2.0 MTY) has been completed successfully and its completion report has been approved from Company's Board in its meeting held on 01.08.2013.

Your Company's production level in 2014-15 is expected to be as follows:

GROUP	2013-14 (Actual)	BE (2014-15)
Existing Mines & Completed Projects	19.72	16.70
On Going Projects	30.30	38.30
New Projects/Future Projects	—	—
TOTAL	50.02	55.00

Work order for Enterprise Risk Management has been issued centrally by CIL on 19.02.2014.

MoU Target vis-à-vis Achievement for the Year 2013-14

Sl. No.	Parameter	Unit	Weight in %	MoU Target for Excellent Rating	Achievement from Apr'13-Mar'14	MoU Rating
(i)	Approval of Project Report	Mt	1	15.0	44 MTY – Approval/In principle approval received for Pachra OC (15 MTY), Mahendra OC (4 MTY) and Ashoka (22 MTY) & Sayal 'D' OC (1 MTY)	Excellent
(ii)	Commissioning/ Completion of on-going projects – Urimari OC (2.0 MTY)	Month	1	Jan'14	Completed 01.08.13	Excellent
(iii)	Preparation of Master Control Network of new projects costing more than 100 Cr. or producing more than 2 MT per annum	No.	1	Oct'13	Completed 28.10.13	Excellent
Other Major Activities/Milestones						
(i)	NIT for outsourcing of OB Removal for 4 yrs of Amrapali OC	Month	0.5	Jan'14	Completed 25.04.13	Excellent
(ii)	Award of work for outsourcing of 90 lakh Cum of Overburden for 1 year for Ashoka OCP	Month	0.5	Oct'13	Completed 16.07.13	Excellent
(iii)	Selection & Finalisation of rehabilitation site for Purnadih OC	Month	0.5	Oct'13	Completed 26.04.13	Excellent
(iv)	Supply order of 2 No. dumpers (60 Te) of Tapin OC	Month	0.5	Sep'13	Completed 14.08.13	Excellent
(v)	Supply order of 2 No. dumpers (60 Te) of Karma OC	Month	0.5	Sep'13	Completed 05.07.13	Excellent
(vi)	Roadway Preparation for marching of Continuous Miner Package at Churi UG Mine	Month	0.5	Dec'13	Completed Dec'13	Excellent
(vii)	NIT for construction of approach road at North Urimari OC	Month	0.5	Dec'13	Completed 20.12.13	Excellent
(viii)	Supply Order of 2 Nos. of 28 KL Water Sprinkler	Month	0.5	Jan'14	Completed 16.12.13	Excellent

27. ENVIRONMENT MANAGEMENT

A. Environment Management

1. No. of Projects for which Environmental Clearance Received : 02

1. Tetariakhar OCP (2.0/2.5 MTPA)
2. Kathara OCP-(0.96/ 1.90 MTPA)

Environment Clearance Recommended by EAC (Final EC awaited from MoEF)

1. Piparwar OCP (12.5/15.5 MTPA)
2. Govindpur OCP (1.5/2.0 MTPA)
3. Argada UG (0.085/0.097 MTPA)
4. Sirka OC (1.0/ 1.15MTPA)
5. Sirka UG (0.40 /0.46 MTPA)

2. No. of Projects for which Form-I has been submitted to MoEF : 05

1. Kedla UG (0.18/0.22 MTPA)
2. Kedla OC (1.00/1.35 MTPA)
3. Tapin South Expansion OCP(2.0 /2.5 MTPA)
4. Topa Expansion OCP (5.25/7.00 MTPA)
5. Govindpur Ph-II (1.5/2.0 MTPA)

3. No. of Projects for which ToR approved by MoEF : 03

1. Kedla UG (0.18/0.22 MTPA)
2. Kedla OC (1.00/1.35 MTPA)
3. Selected Dhori Group Of Mines (8.25/ 11.00 MTPA)

ToR Recommended by EAC (Final ToR awaited from MoEF)

1. Tapin South Expansion OCP (2.0 /2.5 MTPA)

4. No. of Projects for which EMP has been prepared : 07

1. Govindpur OCP (1.5/2.0 MTPA)
2. Govindpur OCP (2.2/2.7 MTPA)
3. Urimari UGP (0.36/0.41 MTPA)
4. Argada UG (0.085/0.097 MTPA)
5. Sirka OC (1.0/ 1.15MTPA)
6. Sirka UG (0.40 /0.46 MTPA)
7. Piparwar Mangerdaha UGP (1.38/ 1.587 MTPA)

5. No. of Projects for which Public hearing has been held : 07

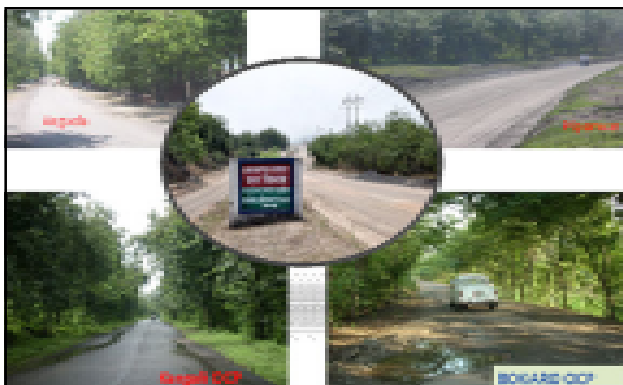
1. Argada UG (0.085/0.097 MTPA)
2. Sirka OC (1.0/ 1.15MTPA)
3. Sirka UG (0.40 /0.46 MTPA)
4. Sayal D UG (0.32/0.37 MTPA)
5. Saunda UG (0.09/0.10 MTPA)
6. Central Saunda UG (0.48/0.56 MTPA)
7. Pichri OCP (1.2 MTPA)

B. Afforestation

During 2013-14, 1,57,262 saplings were planted over 61.50 Ha of land and 8.78 km of avenue plantation. The expenditure incurred was 1.08 Crores. The plantation has been done through State Forest Department.

Plantation on Reclaimed Land





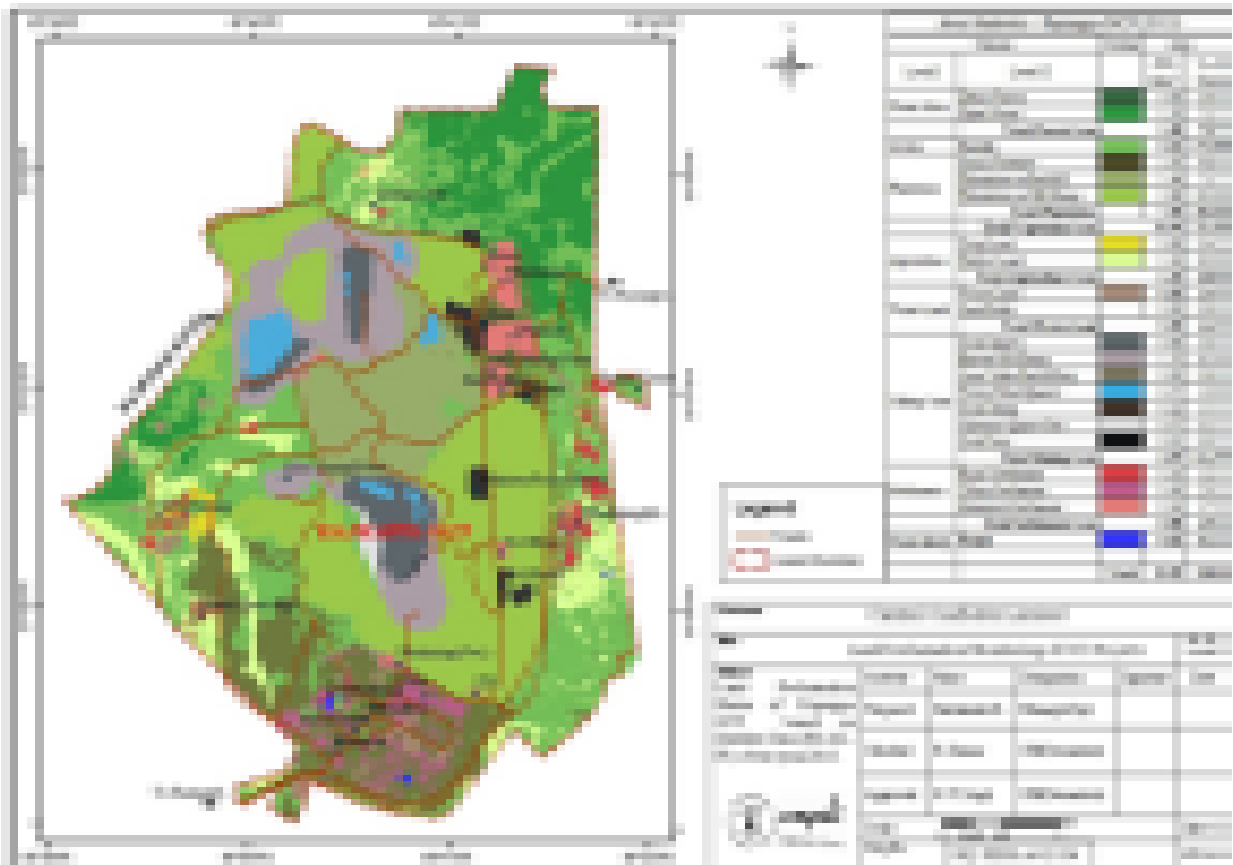
mining areas for sedimentation of fines as well for improvement of aquatic life.

- (vi) Indian School of Mines has been awarded the work for integrated farming in the Month of Feb'14.
- (vii) **Remote Sensing Survey for analysis of land use improvement in opencast mines.**

C. Other Environment Related Activities

- (i) Regular air, water and noise monitoring of all the mines is done by CMPDIL on quarterly basis for the full year. A total of about 2240 samples have been analyzed.
- (ii) Status of land reclamation of opencast mines is monitored by CMPDI.
- (iii) The Company has undertaken filling of abandoned mine voids in B&K and Rajrappa areas by fly ash from BTPS, CTPS, DLF, HINDALCO etc.
- (iv) The closed water recirculation system has stopped the effluent discharge from the washeries. Besides this, arrangements of water sprinkling in coal transfer points, good housekeeping and plantation etc is being done in the washeries for overall improvement.
- (v) Development of water bodies / lagoons in

The opencast mines are being monitored for land reclamation by Remote Sensing techniques through CMPDI on annual basis. The mines like Piparwar OCP, Ashoka OCP, Parej East OCP, KDH and Rajrappa OCP are being monitored every year. Out of the total mine leasehold area of 48.47 Km² of the 5 large OC projects Viz. Ashoka, Piparwar, KD Hesalong, Parej East and Rajrappa considered for monitoring during year 2013-14; total excavated area is only 26.08Km² (53.81%) of which 15.68 Km² area (60.12%) has been planted, 5.43 Km² area (20.82%) has been backfilled and 4.97 Km² area (19.06%) is under active mining. It is seen from the analysis that 80.94% areas of the OC projects have already been reclaimed and balance 19.06% area is under active mining. On comparing the status of land reclamation carried out in year 2013 with respect to year 2012 in different projects, it is seen that area of



land reclamation has increased from 20.63 Km² (Yr. 2012) to 21.11 Km² (Yr. 2013). Area of biological reclamation (plantation) has reached 15.68 Km² as a result of measures taken by your company, towards environment protection.

11 OC projects producing less than 5 million m³. (Coal + OB together) were taken up during the year 2013 for land reclamation monitoring; these are Ara , Bhurkunda, Pichri, Pindra, Sirka, Dhori, Bokaro, Kargali, Rajhara, Religera and Sarubera. Study reveals that 70.17% of excavated area has already been reclaimed by CCL in the OC projects covered in this year, out of which 41.41% area has been planted and 28.76% area are backfilled.

D. Forest Land Clearances

1. Forestry Clearance (Stage – II)

1. Khasmahal Ph-II OCP (26.94 Ha.) vide letter No: F.N0: 8-37/2003-FC(Vol.-I) dated: 06.06.2013
2. Asoka Ph-II OCP (92.26 Ha) vide letter No: F.N0: 8-07/2003-FC dated: 07.02.2014

2. Forestry Clearance (Stage – I)

1. Asoka Ph-II OCP (92.26 Ha) vide letter No: F.N0: 8-07/2003-FC dated: 29.07.2013
2. Khasmahal UGP (14.99 Ha) vide letter No: 5-JHC 200/2011-BHU, dated 16.09.2013

3. Clearance under FRA'2006

1. Tarmi OCP
2. New Kargali Washery

3. Dhori East

4. Purnadih

4. NOC Issued

1. Sayal D Projects (14.95 Ha)

5. Site hand over letter issued by Govt. of Jharkhand

1. Konar OCP
2. Khas Mahal OCP

6. Forest land physically handed over to CCL : 1073.36 Ha

- (i) Amrapali OCP – 531.64 Ha
- (ii) North Urimari OCP – 226.52 Ha
- (iii) Konar OCP – 288.26 Ha
- (iv) Khashmahal OCP – 26.94 Ha

E. Training

Organised 2 nos. of Training/Workshop for area level executives on different issues of Environment Management, L&R, Acts, Rules & Policy.

F. Awards/Prizes

The award of Best Environment friendly Project given to Piparwar OCP in the World CSR Congress held at Mumbai on 19.02.2014.

28. LAND ACQUISITION STATUS

Under CBA (A&D) Act 1957

During the year 2013-14, further progress has been made in the following proposals for acquisition of land under the above act.

Sl. No.	Name of the Project	Area in acres	Acquisition
1.	Ramgarh Block – II Sub Block – J (Rajrappa Area)	1040.00	Section – 11 (1)
2.	Koed Manatu (Sanghmitra) Magadh Amrapali Area	3061.96	Section – 9 (1)
3.	Magadh & Amrapali (Masilong) for Sub Station Magadh & Amrapali	16.25	Section – 9 (1)
4.	KDH Extension OCP N. K. Area	390.95	Section – 7 (1) & Section – 9 (1)
5.	Ara Re-Organization Kuju Area	441.49	Section – 7 (1)
6.	Pindra Open Cast Kuju Area	195.11	Section – 7 (1)
7.	Pachra & Pachra OCP Magadh & Amrapali Area	3331.50	Section – 4 (1)
8.	Topa Re-Organization OCP	204.33	Section – 4 (1)
9.	Kuju OCP	189.99	Section – 4 (1)

1404.50 hectares of land was acquired under section - 9(1) against MOU target for 2013-14 of 1240.00 Hectares and 495.56 hectares of land possessed against the target of 96 hectares of land resulting in achievement of excellent rating.

Payment of Compensation

During the year under reference, for land and other interest acquired earlier under the provision of CBA (A&D) Act, 1957 compensation amounting to ₹ 161.66 lakh have been disbursed. 10 numbers of payment camps were held in different Areas for payment of compensation.

During the year an amount of ₹ 998.34 lakh has been sanctioned by the competent authorities for payment of compensation of land

and other interest to Registrar General, Jharkhand High Court for LA Case involving land for Murpa village Area 54.59 acres of land in Kuju Area.

₹ 3762 lakh have been sanctioned by competent authority for compensation amount under land, houses & trees. ₹ 828 lakhs has also been sanctioned for rehabilitation and resettlement benefits including lump sum payment to project affected persons in KDH, Piparwar, Purandih, Religara Projects.

Employment

During the year 2013-14, 612 fresh employments have been sanctioned to land losers or their nominees in different Areas/units enabling the Company to take 1224.00 acre of land in physical possession.

Rehabilitation & Re-settlement

During the year 2013-14, 223 families were rehabilitated in different Projects.

29. RAILWAY SIDING

In your company there are 26 (Twenty Six) no. of sidings under operation, having total daily loading capacity of 4220 (FWW).

New Sidings under Construction

(A) Piparwar Siding

The Piparwar Siding taking off from Mc-Cluskieganj Railway Station of East Central Railway, is under construction.

Status of Construction of Piparwar Siding

M/s RITES Ltd. was entrusted with the job of completing the balance work of Piparwar railway Siding, at an awarded cost of

₹ 90.61 Crores – on deposit term basis. At present, out of 30.5 Km total length, the formation work in nearly 28.00 Km length and track linking in nearly 20 Km length have been completed. The work is in progress by M/s. RITES. On the request of M/s RITES, provisional time extension has been granted upto June 2014, for completion of the work.

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

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

The forestry clearance proposal of this new BG rail line project (revised length 93.45 kms.) under execution by EC railway, Patna was previously rejected by MoEF on 31.08.2010.

Tori-Shivpur

Stage-I forestry clearance was granted by MoEF in April 2011. Thereafter, stage – II forestry clearance for the modified alignment of Tori – Shivpur section only was granted by MoEF on 19.06.2013. Earth work is in progress (approx 8 lakh Cum done) for the formation work in non forest patches. Tree cutting/felling work is in progress in forest patches.

Ten (10) no. tenders for Earth work & minor bridges (upto Km 28.00) have been awarded at a cost of ₹ 370.66 crore. 4 (Four) tenders (2 for major bridges and 2 for Earth work and minor bridges are in

tendering stage). Railways has informed that approx. cost of these tenders are ₹ 820 Crore (approx). An amount of ₹ 668.1912 Crore has been deposited with railways for construction of this work. An upto date expenditure of ₹ 136 Crores has been incurred by Railways. Expected date of completion for Tori-Shivpur Section is 2016-17.

Shivpur-Kathotia (Revised alignment of Shivpur-Hazaribagh)

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

After completion of Final Location Survey (FLS) of the proposed alignment for Shivpur –Kathotia section the Detail Project Report (DPR) has been submitted by Railways to your Company. The identification of Land has been completed. The Application for obtaining Stage –I Forestry Clearance for this section is to be filed by Railways now.

CIL Board in its 302nd meeting held in December 2013 has accorded its approval of the Revised Cost Estimate of this Rail line project amounting to a cost of 3214.887 crores for Construction of Tori- Shivpur-Kathotia new BG Rail line Project.

MoU 2013-14 Para-meters

Survey/Finalisation of Route alignment survey of Magadh Railway Siding taking off from Bakura Station of Tori-Shivpur line.

MoU target date for this work was Dec2013 for excellent rating. The same was achieved

in December 2013 and Detailed Project Report (DPR) has been submitted.

departmental as well as outsourcing means.

30. GEOLOGICAL SERVICES

A. Drilling

Against the target of 66000 meters total 85135 meters of drilling has been done during the financial year of 2013-14, achieving a productivity level of more than 1418.91 meters per drill per month with 5 operating drills from 2 base drilling camps Topa and Lapanga. This includes the drilling of blast holes for mining services, large diameter boreholes for dewatering & tube wells for potable water and non-coring boreholes for exploration purposes.

B. Project Documentations and Related works

(I) On Geology

During the year 2013-14 the following activities have been completed. Majority of them being related to production support mining services and for future mining activities :

1. Interaction with GM (Exploration), RI-III in respect of Location Plans of the running blocks where exploration is being taken up in the CIL blocks of CCL Command area through departmental as well as outsourcing means, Geological information in the MPR and pendency of coal cores.
2. Monitoring of Geological Exploration to be carried out in CCL Command area by RI-III, CMPDI, Ranchi through

3. Compilation of coal reserves in CCL command area as on 01.04.13. A total of 42.712 B.T. of coal reserves is in CCL command area. Total coal inventory in India as on 01.04.13 is 298.914 B.T.

Outsourcing Proposals

1. Geological study of Scheme for Outsourcing OBR and Coal of Pichri Block, Dhori Area.
2. Geological study of Scheme for Outsourcing OBR and Coal of Dhori (E) Block, Dhori Area.
3. Geological study of Scheme for Outsourcing OBR of Kathara OCP, Kathara Area.
4. Geological study of Scheme for Outsourcing OBR of Tetariakhar OCP, Rajhara Area.
5. Geological study of Scheme for Outsourcing OBR of Rajhara OCP, Rajhara Area.
6. Geological study of Scheme for Outsourcing OBR and Coal of Urimari, Barka Sayal Area.
7. Geological study of Scheme for Outsourcing OBR of Urimari II, Barka Sayal Area.
8. Geological study of Scheme for Outsourcing OBR and Coal of Balkudra, Barka Sayal Area.

9. Geological study of Scheme for Outsourcing OBR and Coal of Jarangdih OCP (Expansion), Kathara Area.
 10. Geological study of Scheme for Outsourcing OBR and Coal of Amlo OCP (Expansion), Dhori Area.
 11. Geological study of Scheme for Outsourcing OBR at Ashoka OCP, Piparwar Area.
 12. Geological study of Scheme for Outsourcing for OBR at Konar OCP, B&K Area.
 13. Geological study of Scheme for Outsourcing for OBR at Amrapali OCP, Amrapali Area.
 14. Geological study of Scheme for Outsourcing for OBR & Coal at Magadh Amrapali Area.
 15. Geological study of Scheme for Outsourcing for OBR & Coal at Giridih, JB Patch, B&K Area.
 16. Geological study of Scheme for Outsourcing for OBR at Piparwar OCP, Piparwar Area.
 17. Geological study of Scheme for Outsourcing for OBR & Coal at Rajrappa, Rajrappa Area.
- Scanning & Digitization of the Working Plans of CCL Command Area**
1. Scanning of eight nos. of Revenue Plans of N.K. Area.
 2. Scanning of one no. of DVC of Planning Department.
 3. Scanning and printing of proposed Railway Siding Plans for Ashoka O/C : 6 nos. of Planning Department.
 4. Scanning and printing of DVC Bermo O/C mine : 1 no.
 5. Scanning and printing of plans of Rajrappa Area :
 - Dam plan : 2 nos.
 - Opencast plan : 2 nos.
 6. Scanning and Digitisation of Revenue plan of Sayal D.
 7. Scanning and printing of Working plan of Birsa project.
 8. Scanning of Revenue plans of L & R Department :
 - Village map of Mayapur.
 - Village map of Badam.
 - Village map of Bukbuka, Churi.
 - Village map of Hendegir.
 - Village map of South Chordhara.
 - Village map of Karkata.
 - Village map of Hendegir Extension.
 - Village map of Tumang, Karkata West.
 - Site Map of NKCF.

9. Scanning and Digitisation of
 - Rajrappa OC Project
 - Rajrappa Revenue Plan
10. Scanning & Printing of surface plan of Birsa Project in 1 : 2000 Scale.
11. Scanning & Printing of Revenue Plan of Topa & Kuju OC Project (8 Copies each) of L & R Department.
12. Scanning & Printing of Revenue Plan of KDH Extn. (1 copy) L&R Department.
13. Scanning of Revenue Plan of L & R Department
 - Swang Extn.
 - Swang Extn.2.
 - Saram Block 'B'.
 - Hazari Block.
 - Kathara OB Dump.
 - Karkatta West, Tumang.
 - Mahli Bandh.
 - Mahli Bandh-2.
 - Quarry & Road map of Kathara.
 - Govindpur Project
14. Scanning works of Sawang Colliery.
 - Surface Plan.
 - Working Plan A – B incl.
15. Scanning of Swang Area : 7 Plans.
16. Scanning of Charhi Area : 3 Plans.
17. Scanning of Barka Sayal Area : 9 Plans.
18. Print out of Surface plan of Barka Sayal Area.
19. Digitization of Working plan of "J" Seam section II Argada Colliery.
20. Digitization of Working plan of "J" Seam and "N" seam of Argada Colliery.
21. Scanning and Scaling of Dhori Surface Plan of L&R Department, CCL.
22. Digitization of Working plan of Argada "N" Seam and "M" Seam and "K" Seam of Argada Colliery.
23. Scanning of CCL Command Area Plan of L&R Department, CCL.
24. Digitization of Working plan of "K" Seam of Argada Colliery.
25. Digitization of Surface plan of Argada Colliery.
26. Digitization of Revenue plan of Argada Colliery.

- 27. Digitization of Surface plan of Argada Colliery.
- 28. Digitization of Revenue plan of Argada Colliery.
- 29. Scanning of village map of Rajrappa Colliery, L&R Department.

(ii) On Captive Mine Blocks

- 1. A total of 48 blocks in CCL command Area has been allocated by MoC to private/govt. parties for using coal in their captive use.
- 2. Replies given to the queries to various authorities on captive mine blocks.

(iii) Others

Finalization of exploration programme of CMPDI in CIL blocks through departmental as well as outsourcing means during 2014-15.

C . Hydrogeology

A total of 60 nos. deep tube well boreholes have been drilled for meeting the requirement of potable water in different Areas of CCL.

D. Specialised services and computerization work

The Geology Department has completed two major projects funded by CIL R&D on GIS based Interactive Geo-mining model of SKCF and WBCF in collaboration with IIT Kharagpur, BIT Mesra, CMPDI, MECL, and Jadavpur University. Final report incorporates the findings of all results from

different agencies.

The department maintains all the basic data including borehole and map data, processed outputs and documents.

Application softwares like Minex, Autocad Map and SQL-Server are being used for processing of basic data, geological modeling and various other applications.

E. Coal Reserves

The geological reserves as compiled & computed by Geological Survey of India as on 01/04/2013 in Proved, Indicated and Inferred categories together within the CCL Command Area amount to 42.712 billion tonnes (up to a depth of 1200 mtrs.). The details of coal reserves are as under :

(Fig. in billion tonnes)

Type of Coal	Proved	Indicated	Inferred	Total
Coking	7.906	8.943	1.660	18.509
Non-coking	13.045	7.982	3.176	24.203
Total	20.951	16.925	4.836	42.712

31. COMPUTERISATION & IT ENABLED SERVICES

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

1. Office Automation

To expand the base of office automation throughout our company, a large number of PCs along with office suits have been procured and installed at HQ, Areas and Project offices, which exceeds 2100 in

number. These PCs will also work as client/ node of CoalNet server over upcoming WAN.

2. Online Recruitment System

Online Recruitment Software is a platform via which the Recruitment Department of CCL can advertise vacancy online and the candidates will be able to view and apply for the vacant post of non executive cadre online.

3. Online Consumer Complaint System

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

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

Work order for WAN (Wide Area Network) connecting HQ, Areas, Projects, Stores, Central Workshop, Central Hospitals, Weigh Bridges (Road & Rail) and CCL sales office at Kolkata has already been placed. Installation and commissioning of WAN is under process and likely to be completed by July 2014. Once the WAN is implemented, the same would enhance the automation of data flow and ensure Networking. This in turn would facilitate

important business processes like Sales & Marketing, Financial Accounting, Online Coal billing/ Exercises Invoicing at Weigh Bridges and integrated OMMS (Online Material Management System) etc of the Company. It will also support installation and implementation of ERP package being planned at CIL level.

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

The main objectives of this project is

- To monitor all the vehicles related to production, dispatch and sales in different collieries in the command area of CCL.
- To generate various MIS reports related to production, dispatch and sale.
- To prevent theft/pilferage of coal.
- Improving driver/operator productivity and dispatch activities. Tendering of the said project is being done and likely to be installed & commissioned for NK & Piparwar area by September 2014 and rest of areas by February 2015.

32. SECURITY MANAGEMENT

- The Security Department of your company keeps close liaison/touch with District police/ State Administration for maintaining law & order in the command Area's of CCL as well as to prevent incidents of theft/pilferage of Coal/ illegal mining & other clandestine activities in and around the coal fields of CCL. The security department has provided a safe working environment and safety & security in its various coal mines, offices and residential areas of CCL to help the coal production & dispatch of Coal and easily achieved the targets for the year 2013-14 & also fulfill mission of Coal India Limited.

2. Surprise raids are regularly conducted at different command areas of CCL during the year 2013-14, seized illegal coal loaded trucks & FIR lodged in different Police Station at Ramgarh District.
3. 1025 DGR sponsored security guards, 1030 JSHGs, & 1800 CCL Security guards & 1315 CISF personnel were deployed in different command areas of CCL during the year 2013-14 to maintain law & order and to curb the pilferage/theft of coal/illegal mining and other clandestine activities in and around the CCL fields areas.
4. Security Training Institute, (STI), Gandhi Nagar, Ranchi has prepared a comprehensive action plan for providing quality training to CCL Security guards within reasonable parameters to improve their skills and discharge their duties smoothly. During the financial year 2013-14 approx, 400 guards were trained.
5. In order to provide for greater emphasis on security as also to give a new look to the traditional system, new Identity Cards have been issued to around 2000 employees at CCL, these plastic cards are compatible to RFIDs, which will be instituted in the near future. The company is in the process of providing such I-Cards to all its employees in CCL.
6. The year 2013-14 has seen a lot of improvement in the security department. The department has successfully mapped and provided assistance in preparation of a comprehensive report on illegal Mining in association with ISM, Dhanbad and prepared suggestive measures to counter the same.
7. The CISF deployed at four areas of CCL

(B&K, Kargali/Dhori/N.K & Piparwar Area) have aided smooth coal production and security upkeep at its various check points. They have been provided with latest equipment including Dog squad & Bullet Proof Vehicle, arms and ammunitions towards maintaining a high morale & confidence of employees and swift security force.

33. RAJBHASHA IMPLEMENTATION

During the year under report, the Company made special drive for promotion of Hindi in official work in Headquarters and Areas. Workshops have also been organized at Headquarters and Areas so as to train more employees to carry out their official work in Hindi.

September 2013 was celebrated as "Rajbhasha Month". During this month, Essay and Elocution competitions, noting and drafting competition for employees in two groups – one for Hindi speaking and the other for non-Hindi speaking were organized and the winners were suitably rewarded. For promoting participation, 206 participants were given token prizes

Hindi Implementation Committee meetings were held quarterly to monitor the progress of the Hindi Implementation Programme at the Headquarters Level and Area level. UNICODE programme/software is installed in all the Computers so that the employees can take maximum benefit from this software. Meetings of "NARAKAS" were organized twice under the Chairmanship of CMD, CCL.

Award for best performance for Hindi Implementation was given to CCL by Rastrabhasha Swabhiman Nyas- (USM Ptriba), New Delhi. Individual prizes were also awarded

to CMD, CCL and Director (Personnel) from different reputed organisations.

34. ACTIVITIES AND ACHIEVEMENTS OF VIGILANCE DEPARTMENT

The Vigilance Department is an integral organ of the Company, manned by 19 executives and 23 non-executives and headed by a Chief Vigilance Officer. This department has been rendering its services effectively in creating a conducive environment for achievement of organizational goals and objectives. A brief overview of important activities and achievements of the Vigilance Department on preventive, investigation and punitive fronts during the year 2013-14 is given below :

1. Investigation

During the year 2013-14, 10 new Regular Investigation (RI) cases were taken up and action in respect of 12 RI cases was completed after carrying out exhaustive investigation. Besides above, 536 complaints, received by this department were scrutinized and suitable action was initiated during this fiscal.

2. Punitive Actions

11 disciplinary proceedings arising out of Vigilance investigations were fully completed during this year resulting in imposition of major penalty to 23 persons and minor penalty to 05 persons.

In addition to above, 05 disciplinary proceedings arising out of Vigilance investigations were partly completed during this fiscal resulting in imposition of major penalty to 13 persons and minor penalty to 04 persons.

3. Preventive

- During the year 2013-14, 24 nos. of Surprise Inspections were conducted by the Vigilance teams in various units of CCL leading to institution of 03 cases of Regular Investigation and 20 Periodic Vigilance Inspection were carried out leading to institution of 02 cases of Regular Investigation.
- During the year 2013-14, 59 Annual Property Return of Executives of CCL have been scrutinized wherein Warning have been issued against 13 executives and Minor Penalty Proceedings has been initiated against one (1) executives.
- On the basis of irregularities observed in the prevailing system during the course of investigations and Surprise checks conducted by CCL Vigilance in this fiscal, following measures were recommended to the competent authority for system improvements:
 - (i) Rotation of the executives/ non executives of Company from sensitive to non-sensitive posts who are continuing in the sensitive posts for more than 3 years (five years in case of PO/Manager of the Project) has been continuously monitored by Vigilance Department. 78 officers, in CCL HQ as well as Areas were identified who were occupying sensitive posts for a period beyond three/five years. Out of 78, action in respect of all executives, except one has been completed. Four twenty three (423) non-executives had been identified who were occupying sensitive posts for more than

specified period. Out of 423 non-executives, 317 have been transferred out till November 2013. All balance employees are to be transferred in phased manner. This matter is being actively pursued by CCL, Vigilance. This is also being discussed regularly in structured meeting of CEO/CMD with CVO.

- (ii) In course of several Vigilance investigations, it has been observed that the rates of procurement of identical store item were varying in different Regional Stores of CCL and also items which were available in one Regional Store was purchased by the other Areas of the Company. In this connection it was suggested to inter connect all Regional Stores and Central Stores of CCL through WAN to enable any executives to see the stock position and LPP of the items of other Areas while finalizing the purchase proposal.

On recommendation & follow-up of vigilance department, a Wide Area Network (WAN) is being set up which online status of inventory of all Stores including moving, non-moving and critical items can be seen. Besides this, online billing at weighbridges and other sale points will also be more transparent, uniformity in maintenance of production, dispatch and stock records shall be made available on daily basis at various levels and it will also be helpful in eliminating the area wise variations in the system of pay roll

maintenance with manpower data consistency.

All Areas, Stores, Projects, Rail & Road Weigh Bridges etc. are being connected and ready for any ERP (SAP) implementation. Work order for setting up of WAN in CCL on rental basis for five years has already been placed. Final installation/ commissioning of WAN is likely to be completed by June 2014. The following modules of Coal Net shall be implemented in first phase - S&M (Road) and S&M (Rail) Module, MMS (stores) Module, Payroll Module, Financial Information Systems (FIS) Module. In second phase, PIS (Personal Information System) Module and Production Module shall be implemented. Progress is being meticulously followed up by the Vigilance department.

- (iii) During verification of a complaint regarding generation of disputed amount with various power houses it was observed that receipt of stone and other foreign material admixed with coal was also one of the reasons for such disputes and it was also observed that due to grade slippage, deduction from coal bills was being made. In this regard competent authority has been advised to take appropriate steps as deemed fit to improve the system/ operations in maintaining quality of coal.
- (iv) During course of scrutiny of information/data relating to refund of EMD uploaded by certain departments of CCL on the website

of CCL, following deficiencies were observed :

of number of complaints in this regard.

- (a) Date of finalization/ cancellation of tender in respect of few tenders were not mentioned in the defined column.
- (b) One department had not uploaded information regarding refund EMD but information regarding pending EMD for the month of October in respect of tender notified by the department has been uploaded without mentioning date of cancellation. Corrective action was taken on recommendation of this department.

To streamline payments and refund of EMD e-payment has been introduced and fully implemented in CCL, HQ & all Areas of CCL w.e.f 2010. Approximately 97% payment has been made through e-payment mode in HQ as well as all Areas of CCL. As bill payment status is available in the website, this is being monitored on a real time basis. Besides the bill payment status is being uploaded on the website on monthly basis in a standard format by all areas/HQ since September 2012. The EMD/SD status is also being uploaded on monthly basis in a standard format by all areas/HQ since December 2012. This has ensured greater transparency and has resulted in a reduction

- (v) In course of Vigilance investigation related with tender for award of contract for setting of Coal Washery on Built-Operate-Maintenance (BOM) concept certain issues was observed. Lack of clarity in NIT on the matter of consideration of experience in the case of joint venture party or parties participating through consortium route leaves scope of manipulation. It is also observed that due to lack of clarity in NIT on the matter of who would finally be held as qualified bidder and reference bidder on the basis of quoted Minimum Guaranteed Yield (MGY) against received coal ash percentage, subject tender proceeded with clarification after clarification resulting into finally arriving at an L1 party who had quoted the minimum dry yield percent in the original bid. The issues were brought into the notice of competent authority of CCL to avoid such type of imbroglia in future tenders with advice to consult CMPDI also, who was the technical consultant in the subject tender.
- (vi) In course of a Vigilance investigation related with civil work carried out under CSR scheme, it was observed that a tender had to be cancelled at Dhori Area when in the course of enquiry it was revealed that school in which work was to be carried out was predominantly a private school. In view of this competent authority has been suggested that in cases where fund is provided by CCL to NGOs

- under CSR schemes for development work etc. adequate care and caution should be exercised while verifying the antecedents of such organizations purportedly being run by NGOs.
- (vii) In course of a Vigilance investigation related with Diesel Dispensing Unit at Birsa Project it is observed that consumption of diesel not found in confirmative with the guidelines issued in this regard. Short comings like non-maintenance of calibration certificate and decantation records, difference in reading of flow meter vis-à-vis dip reading, non analysis of consumption of diesel in HEMM etc has been observed. This has been brought to the notice of competent authority for appropriate action as deemed fit to check the possibility of such short coming at other projects of CCL.
- (viii) During the course of verification of a complaint related to off-take of rejects from Kedla Washery of CCL, it was revealed that M/s DPCL, operating its plant besides Gidi & Rajrappa Washeries had been allowed by FDs to lift rejects from Kedla Washery apart from Gidi and Rajrappa Washeries so as to have the desired GCV of rejects by blending. But it was observed that M/s DCPL has lifted more quantity of rejects compared to the specified one from Kedla Washery, stopping lifting from Gidi Washery. It was also observed that M/s DPCL was being supplied reject at very old price whereas price of reject at present has substantially increased after price revisions. The above issue has been brought to the notice of competent authority for appropriate action as deemed fit.
- (ix) During the course of vigilance investigation on procurement of Rescue Tools against supply order dated 22.03.2007 issued in favor of M/s Lucas Hydraulic GmbH, Germany it was observed that (1) provision of pre-despatch inspection was not incorporated in the order, (2) supply items were issued only on gate pass without observing prescribed formalities and (3) due to lack in proper up-keep of BGs submitted by the firm BG submitted M/s Lucas Hydraulic GmbH could not be encashed when needed. Remedial measures on proper up-keep of BGs and acceptance, inspection and issuance of consignment has been brought out to the notice of competent authority for consideration and appropriate action as deemed fit.
- (x) During the course of verification of a complaint related to alleged irregularities in out sourcing contracts awarded to M/s HSCL at different project of CCL following procedural lapses in execution has been observed :
- ❖ Performance security of the bidder and signing of agreement is not performed in true spirit of NIT before execution of work.
 - ❖ Capacity and numbers of equipments were not commensurate with the NIT or

award of work. Also equipments are allowed to operate without verification of registration and other statutory documents.

- ❖ Some persons engaged in the work were not employees of HSCL.
- ❖ NIT has no provision to screen and debar contactors on the basis of their poor performance in past.
- ❖ Matter of imposing / settlement of penalty against failure of the contractor in achieving monthly target has not been properly dealt in Tapin South Project of Hazaribagh Area.

Presence of such lapses in execution of other similar contract in CCL may not be ruled out, hence competent authority has been appraised to initiated appropriate immediate action, as deemed fit in time bound manner under intimation to this office.

- (xi) In course of a Vigilance investigation related to functioning of Road Sale Center at Swang Washery, it has been observed that relevant clause of Road Sale Guideline related to deployment of Loading Inspector at loading point and detention of truck at Sale Centers has not been followed strictly. Laxity in compliance of above guideline at other Sale Centers has also been observed at different instances. Hence, matter has been brought to the knowledge of competent authority

for needful remedial action as deemed fit.

- (xii) In course of Vigilance verification of a complaint related to alleged irregularities of allowing lifting of coal after expiry of validity of Sale order it is observed that there is possibility of manipulation in current system of computerized print out generation after weighment of coal. Keeping the process tamperproof is essential for entire road sale system. Hence competent authority has been requested for implementing ways to ensure tamper proof system.
- (xiii) During the course of an Intensive Technical Examination conducted in matter of rate contract executed for supply of hydraulic pumps for different HEMMs (other than BEML) certain shortcomings were observed as below :
 - (a) Existence of parallel system of Depot Agreement and rate contract with some firms is creating complication and inviting serious criticism and complaints from OEMs/OPM (Depot Agreement Holder).
 - (b) Status of one of the rate contract holder was not clearly deliberated. The firm represented itself as an authorized dealer of M/s TEREX UK, marketing their parts whereas documents revealed that they were only authorized to participate in the instant tender on behalf of M/s. TEREX UK.

- (c) Participating firms are not furnishing last order copies/ rates placed on them.
- (d) Proper data base of performance of critical items are not readily available with the technical department.

In view of above following has been suggested to concerned department for appropriate action.

- (a) Items not of proprietary nature which are regularly being taken for procurements through rate contracts with other agencies may be excluded from the list of Depot Agreement as far as practicable in line with clause 2.3a(v) and HEMM purchase policy circulated in this regard, so that the OEM/OPM firms may also participate with competitive rates and wider participation may be achieved.
- (b) Suitable NIT clauses referring Indian Agents involving foreign principals may be use for commercial evaluation of the firm coming under such category.
- (c) For rate justification firms may be asked to furnish copies of orders last placed on them by any Govt./ Semi Govt./ PSU/ State Govt. companies.
- (d) Proper data base records against critical / costly spares may be maintained at the technical department.

(xiv) During course of Intensive Technical Examination conducted in a rate contract exercise concluded for supply of carbon brush and holders, it is observed that no consolidated reports either at Area or at HQ. are available for scrutiny of JVAT credit realization done in the contract. As a result a small number of realizations occurred as surfaced from whatever report made available from concerned department. Hence, it has been suggested to the concerned department that proper audit and examination in the case may be conducted and system in vogue may be suitably rectified for effective compliance of the cases like this.

(xv) During the course of verification of certain complaints in the matter of allotment of coal to e-auction consumers vis-à-vis FSA consumers it is observed that under prevailing system of allotment 10% of offered coal from each sale center is allotted for e-auction and remaining 90% to FSA consumers without analyzing the premium received over notified price in e-auction at particular sale center, whereas NCDP has envisaged a limit of 10% for e-auction of the entire offered quantity of coal of the company. In view of above a suitable mechanism for allotment of coal to FSA and e-auction consumers may be brought into place so that coal for e-auction may be allotted from sale centers fetching higher premium and coal from less premium fetching centers may be offered to FSA consumers. The

matter has been brought to the notice of competent authority for consideration and appropriate action as deemed fit.

- (xvi) In course of Vigilance investigation it was revealed that in purchase of hydraulic excavators during the period 2008-09 to 2012-13 M/s L&T emerged as only technically compliant and proven machine supplier as per the technical specifications stipulated in the NIT which revealed lack of competition. Competent Authority has been appraised with the situation for appropriate action as deemed fit.

4. Observance of Vigilance Awareness week

In pursuance of directive of Central Vigilance Commission, **Vigilance Awareness Week** was observed with much fervor and enthusiasm in all units, Areas and Headquarters of CCL from 28th October'2013 to 2nd November'2013. The observance of Vigilance Awareness Week started with taking of pledge by all the employees. In the Head Quarters, the pledge was administered by the CMD, CCL.

The observance of Vigilance Awareness Week in the different Areas of CCL also commenced with the pledge taken by the employees on 28th October 2013 at 11.00 AM. The pledge was administered by the senior-most officer of the Unit. Banners and posters containing thought-provoking slogans were displayed at conspicuous places in all the units/offices.

A Nukkad Natak on Evils of Corruption-Aab Aur Nahi. was staged by the employees of

Piparwar & NK Areas of CCL at Darbhanga house, Ranchi which highlighted the evil outcome of corruption.

The theme of this year's Vigilance Awareness Week was "**Promoting Good Governance-Positive contribution of vigilance**". On this occasion CVO, CCL released a message for the employees of CCL in which special thrust was given on "**Promoting Good Governance**".

To inculcate the importance of good values and ethics in the minds of school children, one Essay competition on the topic "**Corruption is the enemy of development and of good governance**" was also organized in all the schools, being funded/ helped by CCL at Area level. A Slogan Competition was also organized in the Areas of CCL. Apart from above, talks on anticorruption/ vigilance related topics were also organized in different areas/ projects of CCL for creating awareness amongst the employees of the company.

CCL Vigilance organized three workshops/ seminars during Vigilance Awareness Week and highlights of above workshops/ seminars are noted below :

- Two workshops on topic "**Common Irregularities in Civil & Purchase contracts**" were organized at Piparwar and Rajrappa Areas of CCL on the occasion of observance of Vigilance Awareness Week on 29.10.13 & 2.11.13. The workshops were attended by around 100 executives of Piparwar & NK Areas and 60 executives of Rajrappa & CRS, Barkakana.

- On 30.10.13 in the forenoon session, one talk on "**Promoting Good Governance - Positive contribution of vigilance**" was organized at CCL, HQ Ranchi which was attended by HODs of HQ, Area CGM/GMs, executives of all areas and HQ. The above session was attended by around 320 participants of different disciplines. The Welcome address was delivered by Smt. Vismita Tej (IRS), CVO, CCL. CVO, CCL deliberated on the positive contributions of CCL Vigilance and thanked CCL management for their positive support in implementing new technology in different areas of operation such as e-tendering/ payment & reverse bidding etc.. She urged that good governance for any company is a vital tool for achieving set targets and growth. Transparency, vigilance, quality & auditing are the necessary management tools for successful good governance.

Shri Gopal Singh, CMD, CCL who was the chief guest of the programme deliberated on good governance. He appreciated the efforts of CCL Vigilance in establishing good governance parameters by introducing e-procurement/tendering, e-payment, reverse bidding in finalization of contractual works, WAN, GPS, GPRS in the company was also organized. The keynote address was delivered by Shri Gopal Singh, CMD, CCL, who deliberated on the achievements made towards promoting good governance in the

Company highlighting the role played by the Vigilance.

- On 30.10.13 in the afternoon session, one workshop on "**e-Procurement**" was organized at CCL, HQ Ranchi which was attended by HODs of HQ, SO(MM) and officials of areas and HQ who are dealing with tender files relating to the procurement materials. Shri K.K. Ojha, Ex. GM(MM), CCL, Chief Guest delivered the key note address and deliberated upon latest guidelines of CIL/CVC relating to e-procurement and advantage of e-procurement over the conventional mode of procurement. He appreciated the efforts of Management and CVO, CCL for introducing e-tendering/ procurement at CCL. CVO, CCL also emphasized on the need for maintaining total transparency and leveraging of technology for curbing corruption. CMD, CCL appreciated the efforts of CCL Vigilance for suggesting system improvements in various areas of operation of the company. He advised the concerned departments/areas of CCL to introduce e-procurement/ tendering at all areas of CCL at the earliest. The Service provider, NIC gave a power point presentation regarding salient features of their website and how it can be used by the officials of CCL for procurement of material through e-tendering. The above session was attended by 160 executives of different areas & HQ of CCL. During the deliberation many queries were raised by the participants which were replied by the representative of

Service Provider [National Informatics Centre (NIC)].

- On 31.10.13 (F/N session), one workshop on Conduct Discipline & Appeal Rules (CDA Rules) of CIL and subsequent guidelines of CIL relating to conduct & discipline was organized at CCL, Headquarter, Ranchi which was attended by around 145/150 Management Trainees of different disciplines who have joined the CCL recently. The Chief Vigilance Officer, CCL and Director (Personnel), CCL addressed the gathering. CVO, CCL said that MTs are the future of this company and they should function in a transparent manner. Shri K.Bhattacharjee, IICM gave a presentation on CDA Rules of CIL and deliberated upon the guidelines contained in the CDA rules of CIL and its subsequent guidelines.
- On 31.10.13 (A/N session), one workshop on "**Vigilance Awareness**" was held at the Vichar Manch, Darbhanga House, Ranchi which was attended by the 150 Management Trainees of different disciplines. The key note address was delivered by S/Shri YP Singh, CM (Civil), PR Kumar, Sr.Manager (Excv.), VS Singh, Sr.Manager (MM) of Vigilance department, CCL. The queries raised by the participants were replied by the officials of CCL Vigilance.

5. Other Special Achievements

- (i) In the "Conclave of Vigilance Officers" on

the eve of Golden Jubilee Celebration of Institute of Public Enterprises, Hyderabad, Vigilance Excellence Award 2013-2014 was conferred upon Central Coalfields Limited. The award constituted a plaque and citation regarding the excellent work done by Vigilance Department of Central Coalfields Limited.

- (ii) **e-Tendering with reverse bidding** – In compliance to the instruction of CVC regarding leveraging of Technology to curb corruption, e-tendering with reverse bidding has been introduced in CCL with effect from April'2010. Till 31st March 2014 around 367 numbers of NITs have been floated/ invited through e-tendering through reverse bidding systems relating to transportation work. As a result cumulative saving of approximately Rs.606 crores has occurred.
- (iii) **e-Procurement** – In compliance to the instruction of CVC regarding leveraging of technology to curb corruption, e-procurement has been introduced in CCL w.e.f April'2010. Five hundred and sixteen cases of procurement have been taken up by **e-procurement** mode upto March 2014, using the portal of Service Provider for e-procurement in order to make award of procurement/ service contracts more transparent.
- (iv) **e-Payment** – After rigorous follow-up and interaction of CCL Vigilance, e-payment has been introduced and fully implemented at CCL, HQ & Areas of CCL. Approximately 97.64% payment have been made through e-payment mode in the CCL HQ as well as Areas.
- (v) **Extent of IT usage and the e-governance** – Most of the NITs, Tender Documents, CIL

Purchase & Contract Management Manuals, Certified Standing Orders, CDA Rules, Coal Mines regulation 1957, RTI Act 2005 and other important notifications & information have been made available on CCL web site in compliance to the directives of CVC. Apart from above, following other information have also been uploaded on CCL web-site :

- ▶ Details of bill status of CCL, HQ.
- ▶ Information regarding coal dispatch.
- ▶ List of coal customers.
- ▶ Information/ guidelines regarding e-auction, Forward e-auction & Modified Forward e-auction.
- ▶ Delegation of Power in respect of Board Level executives, Area CGM/ GM and different HODs/executives of CCL.
- ▶ Global Seniority of executives.
- ▶ Company residential quarter occupancy status.
- ▶ Information/ notices regarding employment.
- ▶ CCL Annual Report for year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 & 2012-13.
- ▶ Details of Safety Policy and status of the Company.
- ▶ Vendor wise coal lifting details and refund details.
- ▶ Leave Rules/TARules/Medical Rules/ Purchase Rules of CIL.
- ▶ Category wise manpower of CCL.
- ▶ Grievance redressal system.
- ▶ CVC circulars.
- ▶ Inventory of Critical Items and non-moving items in various stores along with LPP.
- ▶ Online recruitment of non-executives.
- ▶ Online filing of property return.
- ▶ List of DGMS approved items.
- ▶ List of Centralised items.
- ▶ HEMM Status
- ▶ Lodge of complaint
- ▶ MOU 2013-14
- ▶ RTGS payment for FSA/E-Auction customers.
- ▶ Executive transfer policy.
- ▶ Environment clearance
- ▶ Party wise balance refund statement
- ▶ Pension
- ▶ Order placed by MM Deptt. for procurement of material.

6. **Review of Vigilance work by CEO with CVO** – In compliance to the instruction of CVC, **Structured Meetings** of CVO with CEO is being held wherein various important issues like e-Tendering, e-Procurement, e-Payment and various other task assigned in consonance with the target fixed were deliberated and prompt action undertaken.

7. In terms of CVC's office order no. 59/12/03 dt. 9.12.03 review of activities under taken by Vigilance Department during April 2013 to November 2013 has been carried out by **Board in its 402nd (no. 10 of 2013) meeting of the Board of Director's held on 19.12.13.**

While reviewing the performance of Vigilance Department, the Board appreciated the efforts of CVO for implementation of Coal Net Modules/WAN implementation, integrated GPS/GPRS based vehicle tracking/RFID based Weighing Control System along with CCTV for the entire command Area of CCL, Online Filing of Property Returns by the Executives, e-Tendering with reverse bidding in respect of all Transport Contracts etc.

The Board also appreciated the efforts of Vigilance Department in disposal of cases within 6 months as per CVC guidelines.

After reviewing the performance of Vigilance Department of CCL, the Board requested the CVO, for feedback on what action has been taken by the concerned department in regard to System Improvement suggested in the agenda note.

34A. RIGHT TO INFORMATION STATUS

With the advent of RTI Act' 2005, GM (L&R) of your company has been given additional responsibility as Public Information Officer, CCL, Ranchi to furnish information of ever growing public request for seeking information on various subjects related to functions of the company.

Under the RTI Act'2005, the details of application dealt during the year 2013-14 are given below :

1.	No. of Applications received	:	748
2.	No. of Applications disposed	:	735
3.	No. of applications under process	:	13
4.	No. of applications transferred under Para 6(3) of RTI Act	:	193
5.	No. of applications rejected	:	NIL

35. CORPORATE GOVERNANCE

Your Company, as a Subsidiary of Coal India Ltd., believes that great Companies are built upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behaviour and other good governance practices. As a Subsidiary of a Maharatna Company (Coal India Ltd.), the Corporate Governance practices followed by the Company are compatible with standards and best practices. The Corporate Governance is all about effective management of relationships among constituents of various stakeholders –

shareholders, management, employees, customers, vendors, regulatory authorities and the community at large. Your Company strongly believes that this relationship can be strengthened through corporate fairness, transparency and accountability. Your Company places prime importance on reliable financial information, integrity, transparency, empowerment and compliance with the laws in letter and spirit.

A report on Corporate Governance is placed at **Annexure-I** and a Certification from Auditors regarding compliance of conditions of Corporate Governance by your Company for the year ended 31st March 2014 is also placed at **Annexure-II** to this report.

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

MoU Achievement of Corporate Governance

Sl. No.	Parameter	MoU 2013-14 target for Excellent Rating	MoU 2013-14 Actual Achievement
1.	Grading on the basis of compliance with guidelines on Corporate Governance issued by DPE	85 and above	89.13
2.	Date of submission to DPE of compiled data sheet for PE Survey	17th Sept' 2013	17th Sept' 2013

36. AVAILABILITY OF ANNUAL REPORT AND ACCOUNTS AT THE H.Q. FOR INSPECTION OF SHAREHOLDERS

The Annual Accounts of CCL and the related detailed information has been made available to the shareholders of the Holding and Subsidiary Companies seeking such information at any point of time. The Annual Account of CCL has also been kept for inspection by any Shareholder in the Head Office.

Hence, in compliance with the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, New Delhi and subsequent letter No. CIL:XI(D):04032:2011:2255 dated 8th March, 2011, the Accounts of CCL has been made available at Ranchi (HQ) for providing information to the shareholders of CIL on demand.

37. BOARD OF DIRECTORS

During the year under reference your Directors held 10 (Ten) Board Meetings. Your Company had the following Directors on the Board including Non-official Part-time Directors and Permanent Invitees, as on 25.05.2013 i.e. the date of the 57th Annual General Meeting :

1. Shri Gopal Singh, CMD,
2. Shri S. K. Singh, IAS, Jt. Secretary, MoC, Govt. of India, New Delhi.
3. Shri R. Mohan Das, Director (P&IR), CIL, Kolkata.
4. Shri T.K. Nag, Director (Tech./Oprn.).

5. Shri R. R. Mishra, Director (Personnel).

Part-time Director, Shri Anand Kumar Non-official Part-time Director and Prof. K.V. Ramani Non-official Part-time Director completed their three years tenure on 22.02.2014.

Non-official Part-time Directors :

1. Shri S. Chakrabarti,
2. Shri Anand Kumar, and
3. Prof. K.V. Ramani.

Accordingly, your Company has the following Directors on the Board as on the date of the 58th Annual General Meeting :

Permanent Invitees :

1. Shri Deepak Nath, IRTS, COM, E/C Rly.
2. Shri S. K. Barnwal, IAS, Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand.

1. Shri Gopal Singh, CMD,
2. Shri S.K. Singh, IAS, Jt. Secretary, MoC, Govt. of India, New Delhi,
3. Shri R. Mohan Das, Director (P&IR), CIL, Kolkata
4. Shri T.K. Nag, Director (Tech./Oprn.)
5. Shri R.R. Mishra, Director (Personnel).
6. Shri D. K. Ghosh, Director (Finance).

Subsequently Shri D.K. Ghosh joined as Director (Finance) on 06.07.2013. Shri S. K. Barnwal, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand relinquished as permanent invitee on CCL Board w.e.f 22.07.2013 and Shri Satendra Singh, Secretary, Department of Mines & Geology replaced Shri Barnwal as Permanent Invitee w.e.f. 23.07.2013 (Forenoon). He relinquished as permanent invitee on CCL Board w.e.f 30.09.2013 and Shri D.K. Tiwary, Secretary, Department of Mines & Geology replaced Shri Singh as Permanent Invitee w.e.f. 30.09.2013 (Afternoon). He relinquished as permanent invitee on CCL Board w.e.f 15.01.2014. Shri Arun, Secretary, Department of Mines & Geology Appointed as Permanent Invitee w.e.f. 16.01.2014 (Forenoon).

Permanent Invitees :

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

38. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies (Amendment) Act 2000, with respect to Directors' Responsibility Statement, it is hereby confirmed:

Further Shri S. Chakrabarti Non-official

That in the preparation of the accounts for the financial year ended 31st March 2014, the Uniform Accounting Policy approved by CIL, the Holding Company, has been followed. The said uniform Accounting Policy has been drawn in compliance with the Accounting Standards issued by the ICAI subject to a few deviations from Accounting Standards which are not material in nature;

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

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

That the Directors have prepared the Financial Statement for the financial year ended 31st March 2014 on 'going concern' basis.

39. AUDITORS OF THE COMPANY

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Accounts of your Company for the year 2013-14.

Statutory Auditor

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

Branch Auditors

M/s. K. C. Tak & Co.,
1, New Anantpur,
Ranchi -834002
Jharkhand.

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

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

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

40. AUDIT COMMITTEE OF DIRECTORS

Consequent upon the completion of tenure of three years of two Independent Directors, namely Sri S. K. Sarkar and Sri Gautam Basu on 26th April' 2013, the Audit Committee of Directors

was re-constituted vide Item No. 4(11) of 395th Board Meeting held on 25.04.2013, consisting of the following Directors :

- | | | | |
|----|---|---|-------------------|
| 1. | Shri Anand Kumar,
Non-official part-time Director | — | Member – Chairman |
| 2. | Shri Smarajit Chakrabarti,
Non-official part-time Director | — | Member |
| 3. | Prof. K. V. Ramani,
Non-official part-time Director | — | Member |
| 4. | Shri Shailesh Kumar Singh,
Jt. Secy., MoC, GoI | — | Member |
| 5. | Shri R. Mohan Das, D(P&IR), CIL | — | Member |
| 6. | Shri Deepak Nath, CoM, EC Rly. | — | Permanent Invitee |
| 7. | Shri S.K. Barnwal, IAS,
Secy. (Mines & Geology), GoJ | — | Permanent Invitee |

Director(Finance), CCL shall be the Special Invitee in the Meeting of Audit Committee.

Subsequently Shri D.K. Ghosh joined as Director (Finance) on 06.07.2013. Shri S. K. Barnwal, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand relinquished as permanent invitee on Audit Committee of Directors w.e.f 22.07.2013.

Further Shri S. Chakrabarti, Non-official Part-time Director, Shri Anand Kumar, Non-official Part-time Director and Prof. K.V. Ramani, Non-official Part-time Director completed their three years tenure on 22.02.2014.

The quorum for the meeting of Audit Committee shall be either two members or one third of the members of the Audit Committee whichever is greater, but at least two Independent Directors must be present.

The Board also approved the Terms of reference of the Audit Committee.

During the year ended 31st March, 2014, 7 meetings of Audit committee were held on 25.04.2013, 20.05.2013, 09.10.2013, 05.11.2013, 18.12.2013, 28.01.2014 and 19.02.2014. The Company Secretary is also the Secretary to the Audit Committee.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2013-14 are as under :

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S. K. Sarkar, Non Official Part time Director	1	1	Chairman of the Audit Committee
Shri Anand Kumar, Non Official Part time Director	7	7	Chairman of the Audit Committee
Shri R. Mohan Das, Dir. (P&IR). CIL	7	5	Member
Shri Gautam Basu, Non Official Part time Director	1	1	Member
Prof. K. V. Ramani, Non Official Part time Director	7	3	Member
Shri S. Chakrabarti, Non Official Part time Director	6	6	Member
Shri Shailesh Kumar Singh, Jt. Secy., MoC	7	6	Member
Shri Deepak Nath, COM, EC Rly.	7	4	Invitee
Shri S. K. Barnwal, Secretary Deptt. of Mines & Geology, Jharkhand	2	–	Invitee

41. ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Government of India in general and Ministry of Coal and Coal India Limited in particular for their valuable guidance and unstinted support to your Company towards attainment of the objectives of the Company. Your Directors also thank the Government of Jharkhand and other State Governments for their co-operation and valuable assistance extended to your Company. Your Directors convey their thanks to all the employees of the Company for their whole-hearted co-operation and devotion to duty.

Your Directors are fully confident that the employees of all ranks would continue to strive hard to improve the performance of the Company in the coming years. Your Directors also acknowledge, with thanks, the assistance and guidance rendered by the Statutory Auditors, Tax Auditors, the Comptroller & Auditor General of India and the Registrar of Companies, Bihar & Jharkhand.

42. ADDENDA

The following papers are annexed hereto for your consideration :

- (1) Addendum to the Directors' Report pursuant to Section 217 of the Companies Act, 1956 giving :
 - (a) particulars of employees who were in receipt of remuneration

₹ 60,00,000/- per annum/
₹ 5,00,000/- per month or
more, if employed for the year
or part thereof.

- (b) details of foreign exchange earning & outgo.
 - (c) details about research and development activities of the Company.
- (2) Comments of the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
 - (3) Review of the Accounts of the Company for the year ended 31st March 2014, by the Comptroller & Auditor General of India.
 - (4) Addendum to the Director's Report under section 217(3) and 227(2) of the Company's Act, 1956 stating Statutory Auditor's Report and Management's reply thereon.

For & on behalf of the Board of Directors

Sd/-

(Gopal Singh)

Chairman-cum-Managing Director

ANNEXURE-I

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY

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

Corporate Governance at CCL is based on the following main principles:

1. Constitution of a Board of Directors of appropriate composition, size, varied expertise and commitment to discharge its responsibilities and duties,
2. Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively,
3. Independent verification and safeguarding integrity of the Company's financial reporting,
4. A sound system of risk management and internal control,
5. Timely and balanced disclosure of all material information concerning the Company to all shareholders,
6. Transparency and accountability,
7. Compliance with all the applicable rules and regulations,
8. Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

Your Company as a Corporate Citizen believes in adhering to the highest standards of Corporate Governance. CCL provides appropriate access to information to the citizens of India under the provision of the Right to Information Act, 2005.

It is not merely compliance and simply a matter of creating checks and balances; it is an ongoing measure of superior delivery of Company's objectives with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to national need, shareholders benefit and employee growth, thereby delighting all its stakeholders, while minimizing the risks. The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, fairness, accountability, propriety, equity, sustainable value creation, ethical practices and to develop capabilities and identify opportunities that best serve the goal of value creation, thereby creating an outperforming organization.

2. BOARD OF DIRECTORS

The Board of Directors of your Company as on 31st March, 2014 comprised of 6 Directors, viz. four (4) Functional Directors (including CMD), two (2) Part-Time Official Directors, and two (2) Permanent Invitees to the Board.

During the financial year ended March 31st, 2014, 10 (Ten) number of Board meetings were held on 26.04.2013, 21.05.2013, 06.07.2013, 01.08.2013, 10.10.2013, 06.11.2013, 19.11.2013, 19.12.2013, 28/29.01.2014, 19.02.2014. Thus, the maximum time gap between consecutive Board meetings was not more than two calendar months.

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

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Sl.No	Name & Designation	Category	Board meetings		No. of other Directorships	Membership in other committees of Board		
			Held during the tenure	Attended		Audit Committee	Empowered Sub Committee	SD/CSR Committee
1.	Shri Gopal Singh Chairman-cum-Managing Director	Functional Director	10	10	Nil	—	Chairman	—
2.	Shri T. K. Nag Director (Tech.)	Functional Director	10	10	Nil	—	Member	Invitee/ Member
3.	Shri R. R. Mishra Director (Personnel)	Functional Director	10	10	Nil	—	—	Member
4.	Shri D. K. Ghosh Director (Finance)#	Functional Director	7	7	Nil	Permanent Invitee	Member	—
5.	Shri R. Mohan Das Director (P&IR), CIL	Part-time Official Director	10	9	(i) CIL (ii) WCL	Member	—	Member
6.	Shri S. K. Singh Joint Secretary, MoC Govt. of India	Part-time Official Director	10	8	MCL	Member	Member	—
7.	Shri Gautam Basu*	Non-official Part time Director	1	1	Nil	Member	Member	—
8.	Shri S. K. Sarkar###	Non-official Part time Director	1	1	(i) The Associated Chambers of Commerce and Industry of India (ASSOCHAM) (ii) PHD Chamber of Commerce and Industry (PHDCCI) (iii) DESFAB Exports India Private Limited (iv) Indo American Chamber of Commerce (IACC)	Chairman	—	—
9.	Prof. K. V. Ramani^	Non-official Part time Director	10	3	Nil	Member	—	—
10.	Shri Anand Kumar^	Non-official Part time Director	10	8	Nil	Chairman	—	Member
11.	Shri S. Chakrabarti^	Non-official Part time Director	10	10	Nil	Member	Member	Member
12.	Shri Deepak Nath@ COM, EC Rlys.	Permanent Invitee	10	8	Not Applicable	Permanent Invitee	Permanent Invitee	—
13.	Shri S. K. Barnwal*# Secretary, Deptt. of Mines & Geology	Permanent Invitee	3	2	Not Applicable	Permanent Invitee	—	—
14.	Shri Satendra Singh@@ Secretary, Deptt. of Mines & Geology	Permanent Invitee	1	1	Not Applicable	—	—	—
15.	Shri D. K. Tiwari\$\$ Secretary, Deptt. of Mines & Geology	Permanent Invitee	4	—	Not Applicable	—	—	—
16.	Shri Arun^^ Secretary, Deptt. of Mines & Geology	Permanent Invitee	2	—	Not Applicable	—	—	—

Assume the charge of D (F) w.e.f. 06.07.2013.

* Ceased to be Non Official Part Time Director w.e.f. 26.04.2013.

Details of Disclosure in respect of Shri S.K. Sarkar, Non-official part time Director-

Membership (involving more than 2% of the paid up share Capital of the Company)	DESFAB EXPORTS INDIA PRIVATE LIMITED (CIN:U74899DL1995PTC 067144)
---	--

Ceased to be Non-Official Part Time Director w.e.f. 26.04.2013

^ Ceased to be Non Official Part Time Director w.e.f. 22.02.2014.

@ Appointed as Permanent Invitee w.e.f. 2.05.2012.

*# Shri S.K. Barnwal, Secretary, Department of Mines & Geology relinquished w.e.f. 22.07.2013.

@@ Shri Satendra Singh, Secretary, Department of Mines & Geology Appointed as Permanent Invitee w.e.f. 23.07.2013 (Forenoon) relinquished w.e.f. 30.09.2013.

\$\$ Shri D.K. Tiwary, Secretary, Department of Mines & Geology Appointed as Permanent Invitee w.e.f. 30.09.2013 (Afternoon) relinquished w.e.f. 15.01.2014.

^^ Shri Arun, Secretary, Department of Mines & Geology Appointed as Permanent Invitee w.e.f. 16.01.2014 (Forenoon).

SCHEDULE FOR REMUNERATION OF CMD AND OTHER DIRECTORS FOR THE YEAR 2013-14**A. Functional Directors***(Amount in ₹)*

Name	Relationship with other Director	Business relationship with the company	Salary & Allow.	Arrear due to revision of Pay	HRA	Leave Encashment	Ex-Gratia	CMPF Cont.	Med. Expenses	LTC	LLTC	Gratuity	Total
Shri Gopal Singh	Nil	Chairman-cum-Managing Director	2052930.25	0.00	0.00	135110.40	0.00	238618.00	4946.00	0.00	0.00	0.00	2431604.65
Shri T.K. Nag	Nil	Director (Technical/Operation)	1987457.42	0.00	0.00	285750.00	0.00	264055.00	0.00	0.00	0.00	0.00	2537262.42
Shri Rajiv Ranjan Mishra	Nil	Director (Personnel)	1887796.98	0.00	0.00	397244.70	0.00	265924.00	1700.00	34554.72	0.00	0.00	2587220.40
Shri D. K. Ghosh Joined on 06.07.2013 (A/N)	Nil	Director (Finance)	1418308.44	0.00	0.00	0.00	0.00	164078.00	4304.00	29446.38	0.00	0.00	1616136.82
TOTAL			7346493.09	0.00	0.00	818105.10	0.00	932675.00	10950.00	64001.10	0.00	0.00	9172224.29

Service contract

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

B. Part-time Directors

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

C. Non-official Part Time Directors

No remuneration is being paid, except sitting fee for attending the Board/Committee Meetings, as per the guidelines of DPE and Companies Act, 1956.

Details of sitting fee paid to Independent Directors (Non- Official Part Time Directors) for attending Board Meeting and its Committees during 2013-14, are as under :

Independent Directors (Non- Official Part Time Directors)*(Amount in ₹)*

Name	Gross Sitting Fees for attending Board Meetings and Committees thereof during 2013-14	Gross Sitting Fees disbursed during 2013-14
Sri Gautam Basu	45,000.00	90,000.00
Sri S.K. Sarkar	30,000.00	60,000.00
Sri S. Chakrabarti	4,20,000.00	4,50,000.00
Sri Anand Kumar	2,70,000.00	2,70,000.00
Prof. K.V. Ramani	90,000.00	90,000.00

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

Consequent upon the completion of tenure of three years of two Independent Directors, namely Shri S. K. Sarkar and Shri Gautam Basu on 26th April' 2013, the Empowered Sub-Committee of Directors consist of the following directors –

- | | | | |
|----|--|---|----------|
| 1. | Chairman-cum-Managing Director, CCL | — | Chairman |
| 2. | Joint Secretary, Ministry of Coal, Govt. of India | — | Member |
| 3. | Shri S. Chakrabarti, Non-official part-time Director | — | Member |
| 4. | Director (Tech/Oprn.), CCL | — | Member |
| 5. | Director (Finance), CCL | — | Member |
| 6. | Shri Deepak Nath, COM, EC Rly., | — | Invitee |

Shri S. Chakrabarti Non official part time director completed his tenure of Three years on 22.02.2014. As a consequence the Empowered Sub-Committee of Directors consists of following director –

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

During the year ended 31st March 2014, 8 meetings of ESCD were held on 25.04.13, 20.05.13, 05.07.13, 01.08.13, 09.10.13, 05.11.13, 19.11.13 and 18.12.13.

(ii) Audit Committee of Directors

Consequent upon the completion of tenure of three years of two Independent Directors, namely Shri S. K. Sarkar and Shri Gautam Basu on 26th April' 2013, the Audit Committee of Directors was reconstituted vide Item No. 4(11) of 395th Board Meeting held on 25.04.2013, consisting of the following Directors :

- | | | |
|---|---|-------------------|
| 1. Shri Anand Kumar, Non-official part-time Director | — | Member- Chairman |
| 2. Shri Smarajit Chakrabarti, Non-official part-time Director | — | Member |
| 3. Prof. K. V. Ramani, Non-official part-time Director | — | Member |
| 4. Shri Shailesh Kumar Singh, Jt. Secy., MoC, Gol | — | Member |
| 5. Shri R. Mohan Das, D(P&IR), CIL | — | Member |
| 6. Shri Deepak Nath, CoM, EC Rly. | — | Permanent Invitee |
| 7. Shri S.K. Barnwal, IAS, Secy. (Mines & Geology), GoJ | — | Permanent Invitee |

Director(Finance), CCL shall be the Special Invitee in the Meeting of Audit Committee.

Subsequently Shri D.K. Ghosh joined as Director (Finance) on 06.07.2013. Shri S. K. Barnwal, I.A.S., Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand relinquished as permanent invitee on Audit Committee of Directors w.e.f 22.07.2013.

Further Shri S. Chakrabarti Non-official Part-time Director, Shri Anand Kumar Non-official Part-time Director and Prof. K.V. Ramani Non-official Part-time Director completed their three years tenure on 22.02.2014.

The quorum for the meeting of Audit Committee shall be either two members or one third of the members of the Audit Committee whichever is greater, but at least two Independent Directors must be present.

The Board also approved the Terms of reference of the Audit Committee.

During the year ended 31st March, 2014, 7 meetings of Audit committee were held on 25.04.2013, 20.05.2013, 09.10.2013, 05.11.2013, 18.12.2013, 28.01.2014 and 19.02.2014. The Company Secretary is also the Secretary to the Audit Committee.

The details of attendance of Members at the Audit Committee Meetings of the Company held during the year 2013-14 are as under:

Name	Audit Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S.K. Sarkar, Non Official Part time Director	1	1	Chairman of the Audit Committee
Shri Anand Kumar, Non Official Part time Director	7	7	Chairman of the Audit Committee
Shri R. Mohan Das, Dir.(P&IR),CIL	7	5	Member
Shri Gautam Basu, Non Official Part time Director	1	1	Member
Prof. K. V. Ramani, Non Official Part time Director	7	3	Member
Shri S. Chakrabarti, Non Official Part time Director	6	6	Member
Shri Shailesh Kumar Singh, Jt. Secy., MoC,	7	6	Member
Shri Deepak Nath, CoM, EC Rly	7	4	Invitee
Shri S. K. Barnwal, Secretary, Department of Mines & Geology, Jharkhand	2	—	Invitee

Vide Ref. No. Secy. 1(5)/2014/RBC–III/453 dated 07.05.2014, in reference to the Minutes of the meeting of Company Secretaries of Coal India Limited and its Subsidiaries held on 11th April, 2014, and further office order Ref. No. 21/3/2011–ASO of Ministry of Coal dated 27.05.2014, the CCL Board at its 407th Meeting held on 27.05.2014 ratified the proposal submitted through Resolution by Circulation to all concerned Directors, to constitute Audit Committee of CCL consisting of the following members :

1. Shri Shailesh Kumar Singh, Jt. Secy., MoC, Gol — Chairman
2. Shri R. Mohan Das, D(P&IR), CIL — Member
3. Shri Deepak Nath, CoM, EC Rly. — Member
4. Shri D. K. Ghosh, D(F), CCL — Special Invitee

Scope of Audit Committee

The list of functions inter-alia includes the following :

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

(iii) Sustainable Deveopment Committee for Sustainable Development

The Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India vide its Office Memorandum no: DPE's O.M. no. 3(9)/ 2010 – DPE(MOU) dated 23rd September, 2011 has issued guidelines on Sustainable Development for Central Public Sector Enterprises (CPSEs).

According to the Guideline, for effective implementation-

- Preparation of Sustainable Development (SD) Plan is needed.
- An Independent External Agency/Expert/ Consultant for evaluation of SD Projects to be made.
- A Board Level Designated Committee has to be constituted to approve the SD Plan and oversee the SD performance.

Consequent upon completion of tenure of three years of Shri Gautam Basu, Non-Official Director, the CCL Board in its 395th meeting held on 25.04.2013, re-constituted SD Committee consisting of the following Directors –

- | | | |
|--|---|-------------------|
| 1. Sri S. Chakrabarti, Non-Official Part Time Director | — | Member – Chairman |
| 2. Sri Anand Kumar, Non-Official Part Time Director | — | Member |
| 3. Sri R. Mohan Das, D(P&IR), CIL | — | Member |
| 4. Sri T. K. Nag, D(T/O), CCL | — | Member |
| 5. Sri R. R. Mishra, D(P), CCL | — | Member |

The Committee has been renamed as SD & CSR Committee of Directors.

Shri S. Chakrabarti, Non-Official Part Time Director and Shri Anand Kumar, Non-Official Part Time Director completed their three years tenure on 22.02.2014.

As per Section 135 of Companies Act 2013, CSR & Sustainable Development Committee should have atleast 3 Directors – out of which at least One Director shall be an independent Director.

The details of attendance of Members at the Sustainable Development Committee Meetings of the Company held during the year 2013-14 are as under :

Name	Sustainable Development Committee Meeting		Remarks
	Held during the tenure	Attended	
Shri S. Chakrabarti, Non Official Part time Director	4	4	Chairman of the SD Committee
Shri Anand Kumar, Non Official Part time Director	4	3	Member
Shri R. Mohan Das, Dir. (P&IR), CIL	4	4	Member
Shri T. K. Nag, Director (Tech./Oprn.), CCL	4	4	Member
Shri R. R. Mishra, Director (Personnel), CCL	4	4	Member

STATUTORY AUDITORS

Under Section 619(2) of the Companies Act, 1956 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for auditing the Financial Statements of your Company for the year 2013-14 :

Statutory Auditors

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

Branch Auditors

1. **M/s. K. C. Tak & Co.**
1, New Anantpur,
Ranchi-834 002, Jharkhand.
2. **M/s. NKD & Co.**
2nd Floor, Radha Gouri,
Goushala Chowk,
North Market Road,
Upper Bazar, Ranchi – 834 001, Jharkhand.
3. **M/s. Kadmawala & Co.**
C/o Shri Ram Chandra Prasad
Sri Ram Path Lane
Opp. Crown Public School
Kishore ganj, Harmu Road
Ranchi – 834001, Jharkhand
4. **M/s Lodha Patel Wadhwa & Co.**
304, Shrilok Complex
4 H. B. Road
3rd Floor
Ranchi – 834001, Jharkhand

ANNUAL GENERAL MEETING

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

Year	Date & Time	Location	Attendance	Special Resolution, if any
2010-11	21 st May'2011 At 10.30 AM	Darbhanga House, Ranchi.	1. Shri R.K. Saha, Member & Chairman. 2. Shri S. Chakraborty, Rep. of CIL	Nil
2011-12	25 th May'2012 At 2.00 PM	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri Aniruddha Pal Rep . of CIL.	Nil
2012-13	25 th May'2013 At 12.00 Noon	Darbhanga House, Ranchi.	1. Shri Gopal Singh, Member & Chairman 2. Shri Piyush Sarkar, Rep. of CIL	Nil

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

4. DISCLOSURES**Related Party Transactions**

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

Code of Conduct for Directors and Senior Executives

A Code of Conduct for Directors and Senior Executives was placed before the Board of Directors of CCL at their 348th meeting held on 2.07.08 and has been uploaded on the website of CCL www.ccl.gov.in. An Acknowledgement of receipt of code of conduct and Affirmation regarding compliance with the same for the year ended March'2014 has been done.

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

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

Delegation of Power

Delegation of power of CMD & Board of Directors was revised on 367th meeting of Board of Directors held on 11.05.10.As per direction of CVC and CVO, CCL, Delegation of Powers have been uploaded on the websites of CCL : www.ccl.gov.in. DoP of Functional Directors as well as Area CGM/ GM have been revised and placed in 384th Board Meeting held on 24/01/2012 as information item. The same has been up- loaded in the CCL website.

Accounting Treatment

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

Risk Management

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

5. MEANS OF COMMUNICATION

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

6. AUDIT QUALIFICATIONS

It is always the Company's endeavour to present unqualified financial statements. Management Reply to the Statutory Auditor's observation on the Accounts of the Company for the year ended

31st March,2014 are furnished as an Annexure to Director's Report. Comments of the Comptroller and Auditor General of India Under Section 619(4) of the Companies Act, 1956 on the Financial Statements of Central Coalfields Limited for the year ended 31st March, 2014 is also enclosed.

7. TRAINING OF BOARD MEMBERS

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

8. MECHANISM FOR EVALUATION OF PART-TIME DIRECTORS

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

9. WHISTLE BLOWER POLICY

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

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

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

10 INTEGRITY PACT

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

11. COMPLIANCE BY THE COMPANY

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

12. UN GLOBAL COMPACT

The Global Compact is a framework for businesses that are committed to aligning their operation and strategies with ten universally accepted principles in the area of human rights, labour, environment and anti-corruption. As the world's largest global corporate citizenship, the Global Compact is first and foremost concerned with exhibiting and building the social legitimacy of business and markets. Top companies of the world are members of UN Global Compact. Based on Performance in CSR, CCL has been a member of UN Global Compact since 2009. Since then the company has stepped up its CSR activities with application of business excellence principles and making CSR a key business process.

Some of the innovative CSR Schemes taken up by your Company are : Kaya Kalp Yojnaye, Operation Joyti, Girl Child Promotion, etc. CSR activities of your Company has helped to cultivate goodwill of the people in the command areas, State Administration, Media and other stakeholders. Your Company has also received accolades for its CSR activities from Parliamentary Committee on Labour, Global Compact Society of India, CAG Audit and EAC of MOEF.

Annexure-IA

Profile of Directors

Board of Directors of CCL consists of CMD, D(T-O), D(F), D(P), (D(T/P&P)-Vacant), two Govt./CIL Nominee Directors and two permanent Invitees, one from Chief operations Manager, EC Rly, Hajipur and one from Secretary, Mines & Geology, Govt. of Jharkhand, Ranchi.

Brief resume of all Directors, their qualification, domain, experience & expertise, their membership in professional bodies, Chairman/Directorship in other companies etc are given below:

SHRI GOPAL SINGH



Mr. Gopal Singh joined as CMD, CCL on 01-03-2012 after completing a successful tenure at Director (Technical) of SECL from 27.07.2009 to 28.02.2012. Shri Singh is a Graduate of Mining Engineering with Master Degree in Open Cast Mining (M.Tech) from Indian School of Mines, Dhanbad and also holds MBA in Management. Sri Singh has rich and varied experience spanning over 30 years in Coal Industry, in different positions and handled multi-disciplinary projects. With his extensive experience in project management and execution, Shri Singh has streamlined the operations of the Company for better management of its resources which has resulted in efficient operations and improved profitability.

His exemplary performance and track record of leadership, excellence in strategic envisioning and implementation has resulted in ever increasing revenue and profitability for the Company.

Under his dynamic leadership, the operation of Four new Projects viz: Amrapali, North Urimari, Konar, Purnadi (Querry I) were started by ensuring implementation of R&R and other welfare measures for the employees as well as project affected people and other stakeholders through kayakalp yojana based on philanthropy, transparency and ethics. Under his leadership CCL has achieved highest production level of 50 MT of Coal in the year 2013-14.

He had been bestowed with more than three dozen awards at Company as well as at National level.

SHRI TAPAS KUMAR NAG



Shri Tapas Kumar Nag is working as Director(Tech/Opr), in CCL. He is a Graduate in Mining Engineering from Indian School of Mines(ISM), Dhanbad 1979 batch. He joined as JET in Bachra Colliery under NK Coalfields, CCL and rose to the position of Project Officer, Piparwar. In 2002, he was transferred to GEVRA Project under SECL as Project Officer and worked there till February, 2006. In March, 2006, he was shifted to Dipka mines and served as a Project Officer up to April, 2007. He was promoted as CGM in April, 2007 of Sohagpur Area under

SECL and continued till May, 2008. He became Director of CCL in May, 2008 & worked as Director (Tech/P&P) from 24.05.08 to 31.07.2008 and since 01.01.08 till date he is working as Dir. (Tech/Oprn.).

During initial years, Shri Nag got around 20 years of experience in underground mining. He attended 3 1/2 months course in Advance Mining Technology in WOLLONGOING UNIVERSITY in New South Wales, Australia in 1992, where he gained exposure in Longwall Mining Technology. During his tenure in Gevra at SECL, he was instrumental in raising the production of the mine from 18 MTY to 26 MTY in a span of 3 1/2 years. He brought out many systemic improvements in the working of the mine including introduction of Surface Mining Technology.

As a Director (Tech/Opr.), he is responsible for overall operations of the company and in absence of Director (Tech./P&P) since August, 2008, he is shouldering the responsibilities of many departments of that directorate. Under his stewardship, many new mines were opened including the ambitious Amrapali Project. He has pioneered seamless switching over from manual to fully electronic, e-tendering with online reverse auction for service contracts like coal transportation & loading and hiring of equipments for OB outsourcing.

SHRI RAJIV RANJAN MISHRA



Shri Rajiv Ranjan Mishra, joined Central Coalfields Limited (CCL) as Director (Personnel) on 12th September, 2011. Prior to joining CCL, he was working with Central Mine Planning and Design Institute Limited (CMPDIL) as Deputy General Manager (P&A).

He has completed about 25 years of service in the field of Personnel, Human Resource Development etc. in different capacities at various subsidiaries of Coal India Limited. Holding a post of Graduate Diploma in Personnel Management & Industrial Relations, Shri Mishra began his career with CMPDIL over three decades ago. Shri Mishra also worked with 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 has also participated in the Advance Management Programme conducted jointly by IICM, Ranchi and China Coal Information Institute in the year 2011. As Director (Personnel), he is responsible for the formulation and implementation of personnel policies of the Company, including Land & Revenue and System department. He is also presently the In-charge of Sales & Marketing division of the company.

SHRI DEEPAK KUMAR GHOSH



Shri Deepak Kumar Ghosh took over as director (Finance), Central Coalfields Limited (CCL) on 6th July 2013. Prior to this he joined CCL, Ranchi on 25th March 2013 on transfer from Eastern Coalfields Limited (ECL) and posted as GM (Finance) I/C.

He has rendered about 31 Years of service in coal industry in the field of finance in various capacities especially in CCL & ECL. Prior to posting in CCL as GM (F) I/C, he was holding the post of GM (Fin) for the cost and Budget

Department, Sales and Marketing Department, Materials Management Department and also function as TS to D(F), ECL.

He born in 1959 in Kolkata and had his graduation in commerce from Calcutta University. He acquired his professional qualification from the institute of cost & Works Accountant of India and also from the Institute of Companies Secretaries of India



SHRI SHAILESH KUMAR SINGH

Shri Shailesh Kumar Singh an IAS of 1991 Batch, Jharkhand Cadre, is a Member of CCL Board since 13.01.2012.

During his long tenure in Indian Administrative Service, he has served as District Magistrate of Nalanda, Siwan, Bokaro, Singhbhum East, Hazaribagh etc.

He is on Central deputation since 2010. During this tenure, on Central deputation, he has served as Jt. Secretary (Urban Transport), Ministry of Urban Development, Govt. of India and presently serving as Jt. Secretary, Ministry of Coal.

SHRI R. MOHAN DAS



Shri R. Mohan Das, aged 54 years, is the Director(Personnel & Industrial Relations) of Coal India Ltd. Holding a post graduate degree in social work from Madurai University, Shri Das began his professional career over three decades ago with Bharat Heavy Electricals Limited in the Human Resource department.

Shri Mohan Das has participated in the 'Advance Management Programme' at Queen's College, Cambridge, United Kingdom and the 'Management Development Programm' at Wharton School, University of Pennsylvania, United States of America. In the course of his career at Bharat Havy Electricals Limited, Mr. Das was credited with various human resource initiatives such as introduction of an 'Integrated Human Reaource Information System' to usher in the concept of paper less office in the Nagpur unit and was involved in development and piloting of the 'E-Enabled Performance Management System' for officers with linkage to Balance Scorecard during his stint in the Bhopal office. Prior to joining Coal India, Shri Das was the General Manager (Personnel & Administration) of the state owned Madras Fertilizers Limited, where he concluded long pending promotion policy agreement with unions.

Shri Das has training as a lead auditor for the 'ISO Quality System' and lead assessor for Total Quality Management'. As Director(Personnel & Industrial Relations) of Coal India, Shri Das is responsible for formulation and implementation of personnel policies of Coal India.

PERMANENT INVITEES



SHRI DEEPAK NATH

Shri Deepak Nath, IRTS, joined CCL Board on 02.05.2012. At present, Shri Deepak Nath is working as Chief Operations Manager, East Central Railway, Hajipur, Bihar. Shri Nath has varied experience, extensive knowledge and expertise in the Indian Railways.



SHRI ARUN

Shri Arun, joined CCL Board wef 16.01.2014. Shri Arun is Secretary, Deptt. of Mines & Geology, Govt. of Jharkhand. Shri Arun is having rich and varied administrative experience.

Annexure-II

V. SINGHI & ASSOCIATES

Chartered Accountants

To

The Members,
M/s. Central Coalfields Limited.

1. We have examined the compliance of conditions of Corporate Governance by Central Coalfields Limited, for the year ended 31st March, 2014 although Clause 49 of the Listing Agreement is not applicable to the Company.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with conditions of Corporate Governance.
4. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
(Firm Reg. No. 311017 E)
Sd/-
(V. K. SINGHI)
Partner
(Membership No. : 050051)

Place: DELHI

Date : 27th May, 2014

ANNEXURES FORMING PART OF DIRECTORS' REPORT

(For the Year Ended 31.3.2014)

Annexure - III

**INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956
READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) AMENDMENT RULES, 2012**

LIST OF EMPLOYEES DRAWING ₹ 60.00* (Sixty Lakh Rupees) LAKH OR MORE DURING THE YEAR 2013-14

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

EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION AT A RATE WHICH IN THE AGGREGATE WERE NOT LESS THAN ₹ 5.00 Lakh* (Five Lakh Rupees) PER MONTH FOR PART OF THE YEAR 2013-14

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

Annexure - IV**FOREIGN EXCHANGE EARNING & OUTGO**

- (i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans.

Company is not engaged in export activities

- (ii) Total Foreign Exchange used and earned

(₹ in Cr.)

Sl. No.	Description	2013-14	2012-13
(A)	Foreign Exchange used		
1.	Interest	0.71	1.56
2.	Agency Commission	0.01	0.01
	Total	0.72	1.57

- (B) Foreign Exchange Earned**

No earning by the Company

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

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

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

**COMMENTS OF
THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956
ON THE ACCOUNTS OF CENTRAL COALFIELDS LTD.
FOR THE YEAR ENDED 31st MARCH 2014**

The preparation of financial statements of Central Coalfields Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the standards on auditing prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 27.05.2014

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Central Coalfields Limited for the year ended 31 March 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors report under section 619(4) of the Companies Act, 1956.

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

Sd/-

(Yashodhara Ray Chaudhuri)
Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board-II Kolkata

Place : Kolkata

Dated : 03.06.2014

V. Singhi & Associates
Chartered Accountants

Phone : 033 – 3028-7838
Telefax : 033 – 3028-7836
E-mail : vsinghiandco@gmail.com
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani
Ground Floor,
Kolkata – 700 001

Central Coalfields Limited,
Darbhanga House
Ranchi

REPORT OF AUDITOR ON MEMORANDUM OF UNDERSTANDING

1. The achievement stated in attached Performance Evaluation Sheet with respect to Financial and Non-financial Parameters are calculated in terms of the Guidelines for the year 2013-14 of MOU issued by Ministry of Heavy Industries and Public Enterprises and Letter No. CIL/DT/MOU/13-14/155 dated 16.05.2014 of Coal India Limited.
2. The achievements stated against Financial and Non-financial Parameters have been verified by us from the records maintained and produced before us, and found to be correct to the best of our knowledge and belief.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Sd/-
(V. K. Singhi)
Partner
Membership No. : 050051
ICAI Firm Reg. No. : 311017E

Date : 11th June, 2014

MEMORANDUM OF UNDERSTANDING 2013-14 BETWEEN CCL & CIL

SUBSIDIARY : CENTRAL COALFIELDS LTD.

Evaluation Criteria	Unit	Weight (in %)	MoJ Target					Achievement from April '13 to March '14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
1. Static / Financial Parameters											
(a) Financial Indicators - Profit related ratios											
(i) Gross Margin / Gross Block	%	2	0.4050	0.4048	0.3846	0.3653	0.3471	0.5132	1.00	2.00	0.02
(ii) Net Profit / Net Worth	%	10	0.3169	0.3168	0.3010	0.2859	0.2716	0.3525	1.00	10.00	0.10
(iii) Gross Profit / Capital Employed	%	10	0.4227	0.4225	0.4014	0.3813	0.3622	0.4848	1.00	10.0	0.10
(b) Financial Indicators – Size Related											
(i) Gross Margin	Rs Cr.	8	2309.89	2308.86	2193.42	2083.75	1979.56	2625.83	1.00	8.00	0.08
(ii) Net Sales	Rs Cr.	4	8723.01	8717.94	8282.04	7867.94	7474.54	8405.16	2.71	10.84	0.1084
(c) Financial Returns – Productivity Related											
(i) PBDIT / Total Employment	%	7	0.0491	0.0491	0.0466	0.0443	0.0421	0.0562	1.00	7.00	0.07
(ii) Added Value / Net Sales	%	9	0.20975	0.20975	0.19926	0.18930	0.17983	0.2542	1.00	9.00	0.09
Sub-Total											
50											

NOTES ON COMPILATION OF FINANCIAL PARAMETERS OF MoU 2013-14

1. Net Sales have been calculated based on GCV method of pricing. Impact of any revision in pricing will be excluded from Net Sales, Gross Margin, Gross Profit, Net Profit and its effect in Balance Sheet, at the time of evaluation.
2. Impact of MIMDR bill if becomes an act and implemented, its impact will be excluded.
3. For the purpose of MoU, 'Net Sales' has been considered in place of 'Gross Sales' for calculation of financial parameters.
4. Financial statements have been prepared without considering the impact of impending capital restructuring of BCCL. The same will not be considered at the time of evaluation.

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
2. Dynamic Parameters											
(d&e) Quality and Customer Satisfaction											
(d1) Quality											
Despatch of Coal to Power Sector by Rail											
(i)	Sized Coal	%	99.00	97.00	96.00	95.00	94.00	99.40	1.00	1.00	0.01
(ii)	Weighted on electronic weighbridge before despatch	%	98.50	98.00	97.00	96.00	95.00	99.90	1.00	1.00	0.01
(d2) Customer Satisfaction											
(i)	Despatch covered under agreed sampling to power sector	%	99.00	98.00	97.00	96.00	95.00	99.32	1.00	2.00	0.02
(ii)	To seek suggestion from customer for developing "Customer Satisfaction Performa"	Month	01st June 2013	15th June 2013	01st July 2013	15th July 2013	01st Aug 2013	Completed on 30.04.13	1.00	0.50	0.005
(iii)	To work out customer satisfaction proforma jointly with customer	Month	Dec'13	Jan'14	Feb'14	15th March 2014	Completed on 20.11.13		1.00	0.50	0.005
(f) Human Resources Management											
(i)	HR Management – As per annexure XIV	%	As per annexure XIV - Enclosed								0.017
(ii)	Certified Training in Contract Management	No. of Executives	6	5	4	3	2	12	1.00	1.00	0.01
(iii)	Certified Training in Project Management	No. of Executives	60	50	40	30	20	78	1.00	1.00	0.01
(iv)	Training in Environment Management, Forest Management & Land acquisition	No. of Executives	10	6	4	3	2	29	1.00	1.00	0.01

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
(v) Formal Training in Risk Management	No. of Executives	1	6	5	4	3	2	12	1.00	1.00	0.01
(g&h) Adoption of Innovative Practices											
(i) RFID based surveillance for preventing pilferage of coal during transportation in any one Area	Month	1	Dec'13	Jan'14	Feb'14	15th March 2014	Dec'13	1.00	1.00	0.01	
(ii) Installation of centralised water heating system at Gandhinagar hospital by utilising solar energy	Month	1	15th Feb 2014	28th Feb 2014	15th March 2014	Completed 13.02.14	Completed 13.02.14	1.00	1.00	0.01	
(iii) Setting up of solar panels in roof top of one administrative building for partial power back up	Month	1	15th Feb 2014	28th Feb 2014	15th March 2014	Completed 13.02.14	Completed 13.02.14	1.00	1.00	0.01	
(iv) Installation of CCTV based Coal dispatch monitoring so as to avoid chances of any theft/pilferage of coal	No. of mines	1	5	4	3	2	1 No. – Dec'13 4 Nos. – Mar'14	1.00	1.00	0.01	
(v) Installation & commissioning of WAN in CCL (connecting HQ to All area offices, Projects, Weigh bridges etc.)	Month	1	Jan'14	Feb'14	15th March 2014	Not Achieved	5.00	5.00	0.05		
(i&j) Project Implementation											
										14	

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
11. Capacity creation through approval of New/Expansion Projects											
(i) Approval of Project Report	Mt	1	15.00	10.00	9.00	8.00	7.00	44 MTY – Approval/in principal approval received for Pachra OC (15 MTY), Mahendra OC (4 MTY) and Ashoka (22 MTY) & Sayal D OC (1 MTY)	1.00	1.00	0.01
(ii) Commissioning/Completion of on going projects – Utimari OC (2.0 MTY)	Month	1	Jan'14	Feb'14	15th March 2014	15th March 2014	Completed	Completed 01.08.13	1.00	1.00	0.01
(iii) Acquisition of land (Notification under CBA/LA)	Ha	1	1240	1178	1116	1054	992	1404.5 Ha	1.00	1.00	0.01
(iv) Possession of land	Ha	1	96	91	86	82	77	490.68 Ha	1.00	1.00	0.01
(v) Preparation of Master Control Network of new projects costing more than 100 Cr or producing more than 2 MT per annum	No.	1	Oct'13	Dec'13	Jan'14	Feb'14	15th March 2014	Completed	1.00	1.00	0.01
(vi) CAPEX of budget 2013-14	Rs. Cr.	2	500.00	400.00	380.00	361.00	343.00	Rs.657.18 Cr	1.00	2.00	0.02
(vii) Afforestation (Tree Plantation)	Nos. in Lakh	1.5	1.30	1.28	1.26	1.24	1.22	1.42	1.00	1.50	0.015
(viii) Award & Start of work for renovation of Rajappa Washery	Date	1	Dec'13	Jan'14	Feb'14	15th March	Completed	Completed 31.08.13	1.00	1.00	0.01

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April '13 to March '14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
12. Other major activities/Milestones											
(i) NIT for outsourcing of OB Removal for 4 yrs of Amrapali OC	Month	0.5	Jan '14	Feb '14	15th March 2014		Completed	1.00	0.50	0.005	
(ii) Survey/Finalisation of route alignment of Megach railway siding taking off from Bukru Station on Tori Shivpur main line	Month	0.5	Dec '13	Jan '14	15th March 2014		Completed	1.00	0.50	0.005	
(iii) Award of work for outsourcing of 90 lakh Cum of overburden for 1 year for Ashoka OCP	Month	0.5	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	1.00	0.50	0.005	
(iv) Selection & Finalisation of rehabilitation site for Purnadih OC	Month	0.5	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	1.00	0.50	0.005	
(v) Supply order of 2 number dumpers (60 Te) of Tapin OC	Month	0.5	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	1.00	0.50	0.005	
(vi) Supply order of 2 number dumpers (60 Te) of Karma OC	Month	0.5	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	1.00	0.50	0.005	
(vii) Roadway Preparation for marching of Continuous Miner Package at Churi UG Mine	Month	0.5	Dec '13	Jan '14	15th March 2014		Completed	1.00	0.50	0.005	
(viii) NIT for construction of approach road at North Urimari OC	Month	0.5	Dec '13	Jan '14	15th March 2014		Completed	1.00	0.50	0.005	
(ix) Supply Order of 2 numbers of 28 KL Water Sprinkler	Month	0.5	Jan '14	Feb '14	15th March 2014		Completed	1.00	0.50	0.005	

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
(I) Corporate Social Responsibility & Sustainable Development		8.0									
(i) The degree of involvement of the employees and the top management in internalizing the CSR and sustainability agenda with the Organisation											
(a) Seminars/Workshop to be organized	Nos.	0.4	2	1			3 nos.	1	0.40	0.004	
(b) The presence of top management and executives in such seminar/workshop	Nos.	0.3	15	13	11	10	9	1	0.30	0.003	
(c) The total numbers of employees covered through such initiatives	Nos.	0.3	20	15	12	10	8	1	0.30	0.003	
Sub Total (i)		1									
(ii) Impact of such involvement on products/ services/processes and reduction in Carbon footprint											
(a) Fitting of timer in colony street lights	No. of colony	1	2	1			2 nos.	1.00	1.00	0.01	
(b) Base line Study on carbon foot print	No. of unit	1	2	1			2 nos.	1.00	1.00	0.01	
Sub Total (ii)		2									
Sub Total (I)		3									

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April '13 to March '14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100	
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					
2	The efforts made and the success achieved in the engagement of key stake holders Through adoption of a good corporate communication strategy	Nos.	1	5	4	3	2	1	05 nos.	1	1.00	0.01
3	The adoption of sustainability reporting and disclosure procedures and practices	Publication by	Feb '14	15th Mar '14					Feb '14	1	0.50	0.005
(a)	Frequently updated display of information in this regard on the Company web site	Duration	Quarterly	Half-yearly	Annually				Quarterly	1	0.50	0.005
	Sub Total (3)											
4	The degree of success in implementing the CSR and sustainability projects they undertake during the year	Nos.	1	3	2	1			4 nos.	1.00	1.00	0.01
(a)	Rain water Harvesting		Jan '14	Feb '14	15th Mar '14				Jan '14	1.00	1.00	0.01
(b)	Financial Support for one backward district for skill development and infrastructure development for the benefit of the marginalized & under privileged section of the society											
	Sub Total (4)											

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
5	The expenditure incurred on CSR and Sustainability activity (vis a vis the annual budgetary allocation @1% of PAT of 12-13)	% utilization	>75%	>65%	>55%	>45%	<45%	1	0.50	0.005
6	The effectiveness of the two tier organizational culture in the process of planning, implementing and monitoring the CSR activities									
(a)	The existence of the two tier organizational structure with mandatory membership of an independent director on the Board level committee	Yes/No	Yes			No	Yes	1	0.20	0.002
	The frequency of meeting held by the (b) Board level Committee	No. of Meeting	4	3	2	1	4 Nos.	1.00	0.15	0.0015
	The frequency of meeting held by the (b) Below Board level Committee	No. of Meeting	4	3	2		4 Nos.	1.00	0.15	0.0015
	Sub total (6)		0.5							
3. (m)	Sector Specific Parameters		7.00							
(1)	Off-take (with availability of **35 rakes/day for excellent target)	Mt	57.25	57.20	54.34	51.62	49.04	3.82	11.45	0.11448
(2)	Coal Production	Mte	53.55	53.50	50.83	48.28	45.87	3.32	6.63	0.06634
(3)	UG Production		1	1.05	0.97	0.92	0.87	3.20	3.20	0.032

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
(4)	Reduction in Cost of production in real terms ('+' stands for increase in cost and '-' stands for decrease in cost)**	% of CPT of 12-13	6.70	7.70	8.70	9.70	10.70	(8.11)	1.00	0.01
4.	Enterprise-Specific Parameters	6								
4-a	Identification for engaging an external agency & award of work for integrated farming	Duration	Feb'14	15th March 2014				Completed 13.02.14	1.00	0.005
4-b	Man productivity (Output/Manshift) (commensurate to corresponding production target)	Te/ Manshift	4.92	4.91	4.66	4.43	4.18	4.64	3.08	0.0308
4-c	System Capacity Utilisation (Commensurate to corresponding production target)	%	87.00	85.26	81.00	76.95	73.10	88.52	1.00	0.005
4-d	Issue of work order for preparation of enterprise risk management Plan	Month	Feb'14	15th March 2014				Issued at CIL level on 19.02.14	1.00	0.01
4-e	Introduction of GPS enabled road transportation	No. of mines	5	4	3	2	1	1	5.00	0.05
4-f	Safety									
	Preparation of Safety Management Plans of mines	No. of mines	5	4	3	2	1	5	1.00	0.01
	Introduction of mechanised roof drilling machines in UG mines	No. of mines	5	4	3	2	1	5	1.00	0.01
Grand Total		100.00						Composite Score	Rank	1.329 Excellent

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				

NOTE :

- (i) Non compliance of Corporate Governance will also be penalised by way of negative marking & the MoU score will be increased in the following manner in accordance with DPE OM 18(8)2005-GM, dated 22nd June, 2011.
- (ii) CPSE have to give a certificate regarding Implementation of Guidelines issued by DPE submitted will be penalised upto 1 mark at the discretion of Task Force at the time of MoU evaluation (In other words, the MoU rating be increased by 0.4).
- (iii) Projectwise constraints leading to non achievement of target, due date for redressal and likely drop in envisaged production as per directive of MoU task force is indicated in Assistance required from Govt./CLL at page No. 3 and enclosed as Annex – A.

** Details of monthwise breakup for rake requirement is enclosed as per CLL plan as Annex – B.

***(iv) The following aspects shall be considered at the time of evaluation

Necessary adjustments for increase in WPI by 7% (now considered) shall be replaced by actual increase in WPI for 2013-14

Adjustment for any projected abnormal movement in Cost items shall be made.

Template for HRM Performance Evaluation under Memorandum of Understanding

HRM Performance Indicators	Unit	Weight (in %)	MoU Target					Achievement from April '13 to March '14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
2(A) Dynamic Parameters											
A1 Competency and Leadership development		20									
1. % actualization of Training Plan & Training days per employee per year	% fulfillment & days/employee/year	5	16 & 0.076	10 & 0.050	8 & 0.025	5 & 0.020	1 & 0.010	32.79 & 1.233	1.00	5.00	0.05
2. Developing critical mass of leaders through a system of career planning & development	% fulfillment of planned leadership development programmes	5	1.5	1.00	0.8	0.5	0.1	20.11	1.00	5.00	0.05
3. Training Budget as % of employee cost	% of employee cost	5	0.15%	0.147%	0.140%	0.133%	0.126%	0.345	1.00	5.00	0.05
4. % fulfillment of Training Plan for Multi skilling/Skill upgradation of Non-executives	%	5	20	15	10	5	1	10.38	3.035	15.175	0.15175
A2 Optional (out of below five, one is to be taken in the MoU)		5									
7. Training interventions on new/advanced technology, % fulfillment of training plan in new technology	%	5	10	8	5	3	1	18.53	1.00	5.00	0.05

HRM Performance Indicators	Unit	Weight (In %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage* Rank OR Raw Score/100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
B Performance Management											
11.	Linkage of Developmental plan of Executives with Performance Management System	Yes/No	5	Yes	No	No	Yes	1.00	5.00	0.05	
12.	Implementation of PRP linked to PMS	Yes/No	5	Yes	No	No	Yes	1.00	5.00	0.05	
C Recruitment, Retention & Talent Management											
13.	Manpower rationalization through Voluntary Retirement	%	5	0.1	0.05	0.04	0.0	0.02	25 Nos.	1.00	
	Redeployment			6.5	6.0	5.5	5.0	4.5	1482	5.00	
	Any other									0.05	
14.	Attrition as % of total employees	%	5	0.2	0.5	0.6	0.7	1	0.018%	5.00	
15.	Presence of Mentorship Development Programme – Nos. of Mentors & Mentees	Yes/No, Numbers	5	Yes No. of mentors 24/every new executive who joins co.	Yes No. of mentors 18/every new executive who joins co.	Yes No. of mentors 15/every new executive who joins co.	Yes No. of mentors 10/every new executive who joins co.	Yes No. of mentors 05/every new executive who joins co.	NIL	5.00	
16.	Formulation/Implementation of systems for Management of Talent such as – Job rotation system, sponsoring Sr. executives for advanced Management Programme, growth opportunities	Schemes/ Initiatives & their details	5	100%	50%	25%	20%	5%	100%	5.00	

HRM Performance Indicators Executives – 2686 Non-Executives – 47334 as on 01.04.13	Unit	Weight (in %)	MoJ Target					Rank of Raw Score	Weightage* Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100		
			Excellent	Very Good	Good	Fair	Poor					
			1	2	3	4	5					
D	Enabling Creativity & Innovations	15										
17.	No. of nominations/entries submitted for National Awards (PM Shram Awards, Vishwakarma Rashtriya Puraskar)	No. of Nominations/entries submitted for National Awards	5	4	3	2	1	NIL	5.00	25.00	0.25	
18.	Number of suggestions generated per employee per year	No. per employee	5	0.001	0.0005	0.0004	0.0003	0.0025	1.00	5.00	0.05	
19.	% of Quality Circle projects completed against total Quality Circle projects under taken in a year	% fulfillment	5	20	15	10	5	NIL	5.00	25.00	0.25	
E	Employee Relation and Welfare	20										
20.	Effectiveness of grievances settled vis-à-vis received during the year	% settlement	4	80	60	40	20	85.5	1.00	4.00	0.04	
21.	Pension, Medicare, Yoga classes to reduce stress where job is stressful, setting up of wellness centre such as Gym etc.	No. of programmes/date of implementation of scheme	4	4 programmes by Mar'2014	3 programmes by Mar'2014	2 programmes by Mar'2014	1 programme by Mar'2014	0 programme by Mar'2014	5	1.00	4.00	0.04
22.	Employee satisfaction survey ESI measure in %	%	4	50	40	20	10	50	1.00	4.00	0.04	

HRM Performance Indicators Executives – 2686 Non-Executives – 47334 as on 01.04.13	Unit	Weight (in %)	MoU Target					Achievement from April'13 to March'14	Rank or Raw Score	Weightage* Rank or Raw Score	MOU Composite Score = Weightage * Rank OR Raw Score/ 100
			Excellent	Very Good	Good	Fair	Poor				
			1	2	3	4	5				
23. Formulation/Implementation of social security scheme	Yes/No	4	Yes implementation by Nov'13	Yes implementation by Dec'13	Yes implementation by Jan'14	Yes implementation by Feb'13	Yes implementation by Mar'14	Implemented by Nov'13	1.00	4.00	0.04
24. No. of structured meetings with employees representatives	No. of meetings	4	12	10	8	7	6	17	1.00	4.00	0.04
F. HR branding and Excellence indicate achievement in this fields for initiatives such as											
25. Benchmarking projects undertaken in area of HR	Details regarding initiatives to be given along with attachments	10	Hand Coding Culture of CCL with creativity & Innovation to generate 25 raw suggestions in every quarter & at least spot 10 nomination for awarding at CCL level & 5 at National level 100%	80%	70%	60%	50%	100%	1.00	10.00	0.1
Grand Total		100									1.70175

**MINUTES OF THE 58th ANNUAL GENERAL MEETING OF
CENTRAL COALFIELDS LIMITED HELD IN THE REGISTERED OFFICE
AT DARBHANGA HOUSE, RANCHI ON 11th JUNE, 2014 (WEDNESDAY)**

PRESENT:

1. **Shri Gopal Singh** — Member & Chairman
2. **Shri J. Bagchi** — Representative of CIL, a Corporate Member, and Proxy of Shri S. Narsing Rao, Member and Shri Abhijit Chatterjee, Member.

SPECIAL INVITEE

1. Shri T. K. Nag — Director (Technical), CCL
2. Shri D. K. Ghosh — Director (Finance), CCL

STATUTORY AUDITORS

M/s. V. Singhi & Associates represented by Shri Sunil Singhi, Partner.

IN ATTENDANCE

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

The Chairman, AGM, was apprised that Directors of the CCL Board, S/Shri S. K. Singh, Jt. Secy., MoC, R. Mohan Das, Director (P&IR), CIL and R. R. Mishra, Director (P), CCL could not attend the meeting due to preoccupation.

Shri Gopal Singh, Chairman-cum-Managing Director, took the Chair, being informed about the receipt of consent for Shorter Notice from all the members of the Company as per Article 22 and about the presence of quorum pursuant to Article 24 of the Articles of Association of the Company, the Chairman welcomed Shri J. Bagchi, representative of CIL, and called the meeting to order.

The Statement of Accounts for the year 2013-14, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller & Auditor General of India along with Directors' Report to the members, as circulated, were taken as read.

The Members were apprised that as communicated by C&AG and Senior Audit Officer (A) vide letter No. DDCA/CAR/Appointment/2012-13/445 dated 28.08.2013, the Appointment and Audit Fees for statutory Auditors/Branch Auditors of Central Coalfields Limited for the Financial Year 2013-14,

which was recommended by the Audit Committee in its 54th meeting held on 09.10.2013 and approved by CCL Board in its 399th Meeting held on 10.10.2013.

ORDINARY BUSINESS:

1. ADOPTION OF ACCOUNTS

Thereafter, Shri Gopal Singh, Chairman & Member of the Company proposed that the audited Balance Sheet as on 31st March, 2014 and Profit & Loss Account for the year ended 31st March, 2014, Reports of Statutory Auditors as well as of Comptroller & Auditor General of India thereon, Management's comments on those Reports, and Review of Accounts by the Comptroller & Auditor General of India along with Directors' Report be received and adopted. The motion was seconded by Shri J. Bagchi, Chief Manager Finance – Representative of CIL, a corporate Member and Proxy of Shri S. Narsing Rao, Member and Shri Abhijit Chatterjee, Member and after detailed discussion, the Accounts were adopted unanimously.

2. A proposal to confirm payment of Interim Dividend paid ₹ 573.00 Cr. was ratified vide 405th Board Meeting held on 15th April, 2014 and proposed Final Dividend of ₹ 430.05 Cr. i.e. ₹ 1003.05 Cr. being 60% of profit after tax (PAT) of ₹ 1671.76 Cr., as recommended by the Board at its 407th meeting held on 27.05.2014 was moved by the Chairman and was seconded by Shri J. Bagchi. The resolution was adopted unanimously.
3. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri S. K. Singh, Joint Secretary, Ministry of Coal, Govt. of India, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri J. Bagchi. The resolution was adopted unanimously.
4. A proposal as per the provisions of Article 34(iii) of the Articles of Association of the Company for re-appointment of Shri R. Mohan Das, Director (P&IR), Coal India Limited, as a Part-time Director of the Company was moved by the Chairman and seconded by Shri J. Bagchi. The resolution was adopted unanimously.

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

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

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

Management Discussions and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Coal – Primary Source of Energy

Coal is one of the prime fuels in India. Coal constitutes 81% of the total generation and will continue to be crucial to the Country's future power needs. Indian now ranks 3rd amongst the coal producing countries in the World. China is the largest producer of Coal with 3520 Million Tonnes (49.5% of the total world wide production in 2011), followed by United States 992.8 MT (14.4% of the World wide production in 2011).

Coal being the most abundant fossil fuel in India till date, it continues as one of the most important sources for meeting the domestic energy needs and will continue to be the mainstay of its future energy supply. It provides most vital input for accelerating the growth of Indian economy. 52.4% of India's total Energy needs is met by Coal, whereas 41.6% of energy requirement is met by Oil & Natural Gas.

Geological Coal Reserves in CCL Command Area as on 01.04.2013

(In Billion Tonnes)

Type of Coal	Depth (M)	Proved	Indicated	Inferred	Total	Remarks
Coking	0 – 300	6.783	3.682	0.048	10.513	
	300 – 600	0.867	3.602	0.562	5.031	
	600 – 1200	0.256	1.659	1.050	2.965	
	Total	7.906	8.943	1.660	18.509	
Non-Coking	0 – 300	12.074	4.505	1.090	17.669	
	300 – 600	0.972	3.280	1.796	6.048	
	600 – 1200	0.00	0.196	0.290	0.486	
	Total	13.046	7.981	3.176	24.203	
Total	Total	20.952	16.924	4.836	42.712	

It is evident that 66% of Coal Reserve in CCL Command Area lies within 0-300 mtr. Depth, 26% of Coal Reserve in CCL Command Area lies within 300-600 mtr. Depth and rest 8% lies within 600-1200 Mtr.

From the above table, it is revealed that out of 298.914 Billion Tonnes of geological resources of coal estimated in India, CCL Command Area has 42.712 BT as on 01.04.2013, which is 14.29% of total Reserve in India.

Coal Demand

The working Group for Coal & Lignite for formulation of XIIth Plan has assessed a coal demand of 980.50 MT in 2016-17. The Compounded Annualized Growth Rate (CAGR) for XII plan period comes to 7.09%.

Sector wise break-up are as under :

<i>(Million Tonne)</i>	
Sector	2016 – 17
Steel (Coking)	67.20
Power (U)	682.08
Power (Captive)	56.36
Cement	47.31
Steel DRI	50.33
Others	77.22
Total Non – Coking	913.30
Total	980.50
Compounded Annualized Growth Rate (CAGR)	7.09

Coal Despatch

Sector-Wise coal dispatch of CCL during 2013-14 is 52.289 MT :

(Fig. in MT)

Sector	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual
Power	29.888	33.008	39.023	38.770
Steel	1.756	2.563	3.380	2.755
Fertilizers	0.945	0.947	0.644	0.277
Others*	12.894	11.933	11.004	10.487
Total	45.483	48.451	54.052	52.289

* Others include e-auction, erstwhile Non Core Consumers, Sponge Iron and State Agencies.

Coal Availability

The indigenous all India coal production assessed in the terminal year of XIIth Plan is projected to be 715 Mt in Business As Usual (BAU) and 795 MT in optimistic scenario. The projection of coal production from CIL during the terminal year of XIIth plan of 615 MT in optimistic and 556.4 in BAU scenario, as per XIIth plan documents.

The actual coal production during XIth plan period and production projection during 2013-14 from existing mines, completed projects and on-going projects in CCL is given below :

(Figure in Million Tonnes)

Group	XIth Plan					XIIth Plan	
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual
Existing Mines	2.67	2.27	2.85	2.733	2.977	4.457	5.24
Completed Project	17.93	17.08	19.33	17.521	15.070	11.826	12.61
On-going & New Projects	23.55	23.89	24.91	27.270	29.960	31.750	32.17
Total	44.15	43.24	47.08	47.520	48.000	48.030	50.02

Productivity

The OMS position of CCL is as below :

(Figure in Million Tonnes)

	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual
UG	0.39	0.36	0.35	0.34	0.32	0.325	0.33
OC	4.66	4.65	5.24	5.45	5.79	6.093	6.26
Overall	3.22	3.27	3.66	3.88	4.19	4.421	4.64

B. STRENGTH AND WEAKNESSES, OPPORTUNITIES AND THREATS**Strength**

- 1. High production and huge production potential :** CCL produced 50.02 MT of coal in 2013-14, which is over 11% of Coal India's Production. The coal reserves in CCL command area is of 42.712 billion tones. CCL has about 14.29% of the coal reserves of India. The coal reserves include non coking coal (used in power plants) as well as coking coal (used in steel plants). These reserves are good enough for the next 200 years.
- 2. Infrastructure available in almost all Coal Blocks :** For development and operation of coal mines we need a good rail and road network. All coalfields of CCL have a reasonably Good Rail and Road Networks. This Network enables swift movement of Coal to the Consumers.
- 3. Skilled Manpower available in sufficient number :** CCL has been in the business of Coal Mining for over forty years. Its manpower strength is 46,686 and which is well conversant in their jobs.
- 4. Very low employee attrition rate :** The salary and wages offered to the employees in CCL are the best in the Coal Mining Industry. This has resulted in a very low attrition of employees. The performance related pay introduced recently for executives has further boosted the moral of employees.
- 5. CCL is a Mini-Ratna Category I Company, with a High Financial Autonomy :** On the basis of performance of CCL, the department of Public Enterprises has granted

Mini-Ratna Category I status to the Company. This means that the company can approve projects upto Rs. 500 Crores without going to the Government and it can also form joint ventures/subsidiaries/overseas offices.

6. **High cash reserves of ₹ 2816 Crore** : The high cash reserves available with the company can be used for opening of New Mines, acquisition of coal mines abroad, and for diversification.
7. **Debt free company** : As the company is debt free, it can be used to for raising debt from the market for acquisition of energy assets abroad.

Weaknesses

1. **Old mines with Obsolete Technology** : Most of the mines in CCL are old with antiquated equipment. The company has opened a few mines in recent past. State of the art technology is being used in only few mines.
2. **Trade Unionism** : Trade Unionism is rampant in the mines. Every mine has over six Recognized Trade Unions.
3. **Application of information technology is very low** : The application of IT in the mines is very low. This makes the system prone to corruption and inefficiency.
4. **Poor work culture** : On an average employees work for only 4 hours in a eight hour shift.

Opportunities

1. **There is huge and almost insatiable demand for coal** : The demand – supply gap of coal is 20 MT today which is likely to increase in future.
2. **Outsourcing of production processes** : CCL can go for outsourcing in case of projects, beyond the available capacity of the projects. We also go for outsourcing in case of Marginal Deposits (there are many such Coal Deposits) where deployment of Departmental Equipment is uneconomical. Outsourcing now has the support of Trade Unions.
3. **Opportunities for value addition for it's products through sizing, washing or conversion to Liquid and Gas** : The price of washed coking coal is double the price of mined Coking Coal. Washeries may be established to take advantage of the price differential.

4. **Our coal is priced below the international level** : Our coal price is 30% cheaper than the International Price. When the Government deregulates the pricing of coal, we can raise the coal price for higher profitability.

Threats

1. **Captive mining in coal is now permitted in India, ending the complete monopoly of the company** : CCL has now to compete with private players, who have been allotted coal blocks.
2. **There is demand for allowing private coal mining companies to sell all their produce in the open market** : Private players produce coal at 60% of the CCL's cost. If they are allowed to sell coal in the open market then we will be losing valuable customers.
3. **Upcoming Private Players may poach on the highly skilled employees of the company through better Pay, Perks and Other Facilities** : Since the company is a PSU, it can't easily increase the pay and perks etc of the employees as per demand of the market and competition as it has to follow length procedures for the same.
4. **Law and order problems in coal mining areas** : The law and order situation in mining areas is bad. There are frequent bandhs and extremist groups prevent/interfere with mine development activities. On an average the mines are closed for about 30 days due to poor law and order condition prevailing in Mining areas.
5. **Inordinate delay in release of Forest land** : There is inordinate delay in the processing of Forest land proposals. The State Govt. takes considerable time in recommending forest land proposals to the MOEF for stage I clearance. There is delay in site inspection by MoEF Regional Office, Bhubneswar. It takes about 4-6 years for release of forest land.
6. **Physical possession of acquired land** : Great difficulty is being encountered in the physical possession of acquired land. Forest land which is released by the Govt. often has encroachments, which is not easy to get rid off.
7. **Rehabilitation of project affected persons** : The rehabilitation of project affected persons has become a big bottle neck in the development of new projects, as the demand of PAFs are often, beyond the norms of R&R policy of CIL.

C. PERFORMANCE

Covered in the main report.

D. OUTLOOK

Your company is envisaged to grow at very fast rate during the period 2014-22 achieving 110 Mt in 2021-22. The CAGR for the said period is over 10%. The Major projects like Magadh OCP, Amrapali OCP, Pachra OCP, Sanghmitra OCP are expected to contribute to achieve this growth.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has well established internal control systems and procedures commensurate with its size and nature of business with an approved and well laid down delegation of authority at various levels for ensuring appropriate authorization and approval of transactions. Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual defining the practices & procedures to be adopted for procurement and award of contracts are in place. The internal audit is conducted by external firms of Chartered/ Cost Accountants covering all the Offices/Areas/Units of operation and their reports are reviewed by the Audit Committee. Further, the accounts of the Company are subject to Comptroller & Auditor General of India (C&AG) audit in addition to the propriety audit conducted by them.

F. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Covered in the main report.

G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

H. ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

Covered in the main report.

I. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

J. CAUTIONARY STATEMENT

Statement in the Management Discussion & Analysis and Directors' Report prescribing the Company's objectives; projections and estimates, expectations & predictions etc., may be "forward looking statement and progressive within the meaning of applicable laws & regulations. Forward looking statements contained herein are subject to certain risks and uncertainties that would cause actual results to differ materially from those reflected in the forward looking statements. Actual results will vary from those expressed or implied depending upon economic conditions."

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2014

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

PART-I

(in Cr.)

Particulars	3 months	3 months	3 months	Current Year	Year
	ended 31.03.2014	ended 31.12.2013	ended 31.03.2013	ended 31.03.2014	ended 31.03.2013
				Audited	Audited
1. Income from Operations :					
(a) Net Sales/Income from Operations (Net of Excise Duty & Other Levies)	2444.45	2107.61	2268.23	8556.01	8556.24
(b) Other Operating Income	—	—	—	—	—
Total Income from Operations	2444.45	2107.61	2268.23	8556.01	8556.24
2. Expenses :					
Changes in Inventories of Finished Goods, WIP & Stock in Transit	(300.22)	(1.86)	(370.38)	36.74	275.71
Cost of Material Consumed	235.18	171.67	214.48	733.93	625.73
Employee Benefit Expenses	822.57	900.55	890.43	3509.20	3522.47
Power & Fuel	62.49	83.74	80.98	266.58	358.82
Social Overhead	30.51	29.22	10.88	76.73	63.31
Repairs	102.81	37.19	97.31	186.43	162.64
Contractual Expenses	188.47	119.69	162.97	537.63	506.49
Other Expenditures	179.65	136.27	170.29	632.71	584.22
Overburden Removal Adjustment	156.53	74.59	11.14	241.66	(43.53)
Depreciation and Amortisation Expenses	78.67	60.83	69.44	252.23	231.15
Impairment	1.87	—	4.06	1.87	4.06
Provisions	34.85	47.69	112.71	182.66	279.36
Total Expenses	1593.38	1659.58	1454.31	6658.37	6570.43
3. Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	851.07	448.03	813.92	1897.64	1985.81
4. Other Income	172.50	137.74	153.86	624.94	681.64
5. Profit/(Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)	1023.57	585.77	967.78	2522.58	2667.45
6. Finance Cost	0.43	2.31	0.41	7.98	7.56
7. Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5-6)	1023.14	583.46	967.37	2514.60	2659.89
8. Exceptional Items (including Prior Period Adjustment)	(43.17)	20.41	(16.05)	(11.27)	(23.67)
9. Profit/(Loss) from Ordinary Activities before Tax (7-8)	1066.31	563.05	983.42	2525.87	2683.56

PART - I (Contd..)

(in Cr.)

Particulars	3 months	3 months	3 months	Current Year	Year
	ended 31.03.2014	ended 31.12.2013	ended 31.03.2013	ended 31.03.2014	ended 31.03.2013
				Audited	Audited
10. Tax Expense	348.87	180.92	257.60	854.11	797.95
11. Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	717.44	382.13	725.82	1671.76	1885.61
12. Extraordinary Item (net of tax expense)	-	-	-	-	-
13. Net Profit/(Loss) for the period	717.44	382.13	725.82	1671.76	1885.61
14. Share of Profit/(Loss) of associates	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
15. Minority Interest	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
16. Net Profit/(Loss) after taxes, minority interest and share of profit/(Loss) of associates	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
17. Paid-up Equity Share Capital (9400000 Equity share of Rs 1000/- each)	940.00	940.00	940.00	940.00	940.00
18. Reserve excluding Revaluation Reserve as per Balance Sheet of previous accounting year	3068.08	3068.08	2497.38	3068.08	2497.38
19.(i) Earning Per Share (EPS) before Extraordinary items (not annualised)					
a. Basic	763.23	406.52	772.15	1778.47	2005.97
b. Diluted	763.23	406.52	772.15	1778.47	2005.97
19.(ii) Earning Per Share (EPS) after Extraordinary items (not annualised)					
a. Basic	763.23	406.52	772.15	1778.47	2005.97
b. Diluted	763.23	406.52	772.15	1778.47	2005.97

PART - II

(in Cr.)

Particulars	3 months	3 months	3 months	Current Year	Year
	ended 31.03.2014	ended 31.12.2013	ended 31.03.2013	ended 31.03.2014	ended 31.03.2013
A. PARTICULARS OF SHARE HOLDING					
1. Public Shareholding	NIL	NIL	NIL	NIL	NIL
No. of Shares	NIL	NIL	NIL	NIL	NIL
Percentage of shareholding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2. Promoters and promoter group Shareholding					
a. Pledged/Encumbered					
No. of Shares	NIL	NIL	NIL	NIL	NIL
Percentage of Shares (as a % of the total share holding of promoter and promoter group)	-	-	-	-	-
Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-

PART-II (Contd..)

(in Cr.)

Particulars	3 months ended 31.03.2014	3 months ended 31.12.2013	3 months ended 31.03.2013	Current Year ended 31.03.2014	Year ended 31.03.2013
b. Non-encumbered					
Number of Shares	9400000	9400000	9400000	9400000	9400000
Percentage of Shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%	100%	100%
Percentage of Shares (as a % of the total share capital of the Company)	100%	100%	100%	100%	100%
Particulars	3 Month ended 31.03.2014				
B. INVESTOR COMPLAINTS					
Pending at the beginning of the quarter	Not Applicable				
Received during the quarter	Not Applicable				
Disposed of during the quarter	Not Applicable				
Remaining unresolved at the end of the quarter	Not Applicable				

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017 E)

Sd/-

(V. K. Singhi)

Partner

(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

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

NOTE 1 : STATEMENT OF ASSETS & LIABILITIES

(in Cr.)

Particulars	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
A. EQUITY AND LIABILITIES		
1. Shareholders' Fund		
(a) Share Capital	940.00	940.00
(b) Reserves & Surplus	3562.95	3068.08
(c) Money Received against Share Warrants	-	-
Sub-total Shareholders' Fund	4502.95	4008.08
2. Share Application Money pending Allotment	-	-
3. Minority Interest	-	-
4. Non-Current Liabilities		
(a) Long Term Borrowings	-	69.92
(b) Deferred Tax Liabilities (Net)	-	-
(c) Other Long Term Liabilities	32.37	18.73
(d) Long Term Provisions	2184.42	2116.38
Sub-total Non-Current Liabilities	2216.79	2205.03
5. Current Liabilities		
(a) Short Term Borrowings	-	-
(b) Trade Payables	91.32	79.20
(c) Other Current Liabilities	2774.77	2398.72
(d) Short Term Provisions	1384.58	1352.86
Sub-total Current Liabilities	4250.67	3830.78
TOTAL – EQUITY AND LIABILITIES	10970.41	10043.89
B. ASSETS		
1. Non-Current Assets		
(a) Fixed Assets	2123.10	1719.78
(b) Goodwill on consolidation	-	-
(c) Non-Current Investments	9.43	18.85
(d) Deferred Tax Assets (Net)	566.31	579.37
(e) Long Term Loans & Advances	70.75	207.62
(f) Other Non-Current Assets	520.05	40.00
Sub-total Non Current Assets	3289.64	2565.62

CENTRAL COALFIELDS LIMITED

Particulars	As at 31.03.2014	As at 31.03.2013
	(Audited)	(Audited)
2. Current Assets		
(a) Current Investments	605.10	109.42
(b) Inventories	1219.33	1258.63
(c) Trade Receivables	1875.72	1533.87
(d) Cash & Cash equivalents	2816.37	3560.44
(e) Short Term Loans & Advances	729.48	608.66
(f) Other Current Assets	434.77	407.25
Sub-total Current Assets	7680.77	7478.27
TOTAL ASSETS	10970.41	10043.89

NOTE 2 : Figures for the previous year/period have been regrouped/rearranged wherever necessary.

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date
For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017 E)
Sd/-
(V. K. Singhi)
Partner
(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	Notes	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a)	Share Capital	1 940.00	940.00
(b)	Reserves & Surplus	2 3,562.95	3,068.08
(c)	Money Received against Share Warrants	—	—
		<u>4,502.95</u>	<u>4,008.08</u>
(2)	Share Application Money pending Allotment	—	—
(3) Non-Current Liabilities			
(a)	Long Term Borrowings	3 —	69.92
(b)	Deferred Tax Liability (Net)	—	—
(c)	Other Long Term Liabilities	4 32.37	18.73
(d)	Long Term Provisions	5 2,184.42	2,116.38
		<u>2,216.79</u>	<u>2,205.03</u>
(4)	Minority Interest	—	—
(5) Current Liabilities			
(a)	Short Term Borrowings	6 —	—
(b)	Trade Payables	7 91.32	79.20
(c)	Other Current Liabilities	8 2,774.77	2,398.72
(d)	Short Term Provisions	9 1,384.58	1,352.86
		<u>4,250.67</u>	<u>3,830.78</u>
	TOTAL	<u>10,970.41</u>	<u>10,043.89</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i)	Tangible Assets – Gross Block	10A 4,792.76	4,482.08
	Less : Depreciation, Impairment & Provisions	3,205.11	3,117.64
	Net Carrying Value	<u>1,587.65</u>	<u>1,364.44</u>
(ii)	Intangible Assets – Gross Block	10A 323.56	323.56
	Less: Depreciation, Impairment & Provisions	297.82	290.18
	Net Carrying Value	<u>25.74</u>	<u>33.38</u>
(iii)	Capital Work-in-Progress	10B 254.31	196.68
(iv)	Intangible Assets under Development	10C 255.40	125.28
(b)	Non-Current Investments	11 9.43	18.85
(c)	Deferred Tax Assets (Net)	566.31	579.37

BALANCE SHEET AS AT 31ST MARCH, 2014 (Contd..)

	<u>Notes</u>	<u>As at 31.03.2014 (in Cr.)</u>	<u>As at 31.03.2013 (in Cr.)</u>
(d) Long Term Loans & Advances	12	70.75	207.62
(e) Other Non-Current Assets	13	520.05	40.00
(2) Current Assets			
(a) Current Investments	14	605.10	109.42
(b) Inventories	15	1,219.33	1,258.63
(c) Trade Receivables	16	1,875.72	1,533.87
(d) Cash & Cash Equivalents	17	2,816.37	3,560.44
(e) Short Term Loans & Advances	18	729.48	608.66
(f) Other Current Assets	19	434.77	407.25
		<u>7,680.77</u>	<u>7,478.27</u>
TOTAL		<u>10,970.41</u>	<u>10,043.89</u>

Significant Accounting Policies 33

Additional Notes on Financial Statements 34

The Notes referred to above form an integral part of the Balance Sheet.

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date
For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017 E)

Sd/-
(V. K. Singhi)
Partner
(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Notes	For the Year ended 31.03.2014 (in Cr.)	For the Year ended 31.03.2013 (in Cr.)
INCOME :			
Sale of Coal, Coke etc.		10,514.50	10,580.10
Less : Excise Duty		593.59	625.31
Other Levies		1,364.90	1,398.55
		<u>1,958.49</u>	<u>2,023.86</u>
I Revenue from Operations	20	8,556.01	8,556.24
II Other Income	21	624.94	681.64
III TOTAL REVENUE		9,180.95	9,237.88
IV EXPENSES :			
Cost of Materials Consumed	22	733.93	625.73
Purchases of Stock in Trade		—	—
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	23	36.74	275.71
Employee Benefit Expenses	24	3,509.20	3,522.47
Power & Fuel		266.58	358.82
Welfare Expenses	25	76.73	63.31
Repairs	26	186.43	162.64
Contractual Expenses	27	537.63	506.49
Finance Costs	28	7.98	7.56
Depreciation/Amortization/Impairment		254.10	235.21
Provisions	29	182.66	279.36
Write Off	30	—	—
Other Expenses	31	632.71	584.22
Overburden Removal Adjustment		241.66	(43.53)
TOTAL EXPENSES		6,666.35	6,577.99
V Profit/(Loss) before Prior Period Adjustment, Exceptional and Extraordinary Items and Tax		2,514.60	2,659.89
VI Prior Period Adjustment (Charges/Incomes)	32	(11.27)	(23.67)
VII Exceptional Items		—	—

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Continued)

	Notes	For the Year ended 31.03.2014 (in Cr.)	For the Year ended 31.03.2013 (in Cr.)
VIII	Profit/(Loss) before Extra Ordinary Items and Tax	2,525.87	2,683.56
IX	Extraordinary Items (Charges/Incomes)	—	—
X	PROFIT/(LOSS) BEFORE TAX	2,525.87	2,683.56
XI	Less/(Add) : Tax Expenses		
	Current Year	841.05	897.45
	Deferred Tax	13.06	(76.86)
	Earlier Years	—	(22.64)
XII	Profit/(Loss) for the Year from Continuing Operations	1,671.76	1,885.61
XIII	Profit/(Loss) for the Year from Discontinuing Operations	—	—
XIV	Tax Expenses of Discontinuing Operations	—	—
XV	Profit/(Loss) for the Year from Discontinuing Operations (After Tax)	—	—
XVI	Profit/(Loss) for the Year	1,671.76	1,885.61
XVII	Earning Per Share (in) (Face Value of 1000/- per Share)		
	(1) Basic	1,778.47	2,005.97
	(2) Diluted	1,778.47	2,005.97
	Significant Accounting Policies	33	
	Additional Notes on Financial Statements	34	

The Notes referred to above form an Integral part of the Statement of Profit and Loss

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date
For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-
(V. K. Singhi)
Partner

(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note - 1 SHARE CAPITAL

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
a. AUTHORISED :		
110,00,000 Equity Shares of 1000/- each	1100.00	1100.00
	1100.00	1100.00
b. ISSUED, SUBSCRIBED AND PAID UP		
9400000 Equity Shares of 1000/- each	940.00	940.00
	940.00	940.00

Out of the above 9399997 shares are held by the holding company, Coal India Limited (CIL) and balance 3 shares are held by its nominees.

- c. The Company has issued only one class of Equity Shares having a face value of 1000/- each. Each holder of Equity Shares is entitled to one vote per share.
- d. The shareholders have the right to declare and approve dividend as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

Note : Shares in the Company held by each shareholder holding more than 5% Shares.

Name of Shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of Shares Held (Face value of 1000/- each)	% of Total Shares	No. of Shares Held (Face value of 1000/- each)	% of Total Shares
Coal India Limited (Holding Company)	9399997	100	9399997	100

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 2

RESERVES AND SURPLUS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
RESERVES :		
Capital Reserve		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	—	—
Capital Redemption Reserve		
As per last Financial Statement	—	—
Add : Addition during the Year	—	—
Less : Adjustment During the Year	—	—
	—	—
Reserve for Foreign Exchange Transactions		
As per last Financial Statement	—	—
Add : Transfer from Surplus	—	—
Less : Adjustment During the Year	—	—
	—	—
CSR Reserve		
As per last Financial Statement	34.06	23.72
Add : Transfer from Surplus	27.26	24.00
Less : Transfer to General Reserve	26.94	13.66
	34.38	34.06
Sustainable Development Reserve		
As per last Financial Statement	1.72	—
Add : Transfer from Surplus	2.28	1.72
Less : Transfer to General Reserve	—	—
	4.00	1.72
General Reserve		
As per last Financial Statement	1,271.26	989.24
Add : Transfer from Surplus	252.59	268.36
Add : Transfer from CSR Reserve	26.94	13.66
	1,550.79	1,271.26
Surplus		
As per last Financial Statement	1,761.04	1,484.42
Profit/(Loss) after Tax for the Year	1,671.76	1,885.61
Profit/(Loss) available for Appropriation	3,432.80	3,370.03
Less : APPROPRIATION		
Reserve for Foreign Exchange Transaction	—	—
Transfer to General Reserve	252.59	268.36
Transfer to CSR Reserve	27.26	24.00
Transfer to Sustainable Development Reserve	2.28	1.72
Interim Dividend	573.00	695.00
Proposed Dividend on Equity Shares	430.05	436.37
Corporate Dividend Tax :		
On Interim Dividend	97.38	112.75
On Proposed Dividend	73.09	70.79
On Dividend of Previous Year	3.37	—
	1,973.78	1,761.04
Total	3,562.95	3,068.08

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 3

LONG TERM BORROWINGS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
A. Term Loan		
IBRD	—	36.49
JBIC	—	33.43
Export Development Corp., Canada	—	—
Liebherr France S.A., France	—	—
B. Loan From Coal India Limited	—	—
Total (A+B)	—	69.92

CLASSIFICATION 1

Secured	—	—
Unsecured	—	69.92

CLASSIFICATION 2

Loans taken under Guarantee

Particulars of Loan	Amount in Cr.	Nature of Guarantee
IBRD	—	
JBIC	—	

Note : (1) Loan from World Bank outstanding as on 31.03.2014 in foreign currency is as follows :

IBRD – USD Nil

JBIC – JPY Nil

These loans were repayable in 30 bi-annual (Half Yearly) instalments as per the terms of loan agreement of these banks with Coal India Ltd. However these loans were prepaid during the year.

IBRD 15th November 2017

JBIC 15th August 2017

(2) Total unsecured loan as on 31.03.2014 was as follows :

	As at 31.03.14	(in Cr.) As at 31.03.13
IBRD	—	44.33
JBIC	—	42.57
	—	86.90

Out of the above an amount of Nil (Previous year 16.98 Cr.) has been classified as “Other Current Liabilities” and disclosed in Note 8.

(3) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest is NIL.

(4) Loan from IBRD and JBIC on account of Coal Sector Rehabilitation Project obtained through CIL are covered by guarantee of CIL and counter guarantee by Govt. of India.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 4

OTHER LONG TERM LIABILITIES

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Trade Payables*	—	—
Security Deposits	28.13	16.94
Others	4.24	1.79
Total	32.37	18.73

CLASSIFICATION

Secured	—	—
Unsecured	32.37	18.73

(1) Amount outstanding in foreign currency is NIL.

(2) *Deferred credit for more than 12 months on payment allowed directly by the supplier is NIL.

Note – 5

LONG TERM PROVISIONS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
For Employee Benefits		
– Gratuity	—	239.39
– Leave Encashment	275.43	328.82
– Other Employee Benefits	239.62	223.31
For Foreign Exchange Transactions (Marked to Market)	—	—
OBR Adjustment Account		
Accumulated Reserve for future OBR	1,521.82	1,555.95
Less : Advance Stripping	258.45	534.24
	1,263.37	1,021.71
Mine Closure	406.00	303.15
For Others	—	—
TOTAL	2,184.42	2,116.38

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 6

SHORT TERM BORROWINGS

	<u>As at 31.03.2014 (in Cr.)</u>	<u>As at 31.03.2013 (in Cr.)</u>
Loan from Bank	—	—
Loans Repayable on Demand	—	—
Other Loans and Advances :		
Deferred Credits	—	—
TOTAL	—	—
CLASSIFICATION 1		
Secured	—	—
Unsecured	—	—

CLASSIFICATION 2

Loan Guaranteed by Directors and Others :

<u>Particulars of Loan</u>	<u>Amount in Cr.</u>	<u>Nature of Guarantee</u>
NIL	NIL	NA
NIL	NIL	NA

Note :

- (1) Amount outstanding in foreign currency is NIL.
- (2) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest is NIL.

Note – 7

TRADE PAYABLES

	<u>As at 31.03.2014 (in Cr.)</u>	<u>As at 31.03.2013 (in Cr.)</u>
For Revenue Stores & Supplies	91.32	79.20
TOTAL	91.32	79.20

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 8

OTHER CURRENT LIABILITIES

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Current Maturities of Long Term Borrowings		
Term Loan From IBRD	—	7.84
Term Loan From JBIC	—	9.14
Term Loan From Export Development Corp., Canada	—	—
Term Loan From Liebherr France S.A., France	—	—
Loan From Coal India Limited	—	—
Surplus Fund from Coal India	—	—
Current Account with Subsidiaries	—	—
For Capital Goods	102.30	54.43
For Expenses :		
Salary Wages & Allowances	288.82	303.41
Power & Fuel	42.59	45.33
Others	335.71	277.41
	<u>667.12</u>	<u>626.15</u>
Statutory Dues :		
Sales Tax	—	—
Sales Tax/VAT	26.41	36.71
Provident Fund & Pension Fund	201.86	191.13
Central Excise Duty	1.51	4.44
Royalty & Cess on Coal	148.55	142.59
Stowing Excise Duty	17.03	10.12
Clean Energy Cess	50.08	47.18
Other Statutory Levies	24.22	25.10
	<u>469.66</u>	<u>457.27</u>
Income Tax Deducted at Source	60.57	70.65
Security Deposit	71.76	65.82
Earnest Money	74.59	28.76
Advance & Deposit from customers/others	1,197.27	961.12
Interest Accrued and due on Borrowings	—	—
Interest Accrued but not due on Borrowings	—	—

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 8 (Contd...)

OTHER CURRENT LIABILITIES

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Cess Equilisation Account	—	—
Current Account with IICM	—	—
Current Account with Holding Company	7.84	31.58
Unpaid Dividend*	—	—
Ex-Owner Account	—	—
Advance Deposit other Pre-Nationalisation	—	—
Liability for CISPA	1.20	—
Other Liabilities	122.46	85.96
Total	2,774.77	2,398.72

Note - 1* : No amount is due for payment to Investor Education and Protection Fund.

Note - 2 : Provision for Pension @3% of Basic Pay + DA and Provision for Superannuation Benefit @6.84% of Basic Pay + DA has been made for executives w.e.f. 01.01.2007 as per Office Memorandum No. CIL/C-5A(vi)/005/35/1210, dtd. 02/07.05.2009 issued by Dir (P&IR), CIL, Kolkata. The Liability for Pension @3% and Superannuation Benefit @6.84% as on 31.03.2014 are 43.61 Cr and 99.60 Cr respectively have been made in the Financial Statements accordingly. A separate Fund/Trust for the above purpose is still to be created.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 9

SHORT TERM PROVISIONS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
For Employee Benefits		
– Gratuity	198.60	232.16
– Leave Encashment	35.48	47.36
– PPLB	142.01	128.63
– PRP	422.00	344.44
– Other Employee Benefits	—	—
For Proposed Dividend	430.05	436.37
For Corporate Dividend Tax	73.09	70.79
Provision for Income Tax	—	—
Less : Advance Income Tax/Tax Deducted at source	—	—
For Excise Duty on Closing Stock of Coal	83.35	93.11
For Others	—	—
Total	1,384.58	1,352.86

1. 436.37 Crores has been paid towards final dividend (pertaining to last financial year) during this year and the said amount has been approved by the members in the AGM held on 25.05.2013.

Interim dividend of 573.00 Cr. has been declared by the Board of Directors and the same was paid during the year 2013-14.

2. Provision for Ex-Gratia for non-executives has been made based on 31,500/- per employee and PRP for Executives has been made based on advise received from CIL.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note - 10A

FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS			NET CARRYING VALUE	
	As at 1.4.2013	Adj./Sales/ Transfer During the Year*	As at 1.4.2013	Adj./Sales/ Transfer During the Year*	As at 1.4.2013	Adj./Sales/ Transfer During the Year	As at 31.03.2014	As at 31.03.2013	
	16.66	0.08	338.73	18.37	—	—	16.74	16.66	
LAND :									
(a) Freehold	16.66	—	—	—	—	—	16.74	16.66	
(b) Leasehold	530.69	47.49	338.73	18.37	—	—	223.67	191.96	
Building/Water Supply/Road & Culverts	414.76	6.45	255.51	8.83	—	—	162.16	159.25	
Plant, Machinery & Equipment	2,970.67	403.74	2,048.98	195.79	—	—	1,111.88	921.69	
Telecommunication	16.74	0.13	14.07	0.50	—	—	2.33	2.67	
Railway Sidings	87.53	0.55	68.57	2.18	—	—	17.71	18.96	
Furniture & Fittings/Office Tools & Equipments/Electrical Fittings/Fire Arms	58.91	6.54	41.30	5.16	—	—	19.54	17.61	
Vehicle	31.31	0.64	26.48	0.60	—	—	4.56	4.83	
Aircraft	—	—	—	—	—	—	—	—	
Development	354.81	6.45	320.94	10.03	3.06	0.02	29.06	30.81	
Assets taken on Nationalisation	—	—	—	—	—	—	—	—	
TOTAL	4,482.08	472.07	3,114.58	241.46	3.06	0.02	1,587.65	1,364.44	
Tangible Assets (As at 31.03.2013)	4,453.69	153.36	3,006.26	222.65	—	3.06	1,364.44	—	
INTANGIBLE ASSETS									
Software	—	—	—	—	—	—	—	—	
Development	277.55	—	244.20	6.98	0.33	—	25.48	33.02	
Prospecting & Boring	46.01	—	45.65	0.10	—	—	0.26	0.36	
TOTAL	323.56	—	289.85	7.08	0.33	—	25.74	33.38	
Intangible Assets (As at 31.03.2013)	324.49	—	284.08	3.99	—	0.33	33.38	—	

* Adjustment/Sales/Transfer during the Year includes transfer from one group of Assets to another group of Assets on the basis of utilisation and nature of Fixed Assets.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note - 10B

CAPITAL WORK-IN-PROGRESS

(in Cr.)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		Total Provision and Impairment Loss	NET CARRYING VALUE	
	As at 1.4.2013	Addition During the Year	As at 1.4.2013	Addition During the Year	As at 1.4.2013	Addition During the Year		As at 31.03.2014	As at 31.03.2013
TANGIBLE ASSETS :									
Building/Water Supply/Road & Culverts	37.99	14.74	(3.02)	49.71	10.53	—	—	39.18	27.68
Plant, Machinery & Equipment	65.45	54.61	(42.02)	78.04	11.91	—	—	66.13	53.66
Railway Sidings	74.47	22.45	(0.10)	96.82	41.88	—	—	54.94	35.53
Development	48.46	9.97	(1.64)	56.79	27.29	0.67	1.85	27.24	21.07
Others	—	—	—	—	—	—	—	—	—
TOTAL	226.37	101.77	(46.78)	281.36	91.61	0.67	1.85	187.49	137.94
Tangible Assets (As at 31.03.2013)	218.50	79.21	(71.34)	226.37	87.76	—	0.67	137.94	—
Surveyed off Assets									
Surveyed off Assets (As at 31.03.2013)	58.74	8.08	—	66.82	—	—	—	66.82	58.74
	52.38	6.36	—	58.74	—	—	—	58.74	—
GRAND TOTAL	285.11	109.85	(46.78)	348.18	91.61	0.67	1.85	254.31	196.68
GRAND TOTAL (As at 31.03.2013)	270.88	85.57	(71.34)	285.11	87.76	—	0.67	196.68	—

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note - 10C

INTANGIBLE ASSETS UNDER DEVELOPMENT

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS		NET CARRYING VALUE	
	As at 1.4.2013	Adj./Sales/ Transfer During the Year	As at 1.4.2013	Adj./Sales/ Transfer During the Year	As at 1.4.2013	Adj./Sales/ Transfer During the Year	As at 31.03.2014	As at 31.03.2013
INTANGIBLE ASSETS :								
Development	64.48	97.30 (27.35)	1.25	—	—	—	133.18	63.23
Prospecting & Boring	64.26	60.34 (0.17)	2.21	—	—	—	122.22	62.05
TOTAL	128.74	157.64 (27.52)	3.46	—	—	—	255.40	125.28
Intangible Assets (As at 31.03.2013)	75.33	22.43 30.98	3.46	—	—	—	125.28	—

Note : Out of 253.03 Cr. on account of Depreciation, 0.48 Cr. have been transferred to Intangible Assets under Development as the project is under progress.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 11

NON-CURRENT INVESTMENTS - Unquoted at Cost

	Number of Shares/bonds/ securities Current Year/ (Previous Year)	Face Value per Share/bond/ security Current Year/ (Previous Year) ()	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
TRADE				
8.5% Tax Free Special Bonds (Fully Paid up) : (on securitisation of Trade Receivables) <u>Major State-wise Break-up</u>				
UP	C.Y. 80900 (P.Y.) 161800	1000.00	8.09	16.18
Haryana	C.Y. 13330 (P.Y.) 26660	1000.00	1.34	2.67
Maharashtra	—	—	—	—
Madhya Pradesh	—	—	—	—
Gujarat	—	—	—	—
West Bengal	—	—	—	—
Others	—	—	—	—
Equity Shares in Joint Venture Companies (with name of Joint Ventures)	—	—	—	—
Equity Shares in Subsidiary Companies (with name of Subsidiaries)	—	—	—	—
Others (in Co-operative Shares) (The Ramgarh Karanpura Coalfield Colliery Workers Central Co-operative Stores Ltd.)	C.Y. 100 (P.Y.) 100	25.00	—	—
Total :			9.43	18.85
Aggregate of Quoted Investments			—	—
Aggregate of Unquoted Investments			9.43	18.85
Market Value of Quoted Investments			—	—
Provision made for diminution in the value of Investments			—	—

Note : The current maturities of Non-current Investments has been shown in current Investments (Note – 14).

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 12

LONG TERM LOANS & ADVANCES

	As at 31.03.2014	As at 31.03.2013
	(in Cr.)	(in Cr.)
LOANS		
ADVANCES TO SUPPLIERS & CONTRACTORS		
For Capital Goods		
Secured considered good	—	—
Unsecured considered good	68.43	204.91
Doubtful	1.21	1.21
Less : Provision for Doubtful Loans and Advances	1.21	1.21
	68.43	204.91
For Revenue		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	—	—
Security Deposits		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	—	—
Deposit for P&T, Electricity etc.		
Secured considered good	—	—
Unsecured considered good	0.63	0.47
Doubtful	0.14	0.14
Less : Provision for Doubtful Loans and Advances	0.14	0.14
	0.63	0.47
LOAN TO EMPLOYEES		
For House Building		
Secured considered good	1.59	2.13
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	1.59	2.13
For Motor Car & Other Conveyance		
Secured considered good	—	0.01
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Doubtful Loans and Advances	—	—
	—	0.01
For Others		
Secured considered good	—	—
Unsecured considered good	0.10	0.10
Doubtful	0.15	0.15
Less : Provision for Doubtful Loans & Advances	0.15	0.15
	0.10	0.10
Loan To Subsidiaries	—	—
Total	70.75	207.62

	Closing Balance		Maximum Amount Due at any time during	
	Current Year (in Cr.)	Previous Year (in Cr.)	Current Year (in Cr.)	Previous Year (in Cr.)
Due by the Companies in which Directors of the Company is also a Director/Member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 13

OTHER NON-CURRENT ASSETS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Long Term Trade Receivable		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
	—	—
Less : Provision for Bad and Doubtful Trade Receivables	—	—
	—	—
Exploratory Drilling Work		
Secured considered good	—	—
Unsecured considered good	—	—
Doubtful	—	—
Less : Provision for Bad and Doubtful	—	—
	—	—
Other Receivables		
Secured considered good	—	—
Unsecured considered good	520.05	40.00
Doubtful	—	—
	520.05	40.00
Less : Provision for Bad and Doubtful Receivables	—	—
	520.05	40.00
Total	520.05	40.00

	Closing Balance		Maximum Amount Due at Any Time During	
	Current Year (in Cr.)	Previous Year (in Cr.)	Current Year (in Cr.)	Previous Year (in Cr.)
Due by the Companies in which Directors of the Company is also a Director/Member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 14

CURRENT INVESTMENTS - Quoted/Unquoted at Cost

	Number of Units/Shares/ Bonds/Securities Current Year/ (Previous Year)	Face Value per Unit/Share/ Bond/Security Current Year/ (Previous Year) ()	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
NON-TRADE				
Mutual Fund Investments				
UTI Mutual Fund	2563553.741/(245231.306)	1,000.00	261.34	25.00
SBI Mutual Fund	2818273.203/(249190.132)	1,000.00	282.74	25.00
Canara Robeco Mutual Fund	513193.819/(248632.521)	1,000.00	51.60	25.00
LIC Mutual Fund	—/(227686.703)	1,000.00	—	25.00
TRADE				
8.5% Tax Free Special Bonds (Fully Paid up) : (on Securitisation of Trade Receivables)				
Major State-wise Break-up				
UP	C.Y. 80900 (P.Y.) 80900	1000.00	8.09	8.09
Haryana	C.Y. 13330 (P.Y.) 13330	1000.00	1.33	1.33
Maharashtra	—	—	—	—
Madhya Pradesh	—	—	—	—
Gujarat	—	—	—	—
Tamilnadu	—	—	—	—
West Bengal	—	—	—	—
Others	—	—	—	—
Total			605.10	109.42
Aggregate Value of Quoted Investment			—	—
Aggregate Value of Unquoted Investment			9.42	9.42
Market Value of Quoted Investment			—	—
Provision made for diminution in the value of Investment			—	—
Net Assets Value of Mutual Fund			595.68	100.00

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 15 INVENTORIES

(Valuation as per Significant Accounting Policy No. 6)

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Stock of Coal	1,067.28	1,103.23
Coal Under Development	—	—
	1,067.28	1,103.23
Less : Provision	—	—
A Stock of Coal (Net)	1,067.28	1,103.23
Stock of Stores & Spare Parts (at cost)	185.77	183.00
Stores-in-transit	0.67	6.10
	186.44	189.10
Less : Provision	39.26	39.44
B Net Stock of Stores & Spare Parts (at cost)	147.18	149.66
Workshop Jobs :		
Work-in-progress and Finished Goods	1.68	2.40
Less : Provision	—	—
C Net Stock of Workshop Jobs	1.68	2.40
D Press :		
Work-in-progress and Finished Goods	1.18	1.25
E Stock of Medicine at Central Hospital	0.30	0.37
F Prospecting & Boring/Development Exp./Coal Blocks meant for Sale	1.71	1.72
Total (A to F)	1,219.33	1,258.63

Notes Forming Part of the Financial Statements as at 31st March, 2014

ANNEXURE TO NOTE – 15
TABLE - A(Qty. in Lakh Tonnes)
(Value in Cr.)

Reconciliation of Closing Stock of Raw Coal adopted in the Financial Statements with Book Stock as at the end of the Year :

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening Stock as on 01.04.13	116.25	954.27	1.21	—	115.04	954.27
(B) Adjustment in Opening Stock	—	—	—	—	—	—
2. Production for the Year	500.22	8,850.65	—	—	500.22	8,850.65
3. Sub-Total (1+2)	616.47	9,804.92	1.21	—	615.26	9,804.92
4. Off-Take for the Year						
(A) Outside Despatch	416.91	7,908.14	—	—	416.91	7,908.14
(B) Coal feed to Washeries	104.28	1,020.75	—	—	104.28	1,020.75
(C) Own Consumption	0.03	0.31	—	—	0.03	0.31
Total (4)	521.22	8,929.20	—	—	521.22	8,929.20
5. Derived Stock	95.25	875.72	1.21	—	94.04	875.72
6. Measured Stock	93.27	856.04	1.17	—	92.10	856.04
7. Difference (5 – 6)	1.98	19.68	0.04	—	1.94	19.68
8. Break-up of Difference						
(A) Excess Within 5%	0.33	2.42	—	—	0.33	2.42
(B) Shortage within 5%	2.31	22.10	0.04	—	2.27	22.10
(C) Excess beyond 5%	—	—	—	—	—	—
(D) Shortage beyond 5%	—	—	—	—	—	—
9. Closing stock adopted in A/c. (6 – 8A + 8B)	95.25	875.72	1.21	—	94.04	875.72

TABLE - B

Summary of Closing Stock of Coal/Coke etc.

(Qty. in Lakh Tonnes)
(Value in Cr.)

	Raw Coal		Washed/Deshaled Coal				Other Products*		Total	
	Qty.	Value	Coking		Non-Coking		Qty.	Value	Qty.	Value
			Qty.	Value	Qty.	Value				
Opening Stock (Audited)	116.25	954.27	0.71	21.61	0.44	5.58	8.73	121.77	126.13	1,103.23
Less : Non-vendable Coal	1.21	—	—	—	—	—	—	—	1.21	—
Adjusted Opening Stock (Vendable)	115.04	954.27	0.71	21.61	0.44	5.58	8.73	121.77	124.92	1,103.23
Production	500.22	8,850.65	13.58	721.82	69.30	1,376.07	14.10	554.27	597.20	11,502.81
Offtake										
(A) Outside Despatch	416.91	7,908.14	13.61	726.46	66.98	1,347.65	13.07	532.25	510.57	10,514.50
(B) Coal feed to Washeries	104.28	1,020.75	—	—	—	—	—	—	104.28	1,020.75
(C) Own Consumption	0.03	0.31	—	—	—	—	—	—	0.03	0.31
Closing Stock	94.04	875.72	0.68	16.97	2.76	34.00	9.76	143.79	107.24	1,070.48
Less : Shortage	—	—	0.14	1.18	—	—	0.07	2.02	0.21	3.20
Closing Stock (Adopted)	94.04	875.72	0.54	15.79	2.76	34.00	9.69	141.77	107.03	1,067.28

* Value of Despatch of Other Products includes value of Non-Coking Slurry and Rejects, but quantity of Despatch does not include despatch of Non-Coking Slurry 103346 MT and Rejects (both Coking and Non-Coking) 1128747 MT. (Refer clause 8.3 of Note – 34)

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 16

TRADE RECEIVABLES

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Debts outstanding for a period exceeding six months from the due date		
— Secured considered good	—	—
— Unsecured considered good	1,224.12	1,183.97
— Doubtful	586.63	490.44
	<u>1,810.75</u>	<u>1,674.41</u>
Less : Provision for Bad & Doubtful Trade Receivables	586.63	490.44
	<u>1,224.12</u>	<u>1,183.97</u>
Other Debts		
— Secured considered good	—	—
— Unsecured considered good	651.60	349.90
— Doubtful	35.96	56.14
	<u>687.56</u>	<u>406.04</u>
Less : Provision for Bad & Doubtful Trade Receivables	35.96	56.14
	<u>651.60</u>	<u>349.90</u>
Total	<u>1,875.72</u>	<u>1,533.87</u>

Note

	Closing Balance		Maximum Amount Due at Any Time During	
	Current Year (in Cr.)	Previous Year (in Cr.)	Current Year (in Cr.)	Previous Year (in Cr.)
Due by the Companies in which Directors of the Company is also a Director/Member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Movement of Provision against Trade Receivables

Particulars	Amount (in Cr.)
Opening Balance as on 01.04.2013	546.58
Add : Provision made during the year	91.85
	<u>638.43</u>
Less : Provision w.r.t. customers having credit balance	2.83
	<u>635.60</u>
Less : Provision utilized against quality, stone etc. for the previous years	11.02
Less : Provision withdrawn being no longer required	1.99
Closing Balance as on 31.03.2014	<u>622.59</u>

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 17

CASH & CASH EQUIVALENTS

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Balance with Scheduled Banks		
In Deposit Accounts with maturity upto 3 months	998.40	457.65
In Current Accounts	32.97	22.09
In Cash Credit Accounts	—	—
In Account with Banks outside India	—	—
Remittance-in transit	0.01	0.11
Cheques, Drafts and Stamps in hand	1.65	1.44
Cash on hand	0.22	1.79
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity upto 3 months	—	—
Escrow Account with Bank	401.40	—
Other Bank Balances		
Balances with Scheduled Banks		
In Deposit Accounts with maturity of more than 3 months	1,381.72	3,077.36
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity of more than 3 months	—	—
Total	2,816.37	3,560.44
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	—	—

Note :

1. Balances with Banks to the extent held as margin money or Security against the borrowings, guarantees, other Commitments is NIL.
2. Repatriations restrictions in respect of Cash and Bank Balances is NIL.
3. Balance with Scheduled Bank – In Deposit Accounts includes NIL as on 31.03.2014 (Previous Year NIL) with maturity period of more than 12 months.
4. Escrow Account against the provision for mine closure expenses have been opened during the year with scheduled banks in accordance with the guidelines issued by the Ministry of Coal. Balance in Escrow Account includes interest accrued upto 31.03.2014 12.73 Crore.
5. Balance of Cash on Hand is as per Cash Verification Report certified by the management.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 18
SHORT TERM LOANS & ADVANCES

	<u>As at 31.03.2014 (in Cr.)</u>	<u>As at 31.03.2013 (in Cr.)</u>
LOANS		
ADVANCES (Recoverable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS		
For Revenue		
— Secured considered good	—	—
— Unsecured considered good	43.04	40.93
— Doubtful	0.53	0.53
	<u>43.57</u>	<u>41.46</u>
Less : Provision for Doubtful Advances	0.53	0.53
	<u>43.04</u>	<u>40.93</u>
ADV PAYMENT OF STATUTORY DUES		
Sales Tax		
— Secured considered good	—	—
— Unsecured considered good	52.53	26.75
— Doubtful	—	—
	<u>52.53</u>	<u>26.75</u>
Less : Provision for Bad and Doubtful Advances	—	—
	<u>52.53</u>	<u>26.75</u>
Advance Income Tax/Tax Deducted at Source	1,228.89	1,248.92
Less : Provision for Income Tax	841.05	897.45
	<u>387.84</u>	<u>351.47</u>
Others		
— Secured considered good	—	—
— Unsecured considered good	126.01	69.28
— Doubtful	—	—
	<u>126.01</u>	<u>69.28</u>
Less : Provision for Doubtful Advances	—	—
	<u>126.01</u>	<u>69.28</u>
	<u>566.38</u>	<u>447.50</u>
Advance to Employees		
— Secured considered good	—	—
— Unsecured considered good	100.50	104.98
— Doubtful	—	—
	<u>100.50</u>	<u>104.98</u>
Less : Provision for Bad and Doubtful Advances	—	—
	<u>100.50</u>	<u>104.98</u>

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 18 (Contd...) SHORT TERM LOANS & ADVANCES

	As at 31.03.2014 (in Cr.)	As at 31.03.2013 (in Cr.)
Current Account with Coal India Limited & other Subsidiaries of Coal India Limited	0.17	0.94
Loan Account with Subsidiaries	—	—
Claims Receivables		
— Secured considered good	—	—
— Unsecured considered good	19.39	14.31
— Doubtful	0.57	0.57
Less : Provision for Bad and Doubtful Claims Receivables	0.57	0.57
	<u>19.39</u>	<u>14.31</u>
Prepaid Expenses	—	—
	<u>120.06</u>	<u>120.23</u>
Total	<u>729.48</u>	<u>608.66</u>

	Closing Balance		Maximum Amount Due At Any Time During	
	Current Year	Previous Year	Current Year	Previous Year
Due by the Companies in which Directors of the Company is also a Director/Member (with name of the Companies)	Nil	Nil	Nil	Nil
Due by the Parties in which the Director(s) of the Company is/are interested	Nil	Nil	Nil	Nil

Note :

Advance to employees includes 90.64 Cr. (Previous Year 96.19 Cr.) recoverable advance paid to executives against provision for Performance Related Pay appearing in Short Term Provisions (Note No. 9).

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 19
OTHER CURRENT ASSETS

	As at 31.03.2014 (₹ in Cr.)	As at 31.03.2013 (₹ in Cr.)
INTEREST ACCRUED		
Investments	1.00	1.40
Deposit with Banks	52.70	105.64
Others	0.80	1.13
	54.50	108.17
Ex Owner's Account	—	—
Other Advances	—	—
Less : Provisions	—	—
	—	—
	—	—
DEPOSITS		
Deposit for Custom Duty, Port Charges etc.	0.64	—
Deposit with Coal India Limited	—	—
	0.64	—
Deposit for Royalty, Cess & Sales Tax	199.80	159.97
Less : Provisions	40.25	40.25
	159.55	119.72
Others	3.08	3.94
Less : Provisions	0.58	—
	2.50	3.94
Amount Receivable From Govt. of India for transactions on behalf of Ex-Coal Board	—	—
Less : Provisions	—	—
Other Receivables	218.64	176.48
Less : Provisions	1.06	1.06
	217.58	175.42
	—	—
Total	434.77	407.25

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 20

REVENUE FROM OPERATIONS

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Sales of Coal, Coke etc.	10514.50	10580.10
Less : Excise Duty	593.59	625.31
	9920.91	9954.79
Less : Other Levies		
Royalty	794.43	807.53
Stowing Excise Duty	41.69	42.24
Central Sales Tax	142.31	136.02
Clean Energy Cess	208.46	211.08
State Sales Tax/VAT	178.01	201.68
Others Levies	—	—
Total Levies	1364.90	1398.55
Revenue From Operations (Net Sales)	8556.01	8556.24

1. Sales includes Incentives from Customers.
2. Bonus claims on customers, as a result of Joint sampling, are accounted for in sales in the year of settlement irrespective of period of despatch.

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 21 OTHER INCOME

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Income From Non-Current Investments (Trade)		
Dividend from joint Ventures	—	—
Interest from		
Government Securities (8.5% Tax Free Special Bonds)	0.60	2.00
Income From Current Investments (Non-Trade)		
Dividend from Mutual Fund Investments	17.33	5.24
Dividend from Subsidiaries	—	—
Interest from Government Securities (8.5% Tax Free Special Bonds)	1.60	1.00
Income From Others		
Interest (Gross) (Tax Deducted at Source ₹ 30.03 Cr.) (P.Y. ₹ 37.69 Cr.)		
From Deposit with Banks	300.47	359.81
From Loans and Advances to Employees	0.45	0.63
From Income Tax Refunds	—	—
From Coal India Limited	—	11.38
Others	—	11.01
Apex charges	—	—
Subsidy for Sand Stowing & Protective Works	1.74	2.01
Profit on Sale of Assets	—	—
Recovery of Transportation & Loading Cost	228.56	199.47
Gain on Foreign Exchange Transactions	—	—
Exchange Rate Variance	—	0.33
Lease Rent (Gross) (Tax Deducted at Source ₹ 0.09 Cr.) (P.Y. ₹ 0.08 Cr.)	4.20	3.84
Liability Written Back	12.85	—
Guarantee Fees from Subsidiaries.	—	—
Other non-operating Income	57.14	84.92
TOTAL	624.94	681.64
Other non-operating Income consists of :		
Penalty/L. D. Recovered	14.62	25.27
Recovery Siding Charges	13.85	5.46
Recovery from Employees	2.82	2.94
Provision for C.E.D. on Closing Stock of coal, coke etc.	9.76	39.16
Others	16.09	12.09
	57.14	84.92

Notes Forming Part of the Financial Statements as at 31st March, 2014**Note – 22****COST OF MATERIALS CONSUMED**

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Explosives	117.96	125.09
Timber	1.33	1.27
Petrol, Oil & Lubricants etc.	374.75	293.34
HEMM Spares	129.82	113.21
Other Consumable Stores & Spares	110.07	92.82
TOTAL	733.93	625.73

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 23

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Opening Stock of Coal	1,103.23	1,379.68
Add : Adjustment of Opening Stock	—	—
Less : Deterioration of Coal	—	—
	1,103.23	1,379.68
Less : Closing Stock of Coal	1,067.28	1,103.23
Less : Deterioration of Coal	—	—
	1,067.28	1,103.23
A. Change in Inventory of Coal	35.95	276.45
Opening Stock of Workshop made Finished Goods and WIP	2.40	1.85
Less : Provision	—	—
	2.40	1.85
Less : Closing Stock of Workshop made Finished Goods and WIP	1.68	2.40
Less : Provision	—	—
	1.68	2.40
B. Change in Inventory of Workshop	0.72	(0.55)
Press Opening Job		
(i) Finished Goods	0.88	0.71
(ii) Work-in-Progress	0.37	0.35
	1.25	1.06
Less : Press Closing Job		
(i) Finished Goods	0.72	0.88
(ii) Work-in-Progress	0.46	0.37
	1.18	1.25
C. Change in Inventory of Closing Stock of Press Job made Finished Goods and WIP	0.07	(0.19)
Total Change in Inventory of Stock in Trade (A+B+C) (Decretion/Accretion)	36.74	275.71

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 24

EMPLOYEE BENEFIT EXPENSES

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Salary, Wages, Allowances, Bonus & Benefits	2,669.31	2,454.02
Exgratia	149.06	148.89
PRP	76.95	77.32
Contribution to P.F. & Other Funds	340.44	383.30
Gratuity	67.46	177.06
Leave Encashment	23.97	102.43
VRS	6.02	9.86
Workmen Compensation	(2.57)	10.70
Medical Expenses	27.16	24.72
Grants to Schools & Institutions	19.10	16.86
Sports & Recreation	1.95	0.71
Canteen & Creche	0.33	0.25
Power – Township	76.14	48.22
Hire Charges of Bus, Ambulance etc.	4.90	3.71
Other Employee Benefits	48.98	64.42
TOTAL	3,509.20	3,522.47
Details of Other Employee Benefits		
LTC/LLTC	11.33	23.98
LCS	3.05	5.51
HRA	22.67	21.93
Reimbursement of Gas	11.10	11.57
Others	0.83	1.43
	48.98	64.42

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 25

WELFARE EXPENSES

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Medical Expenses for Retired employees	31.63	36.81
CSR Expenses	26.94	13.66
Sustainable Development Expenses	—	—
Environmental Expenses	1.99	3.97
Tree Plantation	0.30	2.90
Other Welfare Expenses	15.87	5.97
TOTAL	76.73	63.31

Note – 26

REPAIRS

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Building	100.99	87.03
Plant & Machinery	73.05	67.71
Others	12.39	7.90
TOTAL	186.43	162.64
Details of Others :		
Roads & Culverts	7.29	4.37
Heavy Vehicles	1.87	1.55
Car & Jeeps	1.18	1.17
Others	2.05	0.81
	12.39	7.90

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 27

CONTRACTUAL EXPENSES

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Transportation Charges :		
— Sand	0.47	0.63
— Coal & Coke	226.93	188.26
— Stores & Others etc.	0.50	0.05
Wagon Loading	17.39	16.59
Hiring of Plant & Machinery	208.49	234.73
Other Contractual Work	83.85	66.23
TOTAL	537.63	506.49
Details of Other Contractual Work		
Other Contractual Expenses	40.92	29.80
Misc. Mining Jobs	42.61	36.20
Others	0.32	0.23
	83.85	66.23

Note – 28

FINANCE COSTS

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
INTEREST EXPENSES		
Deferred Payments	—	—
Bank Over Draft/Cash Credit	—	—
Interest on IBRD & JBIC Loan	0.71	1.56
CIL Fund Loan Interest	5.51	4.52
Interest to Subsidiaries	—	—
Others	0.36	0.01
TOTAL (A)	6.58	6.09
OTHER BORROWING COSTS		
Guarantee Fees paid to CIL on (IBRD & JBIC) Loan	1.39	1.46
Other Expenses / Bank Charges	0.01	0.01
TOTAL (B)	1.40	1.47
TOTAL (A + B)	7.98	7.56

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 29
PROVISIONS

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
(A) PROVISION MADE FOR		
Doubtful Debts	91.85	181.01
Doubtful Advances & Claims	0.58	—
Foreign Exchange Transaction	—	—
Stores & Spares	—	1.10
Reclamation of Land/Mine Closure Expenses	108.63	100.35
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	—
TOTAL (A)	201.06	282.46
(B) PROVISION WRITTEN BACK		
Doubtful Debts	1.99	2.40
Doubtful Advances & Claims	—	0.70
Foreign Exchange Transaction	—	—
Stores & Spares	0.18	—
Reclamation of Land/Mine Closure Expenses	16.23	—
Surveyed off Fixed Assets/Capital WIP	—	—
Others	—	—
TOTAL (B)	18.40	3.10
TOTAL (A – B)	182.66	279.36

Note –30

WRITE OFF

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Doubtful Debts	—	—
Doubtful Advances	—	—
Others	—	—
TOTAL	—	—

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 31

OTHER EXPENSES

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
Travelling expenses		
— Domestic	21.67	21.51
— Foreign	0.09	0.10
Training Expenses	3.43	3.48
Telephone & Postage	2.01	1.56
Advertisement & Publicity	6.42	5.03
Freight Charges	0.09	0.18
Demurrage	8.90	6.72
Donation/Subscription	—	—
Security Expenses	92.36	89.74
Service Charges of Coal India Limited	25.07	24.03
Hire Charges	34.62	26.55
CMPDI Expenses	36.53	49.38
Legal Expenses	2.19	5.32
Bank Charges	0.16	0.26
Guest House Expenses	0.44	0.33
Consultancy Charges	5.86	0.17
Under Loading Charges	112.51	74.78
Loss on Sale/Discard/Surveyed off Assets	—	—
Auditor's Remuneration & Expenses		
— As Auditors	0.15	0.15
— For Taxation Matters	0.01	0.01
— For Company Law Matters	—	—
— For Management Services	—	—
— For Other Services	0.10	0.10
— For Reimbursement of Expenses	0.14	0.12
Internal Audit Fees & Other Services	1.64	1.71
Rehabilitation Charges	31.27	31.83
Royalty, SED & C. E. Cess	204.70	196.49
Central Excise Duty	—	—
Rent	0.76	0.69
Rates & Taxes	2.16	2.13
Insurance	0.70	0.80
Loss on Exchange Rate Variance	9.22	—
Lease Rent	—	—
Rescue/Safety Expenses	1.99	2.29
Dead Rent/Surface Rent	0.02	0.03
Siding Maintenance Charges	6.73	7.78
Land/Crops Compensation	0.05	0.07
Miscellaneous Expenses	20.72	30.88
TOTAL	632.71	584.22

Notes Forming Part of the Financial Statements as at 31st March, 2014

Note – 32

PRIOR PERIOD ADJUSTMENT

	For the Year ended 31.03.2014 (₹ in Cr.)	For the Year ended 31.03.2013 (₹ in Cr.)
(A) EXPENDITURE		
Sale of Coal & Coke	—	—
Stock of Coal & Coke	—	—
Other Income	—	—
Consumption of Stores & Spares	0.10	—
Employees Remuneration & Benefits	1.78	—
Power & Fuel	60.46	—
Welfare Expenses	18.82	—
Repairs	—	—
Contractual Expenses	0.70	1.23
Other Expenditure	14.17	6.84
Interest and other Financial Charges	—	—
Depreciation	—	—
TOTAL (A)	96.03	8.07
(B) INCOME		
Sale of Coal & Coke	107.30	2.45
Stock of Coal & Coke	—	—
Other Income	—	17.35
Consumption of Stores & Spares	—	2.78
Employees Remuneration & Benefits	—	—
Power & Fuel	—	8.82
Welfare Expenses	—	—
Repairs	—	—
Contractual Expenses	—	—
Other Expenditure	—	—
Interest and other Financial Charges	—	—
Depreciation	—	0.34
TOTAL (B)	107.30	31.74
TOTAL (A – B)	(11.27)	(23.67)

NOTE - 33

SIGNIFICANT ACCOUNTING POLICIES

1.0 ACCOUNTING CONVENTION

Financial Statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956 including accounting standards notified there under, except as otherwise stated.

2.0 SUBSIDIES/GRANTS FROM GOVERNMENT

2.1 Subsidies/Grants on capital account are deducted from the cost of respective assets to which they relate. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.2 Subsidies/Grants on revenue account are credited to Statement of Profit and Loss under the head – Other Income and the relevant expenses are debited to the respective heads. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.3 Subsidies /Grants from Government received as on implementing agency

2.3.1 Certain Grant /Funds received under S&T, PRE, EMSC, CCDA etc. as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the assets created through grants lies with the authority from whom the grant is received.

2.3.2 Grant/Funds received as Nodal/Implementing Agency are accounted for on the basis of receipts and disbursement.

3.0 FIXED ASSETS

3.1 Land

Value of land includes cost of acquisition and cash rehabilitation expenses and resettlement cost incurred for concerned displaced persons. Other expenditure incurred on acquisition of land viz. compensation in lieu of employment etc. are, however, treated as revenue expenditure.

3.2 Plant & Machinery

Plant & Machinery includes cost and expenses incurred for erection/installation and other attributable costs of bringing those assets to working conditions for their intended use.

3.3 Railway Siding

Pending commissioning, payments made to the railway authorities for construction of Railway Sidings are shown in Note-12 – “Long Term Loans & Advances” under Advances for Capital Goods.

3.4 Development

Expenses net of income of the projects/mines under development are booked to Development Account and grouped under Capital Work-in-Progress till the projects/mines are brought to revenue account, except otherwise specifically stated in the project report to determine the commercial readiness of the project to yield production on a sustainable basis and completion of required development activity during the period of constructions, projects and mines under development are brought to revenue considering the following criteria :

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total expenses,

– whichever event occurs first.

4.0 PROSPECTING & BORING AND OTHER DEVELOPMENT EXPENDITURE

The cost of exploration and other development expenditure incurred in one “Five Year” plan period will be kept in Capital work-in-progress till the end of subsequent two “Five Year” plan periods for formulation of projects, before it is written-off, except in the case of Blocks identified for sale or proposed to be sold to outside agency which will be kept in inventory till finalisation of sale.

5.0 INVESTMENTS

Current Investments are valued at the lower of cost and fair value as at the Balance Sheet date. Investments in Mutual Funds are considered as Current Investments.

Non-Current investments are carried at cost. However, when there is a decline, other than temporary, in the value of the long term investments, the carrying amount is reduced to recognize the decline.

6.0 INVENTORIES

6.1 Book stock of coal/coke is considered in the financial statements where the variance between book stock and measured stock is upto $\pm 5\%$ and in cases where the variance is beyond $\pm 5\%$ the measured stock is considered. Such stocks are valued at net realisable value or cost whichever is lower.

6.1.1 Coal & coke fines are valued at lower of cost or net realisable value.

6.1.2 Slurry (coking/ semi-coking), middling of washeries and bye-products are valued at net realisable value.

6.2 Stores & Spare Parts

6.2.1 The closing stock of stores and spare parts has been considered in the financial statements as per balances appearing in priced stores ledger of the Central Stores and as per physically verified stores lying at the collieries/units.

6.2.2 Stock of stores & spare parts at Central & Area Stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries/ sub-stores/drilling camps/consuming centres, initially charged off, are valued at issue price of Area Stores, cost/estimated cost. Workshop jobs including work-in-progress are valued at cost.

6.2.3 Stores & spare parts include loose tools.

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

6.3 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.

7.0 DEPRECIATION

7.1 Depreciation on Fixed Assets is provided on straight line method at the rates and manner specified in Schedule – XIV of the Companies Act, 1956 (as amended) except for Telecommunication equipment, Photocopying Machine, Fax Machines, Mobile Phones, Digitally enhance cordless telephone and Computer (including printer & scanner), which are charged at higher rates on the basis of their technically estimated life, as follows :

Telecommunication equipment	—	15.83% p.a. and 10.55% p.a.
Photocopying machine	—	23.75% p.a.
Fax Machine	—	31.67% p.a.
Mobile Phone	—	31.67% p.a.
Digitally enhance cordless telephone	—	31.67% p.a.
Computer (including printer & scanner)	—	31.67% p.a.

Depreciation on Earth Science Museum and high volume samplers and respiratory dust are charged @ 5.15% and 33.33% respectively on the basis of their technically estimated life.

Further, depreciation on certain equipments/HEMM is charged over the technically estimated life at higher rates viz. 11.88%, 13.57% and 15.83% as applicable.

Depreciation on SDL and LHD (equipments) are charged @ 19% p.a. and @ 15.83% p.a. respectively on the basis of technical estimation.

Depreciation on the assets added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/disposal, except on those assets attracting 100% depreciation p.a. (SLM basis), which are fully depreciated in the year of their addition. Assets attracting 100% depreciation are taken out from the assets after expiry of two years following the year in which these are fully depreciated.

7.2 Value of land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.

7.3 Prospecting & Boring and Development expenditure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

8.0 IMPAIRMENT OF ASSET

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognised as an expense in the Statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

9.0 FOREIGN CURRENCY TRANSACTIONS

9.1 Balance of foreign currency transactions is translated at the rates prevailing on the Balance Sheet date and the corresponding effect is given in the respective accounts. Transactions completed during the year are adjusted on actual basis.

9.2 Transactions covered by cross currency swap options contracts to be settled on future dates are recognized at the rates prevailing on the Balance Sheet date, of the underlying foreign currency. Effects arising out of such contracts are taken into account on the date of settlement.

10.0 RETIREMENT BENEFITS/OTHER EMPLOYEE BENEFITS

(a) Defined Contributions Plans

The Company has defined contribution plans for payment of Provident Fund and Pension Fund benefits to its employees. Such Provident Fund and Pension Fund are maintained and operated by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the Company is required to contribute a specified percentage of pay roll cost to the CMPF Authorities to fund the benefits.

(b) Defined Benefits Plans

The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on actuarial valuation basis by applying projected unit credit method. [Further the Company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation.]

(c) Other Employee Benefits

Further liability on Balance Sheet date of certain other employee benefits viz. benefits on account of LTA/LTC, Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Retired Executive Medical Benefit Scheme and compensation to dependants of deceased in mines accidents etc. are also valued on actuarial basis by applying projected unit credit method.

11.0 Recognition of Income and Expenditure

Income and Expenditure are generally recognised on accrual basis and provision is made for all known liabilities.

11.1 Sales

- (a) Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer.
- (b) Sale of coal are net of statutory dues and accepted deduction made by customer on account of quality of coal.
- (c) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of uncertainty as assessed by management.

11.2 Dividend

Dividend income is recognised when right to receive is established.

12.0 BORROWING COSTS

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 TAXATION

Provision of current Income Tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

14.0 PROVISION

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle

the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

15.0 CONTINGENT LIABILITY

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations can not be made.

Contingent liabilities are not provided for in the financial statements and are disclosed by way of Note.

16.0 OVERBURDEN REMOVAL(OBR) EXPENSES

In open cast mines with rated capacity of one million tones per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non-Current Assets/Long Term Provisions as the case may be.

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the lower of the two alternative permissible limits, as detailed hereunder :

Annual Quantum of OBR of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (In Mill. Cu. Mtr.)
Less than 1 Mill. CUM	± 5%	0.03
Between 1 and 5 Mill. CUM	± 3%	0.20
More than 5 Mill. CUM	± 2%	NIL

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

17.0 PRIOR PERIOD ADJUSTMENTS AND PREPAID EXPENSES

Income/expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 Crore in each case, are treated as income/ expenditure of the current year.

NOTE - 34

ADDITIONAL NOTES ON FINANCIAL STATEMENTS

1. CONTINGENT LIABILITIES/CAPITAL COMMITMENT

1.1 Description of Contingent Liabilities which have not been provided in the Financial Statements are as under :

Particulars	Payment under protest and shown under Other Current Assets (Note – 19)			
	2013-14 (₹ in Crore)	2012-13 (₹ in Crore)	2013-14 (₹ in Crore)	2012-13 (₹ in Crore)
(a) Claims against the Company not acknowledged as debt	1280.38	1216.26	9.98 as shown under unsecured considered good (Note – 12)	0.00
(b) Sales Tax including ED Liability that may arise in respect of matters in appeal	779.91	629.23	169.00	130.12
(c) Royalty & Cess Liability that may arise in respect of matters in appeal	462.82	352.98	30.80	29.86
(d) Income Tax liability that may arise in respect of which the Company have preferred an appeal	430.85	365.79	383.80	385.81

Un-expired letter of credit as on 31.03.2014 is ₹ 20.94 Cr. (Previous year ₹ 0.42 Cr.)

1.2 Capital Commitment

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) is ₹ 84.77 Cr. as on 31.03.2014 (Previous Year ₹ 113.67 Cr.).

1.3 Other Commitments

Estimated amount of other commitment (Revenue) remaining to be executed and not provided for is ₹ 957.60 Cr. (Previous Year ₹ 990.02 Cr.)

2. LOAN FROM WORLD BANK (IBRD & JBIC)

Movement in World Bank Loan (IBRD & JBIC) during the Financial Year 2013-14 is as under :

(₹ in Crore)

	IBRD	JBIC
Opening Balance as on 01.04.2013	44.33	42.57
Repayment	44.33	42.57
Exchange Fluctuation	(-) 5.74	(-) 3.48
Closing Balance as on 31.03.2014	NIL	NIL

3. LONG TERM PROVISIONS

Liabilities with regard to the Gratuity plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Opening Liability of Gratuity as on 01.04.2013 was ₹ 471.55 Cr. The liability towards Incremental Gratuity for the year 2013-14 is ₹ 53.32 Cr. The Company has contributed ₹ 326.28 Cr. during the year 2013-14. The Closing balance of liability for Gratuity is ₹ 198.60 Cr. Trustees administered contribution made to the Trust and contributions are invested with Employees Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation of India. The following table sets out the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2014.

TABLE – 1

Showing Change in Present Value of Obligations – Disclosure Item 120 (c)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Present value of obligation at the beginning of the year	1634.84	1638.73
Acquisition Adjustment	0.00	0.00
Interest Cost	128.90	120.64
Past Service Cost	0.00	0.00
Current Service Cost	74.31	72.46
Curtailement Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefit Paid	236.64	261.41
Actuarial gain/loss on Obligations	(-) 30.59	64.42
Present value of Obligation at the end of the year	1570.83	1634.84

TABLE – 2**Showing Changes in Fair Value of Plan Assets : Disclosure item 120(e)**

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Fair value of Plan Assets at the beginning of the year	1163.29	849.35
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Assets	98.88	67.95
Contributions	326.28	474.14
Benefits Paid	236.64	261.41
Actuarial gain/loss on Plan Assets	20.42	33.26
Fair Value of Plan Assets at the end of the year	1372.23	1163.29

TABLE – 3**Showing Funded Status : Disclosure Item 120(f)**

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Present Value of Obligation at the end of the year	1570.83	1634.84
Fair Value of Plan Assets at the end of year	1372.23	1163.29
Funded Status	(–) 198.60	(–) 471.55
Unrecognized actuarial gain/loss at the end of the year	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	(–) 198.60	(–) 471.55

TABLE – 4

Showing Expense Recognized in Statement of Profit / Loss : Disclosure Item 120(g)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Current Service Cost	74.31	72.46
Past Service Cost	0.00	0.00
Interest Cost	128.90	120.64
Expected Return on Plan Assets	98.88	67.95
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognized in the year	(-) 51.01	31.15
Expenses recognized in Statement of Profit/Loss	53.32	156.31

TABLE – 7

Showing Actuarial Assumptions : Disclosure item 120(L)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Mortality Table	IALM (2006-08) ULT	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8.50%	8.00%
Inflation Rate	6.25%	6.25%
Return on Asset	8.50%	8.00%
Remaining working life	13 years	10 years
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

Showing Movement in the Liability Recognized in Balance Sheet : Disclosure Item 120(P)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Opening Net Liability	471.55	789.38
Expenses as above	53.32	156.31
Contributions	326.28	474.14
Closing Net Liability	198.59	471.55
Closing Fund/Provision at the end of the year	1570.83	1634.84

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

TABLE – 1

Showing Changes in Present Value of Obligations : Disclosure Item 120 (c)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Present Value of Obligation at the beginning of the year	376.18	352.42
Acquisition Adjustment	0.00	0.00
Interest Cost	30.96	24.10
Past Service Cost	0.00	0.00
Current Service Cost	36.55	57.46
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefits Paid	23.97	102.43
Actuarial gain/loss on Obligations	(-) 108.80	44.63
Present Value of Obligation at the end of the year	310.91	376.18

Disclosure item No. 120(e)

Table-2 showing changes in Fair Value of Plan Assets : Not applicable as scheme is unfunded.

Disclosure item No. 120(f)

Table-3 showing funded status : Not applicable as scheme is unfunded.

TABLE – 4

Showing Expenses Recognized in Statement of Profit / Loss : Disclosure Item 120(g)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Current Service Cost	36.54	57.45
Past Service Cost	0.00	0.00
Interest Cost	30.96	24.10
Expected Return on Plan Assets	0.00	0.00
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognized in the year	(–) 108.80	44.63
Expenses recognized in Statement of Profit/Loss	(–) 41.30	126.18

TABLE – 7

Showing Actuarial Assumptions : Disclosure item 120 (I)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Mortality Table	IALM (2006-08) ULT	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29	10 per thousand P. A. 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8.50%	8.00%
Inflation Rate	6.25%	6.25%
Return on Asset	NA	0.00
Remaining working life	13 years	10 years
Formula used	Projected unit credit method	Projected unit credit method

TABLE – 10

Showing Movements in the Liability Recognized in Balance Sheet : Disclosure Item 120 (P)

	As at 31.03.2014 (Figs. in ₹ Crore)	As at 31.03.2013 (Figs. in ₹ Crore)
Opening Net Liability	0.00	0.00
Expenses as above	(-) 41.30	102.43
Contributions	0.00	0.00
Closing Net Liability	(-) 41.30	102.43
Closing Fund/Provision at the end of the year	310.91	376.18

4. OTHER CURRENT LIABILITIES

- 4.1 By virtue of enactment of Cess and Other Taxes on Minerals (Validation) Act, 1992, the Company, in 1992-93, raised supplementary bills on customers up to 4th April, 1991 for ₹ 100.33 Cr. on account of Cess and Sales Tax thereon. The said amount has been included in statutory dues payable for Royalty and Cess under the head "Other Current Liabilities" (Note – 8) with corresponding Debit in "Claims Receivable – Cess" (Note – 19).
- 4.2 As required under provisions of the interest on delayed payment to Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has not received any memorandum (As required to be filed by the supplier with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount payable to these parties for the Year Ended 31.03.2014 is ₹ NIL(Previous year – ₹ NIL).

5. FIXED ASSETS

- 5.1 Land consists of free/lease hold land and land acquired under Coal Bearing Acquisition Act, 1957. Cost of Notified land is capitalized on physical/constructive possession basis and completion of assessment by the competent authority. 41789 Ha. of land has been acquired under CBA (A&D) Act, 1957 comprising of 13474 Ha. of tenancy land, 16,989 Ha. of Forest land and 11326 Ha. of Govt. land. Compensation has been assessed as ₹ 64.07 Cr. Out of this ₹ 36.06 Cr. has been paid. The balance amount is being paid by holding regular payment camps in different projects.
- 5.2 Gross Block as well as depreciation on surveyed off P&M, Vehicles etc. are taken out of Fixed Assets and provision for depreciation respectively and the residual value at 5% of Book Value are transferred to "Surveyed off assets for disposal" and the same is separately shown in the Note–10B. In case of premature survey off of assets the difference between the WDV and residual value of 5% is charged to Statement of Profit and Loss, as loss on surveyed off assets.
- 5.3 During the year, the Company has carried out exercise/evaluation of its assets to ascertain the impairment, if any, in loss making mines, with respect to Development Expenditure (including Prospecting and Boring). Other assets like Heavy Earth Moving Machinery, Building, Vehicle, Plant & Machinery etc., capable of being used elsewhere, have not been considered for impairment. "Consequently an amount of ₹ 1.87 Cr (Previous Year ₹ 4.06 Cr.) on account of impairment has been charged to the Statement of Profit and Loss during the year."
- 5.4 The Assets and Liabilities of two hospitals taken over from Coal Mines Labour Welfare Organization in 1981 have not been reflected in the Financial Statements pending determination of values thereof. The Assets and Liabilities of three Mines Rescue stations taken over during 1985-86 have not been reflected in the Financial Statements pending determination of values thereof.

6. CAPITAL WORK-IN-PROGRESS

For machinery/assets, which could not be put to use for more than three years from the date of purchase/acquisition, net provision equivalent to depreciation w.e.f. the fourth year from the date of purchase/acquisition has been made during the year amounting to ₹ 3.85 Cr.

(previous year ₹ 4.16 Cr.) and net impairment loss on account of development expenditure provided during the year ₹ 1.59 Cr. (Previous year ₹ 0.67 Cr.). Total provision as on 31.03.2014 is ₹ 97.33 Cr. (Previous year ₹ 91.89 Cr.) (Refer Note No. 10B & 10C) and provision for loss of assets made in earlier years has been retained.

7. DEFERRED TAX ASSETS

The Deferred Tax Assets as required under AS – 22 comprises of the following :

Deferred Tax Assets/Liabilities	2013-14 (March '14) (₹ in Cr.)	2012-13 (March '13) (₹ in Cr.)
A. Deferred Tax Assets :		
1. Provision for Doubtful Advances & Debts	226.74	191.19
2. Expenses Allowable on payment basis	303.31	385.32
3. Other Timing Differences	54.02	29.47
Total of (A)	584.07	605.98
B. Deferred Tax Liability :		
Depreciation/Amortization	17.76	26.61
Net Tax (A – B)	566.31	579.37

8. INVENTORIES

8.1 Pursuant to the Accounting Policy (Refer para – 6.1 of Note – 33) of the Company, Book Stock of coal/coke has been considered in the Financial Statements where the variance between Book Stock and Measured Stock is within $\pm 5\%$ over Book Stock. As a result, net shortage within $\pm 5\%$ over Book Stock 2.14 lakh tones valuing ₹ 21.60 Cr. is remained unadjusted in the Books of Account. However, in the following cases where the variance is beyond $\pm 5\%$, the Measured Stock is considered in the Financial Statements.

(Value ₹ in Crore)

Type of Coal	Name of the unit	Book Stock		Physical Stock		Difference		% of difference
		Qty.	Value	Qty.	Value	Qty.	Value	
Clean Coal	Kuju Siding	18403	1.62	4978	0.44	13425	1.18	72.95
WCP	Kuju Siding	10675	2.94	3365	0.92	7310	2.02	68.48

8.2 Pursuant to the Accounting Policy (Referred in para – 6.2.4 of Note – 33), provision of ₹ 0.18 Cr. (Previous Year ₹ 1.10 Cr. provided) has been withdrawn during the year for unserviceable/damaged/obsolete stores and also for Stores & Spare Parts unmoved for 5 years. Total provision of ₹ 39.26 Cr. (Previous Year ₹ 39.44 Cr.) as on 31.03.2014 is considered adequate.

8.3 As per past practice stocks of Non-coking Slurry and Rejects are not valued.

9. GENERAL

9.1 **USE OF ESTIMATES** : The presentation of the financial statements in conformity with the Generally Accepted Accounting Principles required making estimate and assumption that effect the reported amount of Assets and Liabilities on the date of the financial statement and also the reported amount of revenues and expenses during the reporting period. Difference between the actual amount and the estimates are recognized in the period in which the results are known/materialized.

9.2.1 Sale price of washed medium coking coal to SAIL was revised w.e.f. 01.04.2013, ref. No. Wsry(CCL)/SAIL/MOU 2013-14/2014/541-61 dated 19/22.04.2014. Impact due to reduction in price on basic value, statutory levies and gross sales of ₹ 3.55 Cr., ₹ 0.32 Cr. and ₹ 3.87 Cr. respectively have been considered in the Financial Statements.

9.2.2 Coal India Limited vide Ref. No. CIL:S&M:GM(S&M):Pricing:234 dated 27th May has increased the sale price of pithead run of mine price of non-coking coal w.e.f. 28.05.2013. Impact due to increase in price on basic value, statutory levies and gross sales of ₹ 150.85 Cr., ₹ 34.24 Cr. and ₹ 185.09 Cr. respectively have been considered in the Financial Statements.

9.3 Service Charges of CIL amounting to ₹ 25.07 Cr. (previous year ₹ 24.03 Cr.) levied by the Holding Company @ ₹ 5 per tonne of coal produced towards rendering various services like procurement, marketing, Corporate Service etc. based on agreement entered into, have been accounted for.

9.4 IICM charge amounting to ₹ 2.51 Cr. (Previous Year ₹ 2.40 Cr.) levied by the Holding Company @ ₹ 0.50 per tonne of coal produced, has been accounted for.

9.5 In terms of CIL's letter No. CGM(F)/126/07 dtd. 08.04.2004 a charge of ₹ 31.27 Cr. (Previous year ₹ 31.83 Cr.) levied by the Holding Company @ ₹ 6.00 per tonne of coal released during 2013-14 towards Rehabilitation Fund for dealing with fire, shifting and stabilization of unstable areas have been accounted for.

9.6 (i) In terms of lease agreement with Imperial Fastners Pvt. Limited, the Company has granted a right to occupy and use the assets of the Company. The cost of gross carrying amount at the beginning of the year is ₹ 80.19 Cr. The accumulated depreciation as at the end of the year is ₹ 77.69 Cr. Depreciation for the year is ₹ 0.0040 Cr. The future minimum lease payment receivable in the aggregate during the period of lease is ₹ 47.52 Cr. The details of future lease payment receivables are as under :

	2013 – 14 (₹ in Cr.)
(i) Upto one year	3.84
(ii) Later than one year and not later than five years	15.36
(iii) Later than five years	28.32
Total	47.52

- (ii) In terms of lease agreement with M/s Punjab State Electricity Board the Company has granted a right to use 15.50 acres of land. The cost of gross carrying amount at the beginning of the year is ₹ 7.90 Cr. The accumulated depreciation as at the end of the year is ₹ 7.56 Cr. Depreciation for the year is ₹ 0.34 Cr. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 3.74 Cr. The details of future lease payments receivable are as under :

	2013 – 14 (₹ in Cr.)
(i) Upto one year	0.17
(ii) Later than one year and not later than five years	0.68
(iii) Later than five years	2.89
Total	3.74

- (iii) In terms of lease agreement with M/s EIPL, the Company has granted a right to occupy and use the assets of the Company. The cost of the gross carrying amount at the beginning of the year is ₹ 4968/-. The accumulated depreciation as at the end of the year is ₹ 4968/-. Depreciation for the year is ₹ NIL. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 1.92 lakh. The details of future lease payment receivable are as under :

	2013 – 14 (₹ in Lakh)
(i) Upto one year	0.12
(ii) Later than one year and not later than five years	0.48
(iii) Later than five years	1.32
Total	1.92

9.7 Cash Credit Facility

The Company through its Holding Company CIL entered into an agreement with the Consortium of bankers (having State Bank of India as the lead Bank) to avail Cash Credit facilities for an aggregate sum of ₹ 55.00 Cr. and the said facilities shall be collaterally secured by creating hypothecation charge over the current assets comprising of Book Debts, Stock of Raw materials, Semi-finished and finished goods, Stores and Spare parts not relating to Plant & Equipment (Consumable Stores & Spares), both present and future jointly and severally in favour of the said Banks for a sum of ₹ 83.00 Cr. The extent of charge is 1.5 times the cash-credit limit of ₹ 55.00 Cr. The said facilities have not been availed by the Company during the year 2013-14.

- 9.8 Refund/Adjustment of tax from Tax Authorities are accounted for on cash basis. Additional demand for Income Tax, Royalty, Cess, Sales Tax, Entry Tax etc. are accounted for after final order except as otherwise not recognized under AS – 29.
- 9.9 Certain Trade receivables, Trade Payables, Other Current Liabilities and Claims Receivables are subject to confirmation by the parties and includes some old items pending reconciliation and adjustments to appropriate accounts. However, Letter for balance confirmation were issued during the year.
- 9.10 A provision of ₹ 2.10 Cr. was made in the year 2006-07 pending investigation of shortage/ difference in the closing stock of raw coal as on 31.03.2007 in between the Kathara Colliery and Kathara Washery. The said provision has been retained as on 31.03.2014.
- 9.11 **Earning per share (EPS)** : The details of EPS computation is set out below :

	<u>2013-14</u>	<u>2012-13</u>
Profit available to Equity Share Holders (₹ in Cr.)	1671.76	1885.61
Weighted average no. of Equity Shares	94,00,000	94,00,000
Basic & Diluted earning per share	₹ 1778.47	₹ 2005.97

- 9.12 The imposition of Professional tax @ 0.5% by Mines Board, Hazaribagh vide notification no. 1308 dated 29.05.2003 was held unconstitutional & ultravires by the Hon'ble High Court of Jharkhand at Ranchi vide its Order dated 24.08.2006. The amount refundable by Mines Board, Hazaribagh on account of imposition of professional tax @ 0.5 % is ₹ 8.01 Crore. The Company is vigorously pursuing for refund of the said amount with various authorities of Jharkhand Government. Since no reply is received, the Company has filed a writ petition against Mines Board, Hazaribagh in the Hon'ble High Court of Jharkhand at Ranchi. The Hon'ble Jharkhand High Court vide Order No. 15 dated 25.11.13 disposed off the writ petition and advised CCL management to take up the matter with Civil Court and accordingly action is being taken.
- 9.13 In the year 1989, a quantity of 8,99,788 tons of coal was declared non-vendable and accordingly with the approval of the Board of Directors, the said quantity has been reduced / written off from

the inventory. However the Govt. of Jharkhand demanded Royalty on this non-saleable coal of 8,99,788 tons. The Company contested the demand for payment of Royalty. The Company's appeal has been dismissed by the Hon'ble High Court on technical grounds. The review petition has been filed before Jharkhand High Court on 25.03.2014 by Rajrappa Area. However, the disputed amount of ₹ 2.55 Cr. has been disclosed as Contingent Liability in the financial statements.

- 9.14(i) There is a long pending dispute over capitalization cost of Rajrappa and Giddi Captive Power Plant, commissioned by DLF Power Limited on Built Own and Operate (BOO) basis and the dispute is pending in Civil Appeal No. 7403 of 2009, filed by the Company before the Hon'ble Supreme Court against the Order dated 31.07.2009 of the Jharkhand State Electricity Regulatory Commission duly confirmed by Appellate Tribunal.

Pursuant to interim Orders of Hon'ble Supreme Court dated 14.09.2012 and 23.11.2012 passed in the said appeal, the Company has accounted for a liability of ₹ 94.33 crore in 2012-13 upto the period March, 2008. Out of which ₹ 83.03 crore has been paid to M/s. DLF Power Limited withholding 25% deemed energy charges during the said period. Further an ad-hoc payment of ₹ 75 crore and ₹ 25 crore have been made on 20.11.13 and 10.01.14 respectively as per directives of Hon'ble Supreme Court. As directed by Hon'ble Supreme Court revised amount payable from April '08 to March '14 has been calculated based on the methodology adopted by JSERC in determining the revised tariff upto the period March '08. Accordingly an amount of ₹ 23.25 crore has been provided during the financial year 2013-14 in addition to ₹ 94.33 crore, which was already provided in the Financial Statements of 2012-13. The details of balance receivable amount from M/s. DLF Power Limited is as under :

(i) Differential Tariff of the period upto March '08 in respect of which liability has been provided in the Financial Statements of 2012-13	–	₹ 94.33 Cr.
(ii) Differential Tariff during the period April '08 to March '14 in respect of which liability has been provided in the year 2013-14	–	₹ 23.25 Cr.
(iii) Old keep back amount in respect of deemed energy charges	–	₹ 31.36 Cr.
		₹ 148.94 Cr.
Less : Ad-hoc payment (as per order of Hon'ble Supreme Court)		₹ 183.03 Cr.
Net Balance amount (shown in Note-19 under the head Other Receivables)		₹ 34.09 Cr.

However, M/s. DLF has submitted their demand for ₹ 302.63 crore on 17.09.2012 including ₹ 134.20 crore on account of interest on delayed payment which is beyond the purview of PPA and the matter is pending before Hon'ble Supreme Court.

- 9.14(ii) As per clause 1.18.3 of the Power Purchase Agreement with M/s. DLF, 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 has 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 has been considered in the Financial Statements and supplementary bill to M/s. DLF has also been raised.

Details of additional revenue receivable on account of revision in price of rejects and additional tariff payable on account of revised tariff due to increase in fuel cost is as under :

(₹ in Crore)

Name of the unit	Addl. Revenue receivable on account of revision in price of rejects	Addl. Tariff payable on account of revised tariff due to increase in fuel cost	Net amount receivable from M/s. DLF
Rajrappa	87.05	34.39	52.66
Giddi (W)	20.99	34.92	(-) 13.93
Kedla (W)	21.53	0.00	21.53
Total	129.57	69.31	60.26

9.15 **Effect Due to change in Accounting Policy :** During the year based on technically estimated life depreciation rates of the following assets were revised

Sl. No.	Assets	Existing Dep. Rate	Revised Dep. Rate
1.	Photocopying Machine	10.55%	23.75%
2.	Fax Machine	15.83%	31.67%
3.	Mobile Phone	15.83%	31.67%
4.	Digitally enhance cordless telephone	15.83%	31.67%
5.	Computer (including Printer & Scanner)	16.21%	31.67%

Due to above changes in depreciation rates the profit for the year has been understated by ₹ 2.00 crore.

9.16 Since coal become excisable w.e.f. 01.03.2011, Royalty and SED were considered as “Other Taxes” and excluded from the Transaction Value. Consequent upon the summon issued by the Directorate General of Central Excise Intelligence (DGCEI), New Delhi and discussion held thereon, CIL, Holding Company, who represented the issue, has advised to include Royalty and SED in the Transaction Value and pay Central Excise Duty under protest till the case pending in the Nine Member Bench of Hon’ble Supreme Court is disposed off. Accordingly ₹ 85.14 Cr. has been paid under protest against coal dispatched and on consumption of raw coal in washeries during the period from March ,2011 to Feb ,2013 and consequently supplementary bills have been raised for the said period to the tune of ₹ 79.95 Cr. Balance realizable amount of ₹ 9.47 Cr. from cash sales customers has been shown under the head “Claim Receivable – Sales”.

- 9.17 No Accountal has been done for securities in the form of Bank Guarantee, NSC, FDR's received by the Company from the parties.
- 9.18 A Committee vide ref. No. GM(O)/Kuju Sdg./Inquiry Committee/14-15/4196(A) dtd. 25.04.2014 has been constituted to look into the various aspects of the discrepancy observed during the CIL Annual Coal Stock Measurement 2013-14 at Kuju Siding and to fix up responsibility as per clause 10(ii)(a) of New Code for Uniform System of Maintenance Control and verification of Coal Stock.
- 9.19 Theft of goods during the year is ₹ 12.44 lakh (Previous year ₹ 6.72 lakh).
- 9.20 **Provision towards Deemed Lowering of Grade**

With the introduction of Gross Calorific Value (GCV) system of grading of coal w.e.f. 1st January, 2012, supply of coal to NTPC was billed at declared grade of coal corresponding to the GCV range of the coal supplied. With effect from October, 2012 NTPC released payment based on GCV determined unilaterally at the receiving end, contrary to the provision of Fuel Supply Agreement which stipulates that the GCV is to be determined at the loading end by joint collection, preparation, testing and analysis of the coal being supplied.

As a result an amount of ₹ 495.33 Cr. was unilaterally withheld by NTPC for the period October, 2012 to September, 2013 from the bills of the Company in respect of supply of coal, which was against the provision of FSA. The issue was taken up with the Ministry of Power through the Ministry of Coal for resolution which resulted in incorporation of a provision for third party sample collection, preparation, testing and analysis at the point of loading in the FSA. Such third party sampling/analysis was implemented from October, 2013.

For an appropriate resolution of the issue, the Govt. of India advised for extrapolation of the result of the third party sampling/analysis during October, 2013 to December, 2013 relating to the supplies during the past period from October, 2012 to September, 2013. On the basis of this settlement formula an amount of ₹ 42.23 Cr. is acceptable deduction to the Company. However, the Company has already made on ad-hoc provision of ₹ 62.19 Cr. in the Financial Statements upto 2013-14 pending final settlement. The above value reduction of ₹ 42.23 Cr. arising out of deemed lowering of grade is yet to be finally settled with NTPC and final impact, if any, on realization of balance ₹ 453.10 Cr. dues from NTPC can be ascertained only upon completion of such reconciliation/settlement with NTPC.

10.1 DIRECTORS REMUNERATION (KEY MANAGEMENT PERSONNEL)

(₹ in Cr.)

Particulars	Chairman/Managing Director		Functional Directors	
	2013-14	2012-13	2013-14	2012-13
Salary & Allowances (including Gratuity & Leave Encashment) and arrear arising out of revision of pay	0.22	0.51	0.60	0.46
Provident Fund	0.02	0.05	0.07	0.05
Perquisites	0.00	0.02	0.01	0.01
TOTAL	0.24	0.58	0.68	0.52

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

10.2 Miscellaneous expenses includes Sitting Fees ₹ 0.10 Cr. (Previous year ₹ 0.14 Cr.) paid to the Directors for attending Board Meetings.

11. (A) Value of imported and indigenous stores, spare parts and components consumed (Note – 22)

(₹ in Cr.)

Particulars	2013-14	Percentage	2012-13	Percentage
Imported	9.26	1.26	13.35	2.13
Indigenous	724.67	98.74	612.38	97.87
TOTAL	733.93	100	625.73	100

(B) CIF Value of Imports :

(₹ in Cr.)

	<u>2013-14</u>	<u>2012-13</u>
Components & Spare Parts	2.42	9.06
Capital Goods	0.00	0.00
TOTAL	<u>2.42</u>	<u>9.06</u>

(C) Expenditure incurred in Foreign Currency on account of (As per debit advice of Holding Company)

(₹ in Cr.)

	<u>2013-14</u>	<u>2012-13</u>
(i) Interest	0.71	1.56
(ii) Agency Commission	0.01	0.01
Total	<u>0.72</u>	<u>1.57</u>

- 12 The Mandatory Accounting Standard on Segment Reporting (AS-17), Related Party Transactions (AS-18), Discontinuing Operation (AS-24), Interim Financial Report (AS-25) and Financial Reporting of Interest in Joint Ventures (AS-27) are not applicable to the Company.
13. Figures have been expressed in "Crore" and rounded off to the nearest lakh.
14. During the year various heads of account of the Balance Sheet and the Statement of Profit and Loss have been rearranged/regrouped and accordingly previous year's figures to the extent possible have been rearranged/regrouped to make them comparable.

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

Signature to Notes No. 1 to 34 in terms of
our report of even date.

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-

(V. K. Singhi)

Partner

(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(in Cr.)

	For the Year ended 31.03.2014 (₹ in Cr.)	For the year ended 31.03.2013 (₹ in Cr.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Prior Period, Exceptional and Extra Ordinary items and Tax	2514.60	2659.89
Adjustment for :		
Depreciation (Net of Adjustment)	100.55	122.31
Deferred Tax	13.06	(76.86)
O.B.R. Adjustment	241.66	(43.53)
Interest on Investment (Tax Free Bonds)	(2.20)	(3.00)
Dividend from Mutual Funds	(17.33)	(5.24)
Interest on Deposits	(300.47)	(359.81)
Interest on Surplus Fund Parked with Coal India Ltd.	—	(11.38)
Finance Costs	7.98	7.56
	<u>43.25</u>	<u>(369.95)</u>
Operating Profit before working Capital Changes	2,557.85	2,289.94
Adjustment for :		
(Increase) / Decrease in Inventories	39.30	272.86
(Increase) / Decrease in Trade Receivables	(341.85)	(455.21)
(Increase) / Decrease in Other Current Assets	(27.52)	(68.86)
(Increase) / Decrease in Current Investments	(495.68)	(100.00)
(Increase) / Decrease in Short Term Loans & Advances	(120.82)	(0.39)
(Decrease) / Increase in Trade Payables	12.12	4.60
(Decrease) / Increase in Other Current Liabilities	393.03	(106.72)
(Decrease) / Increase in Other Long Term Liabilities	13.64	13.83
(Decrease) / Increase in Short Term Provisions	35.74	(739.77)
(Decrease) / Increase in Long Term Provisions	(173.62)	(185.28)
(Increase) / Decrease in Other Non-Current Assets	(480.05)	—
(Decrease) / Increase in LongTerm Loans & Advances	136.87	(37.50)
	<u>(1,008.84)</u>	<u>(1,402.44)</u>
Cash Flow before Extra Ordinary items and Tax	1,549.01	887.50
Prior Period Adjustment	(11.27)	(23.67)
Cash Flow from Operating Activities before Tax	1,560.28	911.17
Tax Expenses	854.11	797.95
Net Cash Flow from Operating Activities	706.17	113.22

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (CONTD...)

	For the Year ended 31.03.2014 (₹ in Cr.)	For the year ended 31.03.2013 (₹ in Cr.)	(in Cr.)
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase/Acquisition of Fixed Assets (Net of Adjustment)	(503.87)	(95.10)	
Interest on Deposits	300.47	359.81	
Redemption of Tax Free Power Bonds	9.42	9.42	
Interest on Surplus Fund Parked with Coal India Ltd.	—	11.38	
Dividend from Mutual Funds	17.33	5.24	
Interest on Investments (Tax Free Bonds)	2.20	3.00	
	(174.45)	293.75	
C CASH FLOW FROM FINANCING ACTIVITIES			
World Bank Loan through Coal India Ltd. (Exchange Fluctuation)	9.22	(0.33)	
Repayment of World Bank Loan	(96.12)	(17.09)	
Short term Loan from Coal India Ltd.	—	—	
Interest & Finance Charges	(7.98)	(7.56)	
Payment of Interim & Final Dividend including Corporate Dividend Tax	(1,180.91)	(807.75)	
	(1,275.79)	(832.73)	
Net Increase/Decrease in Cash and Cash Equivalent (A+B+C)	(744.07)	(425.76)	
Cash and Cash Equivalents as on 01.04.2013*	3,560.44	3,986.20	
Cash and Cash Equivalents as on 31.03.2014*	2,816.37	3560.44	
(* Refer Note No. 17)	(744.07)	(425.76)	

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

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

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

Sd/-
Gopal Singh
Chairman-cum-Managing Director

In terms of our report of even date.

For **V. Singhi & Associates**
Chartered Accountants
(Firm Reg. No. 311017E)

Sd/-
(V. K. Singhi)
Partner

(Membership No. 050051)

Place : Delhi
Dated : 27.05.2014

V. SINGHI & ASSOCIATES

Chartered Accountants

Phone : +9133 3028 - 7838

Telefax : +9133 3028 -7836

E-mail : vsinghiandco@gmail.com

Four Mangoe Lane

Surendra Mohan Ghosh Sarani

Ground Floor

Kolkata - 700 001

Annexure-VII TO CLAUSE - 41

**Auditor's Report on Quarterly Financial Results and year to date Results
of the Company Pursuant to the Clause-41 of the Listing Agreement**

To

The Board of Directors,
Central Coalfields Limited,
Ranchi

Dear Sir,

We have audited the quarterly financial results of Central Coalfields Limited, Ranchi for the quarter ended 31.03.2014 and the year to date results for the period 1st April, 2013 to 31st March, 2014, attached herewith, being submitted by the Company pursuant to the requirement of clause-41 of the Listing Agreement except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial principles laid down in Accounting Standards (AS) 25, Interim Financial reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion. In our opinion and to the best of our information and

according to the explanations given to us these quarterly financial results as well as the year to date results, subject to our Auditors' Report on even date attached.

- (i) Are presented in accordance with the requirements of Clause-41 of the Listing Agreement in this regard; and
- (ii) Gives a true and fair view of the net profit and other financial information for the quarter ended 31.03.2014 as well as the year to date results for the period from 1st April, 2013 to 31st March, 2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **V. Singhi & Associates**
Chartered Accountants
Firm Reg. No. : 311017E
Sd/-
(V. K. Singhi)
Partner
Membership No. : 050051

Place: Delhi
Date : 27th May, 2014

ADDENDUM TO DIRECTORS' REPORT

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

AUDITORS' REPORT

MANAGEMENT'S REPLY

To

The Members of Central Coalfields Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of Central Coalfields Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and also the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information in which are incorporated the Financial Statements of 10 Areas audited by respective Branch Auditors and 6 Areas/ Units audited by us. The reports of the Branch Auditors as submitted and forwarded to us have been dealt with in preparing this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

AUDITORS' REPORT

MANAGEMENT'S REPLY

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit as well as by the Branch Auditors of the respective areas. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Attention is drawn to the following :

- | | |
|--|--|
| 1.1(a) The right, title and interest in land & mining, taken over from its holding and subsidiary companies and others at the time of nationalization are not supported by the title | Lease of coal mines nationalized under Coal Mines (Nationalization) Act, 1973 were vested in Coal Mines Authority Limited by statutory order No. GSR/345-E dtd. 9th July, 1973, New Delhi. |
|--|--|

AUDITORS' REPORT**MANAGEMENT'S REPLY**

deeds and not available for our verification as such we are unable to comment upon the same.

- (b) The value in case of surveyed off Fixed Assets amounting to Rs. 66.82 crore (Previous year Rs. 58.74 crore) have been shown at WDV of the respective areas instead of being valued at lower of WDV and net realizable value, which is not in conformity with Accounting Standard (AS) – 10 "Accounting for Fixed Assets."

- 1.2(a) The Company is constantly following the accounting policy for valuing its inventory and in case of variance upto 5% between Book Stock and Measured Stock, Book Stock is considered for Valuation of Closing Stock and variance, within the prescribed limit, is ignored. The accounting policy of the Company is not consistent with Generally Accepted Accounting Principles (GAAP). During the year the Company has ignored value of net shortage of Book Stock of Rs. 21.60 crore. Thus the Closing Stock is over stated by Rs. 21.60 crore and profit is overstated by the same amount. The value of Coal, Coke etc. should have been considered in the financial statements as per physical measurement of Stock as per Accounting principles.

- (b) Further shortage of 13425 MT of Clean Coal and 7310 MT of WCP worth Rs. 1.18 crore and Rs. 2.02 crore respectively in Kuju Area has been considered where variance of shortage is 72.95% and 68.48% over Book Stock which is in excess of variance upto 5% between book stock and measured stock.

- 1.3 Balance of Trade Receivables, Loans and Advances, Deposits, Claims Receivable

Thus, individual title deeds are not available with the Company.

In respect of Surveyed off Assets especially HEMM and other Plant & Machinery, the same is disclosed @5% of the original cost as residual value. In the absence of any active secondary market for this type of products, it is difficult to determine the "Net Realisable Value".

Closing stock of coal is measured volumetrically and converted to weight (tone) by applying the identified conversion factor. To take care of the inherent approximation error of volumetric measurement and subsequent conversion thereof to weight by applying a mathematically determined conversion factor, the variance of $\pm 5\%$ between book stock and physical stock is ignored as per Accounting Policy of the Company being followed consistently over the years.

Accounting has been done in accordance with the Significant Accounting Policy (Para 6.1) of the Company.

The balances with major Sundry Debtors are reconciled at regular intervals. For confirmation

AUDITORS' REPORT**MANAGEMENT'S REPLY**

and Trade Payables are subject to confirmation by the respective parties. Loans and Advances (including Security Deposit and Earnest Money), Sales Remittance, Current Assets, Non Current Assets, Current Liabilities, Non Current Liabilities include old unlinked balances also.

- 1.4 Pending receipt of confirmation of Trade Receivables we are not in a position to comment upon the adequacy of the provisions made for Bad & Doubtful Debts.
- 1.5 During the year the Company has opened an Escrow Account and deposited Rs. 388.67 crore against provision of Mine Closure amounting to Rs. 406.00 crore. The balance in the said account as on 31st March, 2014 (inclusive of interest of Rs. 12.73 crore) is Rs. 401.40 crore.
- 1.6 In absence of adequate information, we are unable to ascertain as to the realisability or otherwise of claims pending since long for refund of Sales Tax, Professional Tax etc. amounting to Rs. 26.20 crore.

of balances letters were also issued to all parties during the financial year 2013-14 for which reply is yet to receive.

The balances with major sundry debtors are reconciled at regular intervals and Joint Reconciliation Statements are also signed by both the parties. Accordingly adequate provision has been made in the accounts for the financial year 2013-14 for bad & doubtful debts in respect of disputed dues. For confirmation of balances, letters were issued during financial year 2013-14 for which reply is yet to receive.

Difference between Mines Closure Liabilities as on 31.03.2014 and amount deposited in Escrow account is Rs. 4.60 Cr. which represents Mines Closure Liabilities of Rajhara NW OCP and Pindra UGP amounting to Rs. 2.88 Cr. and Rs. 1.72 Cr. respectively. Mines Closure Plan of Rajhara NW OCP and Pindra UGP are yet to be approved by the CCL Board, hence not deposited in Escrow Account.

The amount of Rs. 26.20 crore comprises of sales tax refundable after assessment, sales tax refundable under appeal on account of TDS, Central Excise duty recoverable on account of royalty and SED due from the financial year 2012-13 and refund of professional tax amounting to Rs. 6.14 crore, Rs. 2.58 crore, Rs. 9.47 crore and Rs. 8.01 crore respectively. In regard to refund of Professional Tax, Hon'ble Jharkhand High Court vide order No. 15 dated 25.11.13 disposed off the writ-petition and advised CCL management to take up the matter with Civil Court and accordingly action is being taken. However, these amount is due from the Government. Hence, it is not prudent to treat these refundable amount as irrecoverable.

AUDITORS' REPORT**MANAGEMENT'S REPLY**

- | | | |
|------|---|---|
| 1.7 | No account has been made for Incentive/ Compensation receivable/payable in terms of "Fuel Supply Agreement (FSA)" with the customers for the year 2013-14, the impact of which on the profit and Trade Receivables remains unascertained. | Compensation is receivable/payable under Fuel Supply Agreement on the basis of actual supply of coal vis-à-vis contracted annual quantity. Since the year 2013-14 has just been concluded, the exercise could not be completed to give effect in the accounts of 2013-14. Necessary accounting will be done in 2014-15. |
| 1.8 | The technical data are submitted by the management in respect of Advance Stripping, Coal Exposure, Overburden Removal (OBR), Average Ratio, Current Ratio, Ratio Variance etc., in the matter of OBR Accounting. Since OBR calculation is a technical assessment, we are unable to comment on the adequacy and correctness of the same. | Accounting for OBR is carried out in accordance with the Significant Accounting Policy (Para-16.0) of the Company. |
| 1.9 | At the time of consolidation of accounts at the Headquarter certain entries relating to different areas have been passed after completion of audit by the respective Area Auditors. The final position of Profit/Loss and Balance Sheet after such entries made at the Headquarter has not been certified by the respective Area Auditors. | Journal entries arising out of auditors' observations after completion of the audit by the respective Area auditors are considered at the Headquarters at the time of consolidation of Accounts and subsequently communicated to the respective Areas for incorporation in their Books of Accounts. |
| 1.10 | As per records, the Company has carried out exercise/evaluation of its assets to ascertain the impairment of prospecting and boring and development expenditure only. The Company has not carried out any exercise/evaluation in respect of remaining assets, hence, resultant impact on the profit and diminution in the value of remaining assets could not be ascertained and provided for in the financial statements, and the same is not in accordance with the Accounting Standard (AS) – 28 "Impairment of Assets." | Assets under the category of prospecting and boring are dealt with in accordance with the Accounting Policy No. 4.0.

Other assets which are movable in nature viz. HEMM, vehicles etc. are capable of being used gainfully in other locations. Even assets of immovable nature like buildings etc. can also be put to alternative gainful uses. Hence, there is no impact of impairment. |
| 1.11 | A provision of Rs. 40.25 crore has been made upto 31.03.2014 against the deposits relating to cases under appeal for Royalty/ | The individual cases against the balance amounts have been examined in terms of the liabilities as per AS – 29 and found that no such liability has |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

Cess and Sales Tax amounting to Rs. 199.80 crore. The implication of the differential balance amount on profit, assets and liabilities could not be ascertained.

1.12 In absence of Expert's legal opinion in respect of pending litigations against the Company as referred in Point No. 1.1 of Note – 34, additional liability, if any, which are required to be provided as per Accounting Standard (AS) – 29 "Provisions, Contingent Liabilities and Contingent Assets" remain unprovided/undisclosed.

1.13 Provisions made for Retirement Benefits other than gratuity and leave encashment have not been segregated in Long Term and Short Term Provisions in accordance with the revised Schedule VI of the Act.

1.14 Loans and Advances, Security Deposits and PRP Advances have not been segregated as Non-current Assets/Liabilities and Current Assets/Liabilities respectively in accordance with Revised Schedule VI of the Act.

1.15 In absence of year wise break-up we are unable to comment on the allowability of Input VAT Credit availed/to be availed and its effect, if any, on the Statement of Profit & Loss.

1.16 *Prior Period Adjustments and Prepaid Expenses :*

Income/expenditures relating to prior period and prepaid expenses, which do not exceed Rs. 0.10 crore in each case, are treated as income/expenditure of the current year which is not in conformity with Accounting Standard.

crystallized as on the Balance Sheet date. Hence, no further provision is required to be made at this stage.

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

Segregation in long term provisions and short term provisions have been made in accordance with the certificate issued by the Actuary.

In respect of loans and advances and security deposits, segregation in Non-current Assets/Liabilities and Current Asset/Liabilities have been made in accordance with the revised Schedule VI. However, Management has considered PRP advances as Current Assets.

Year-wise break-up in respect of Input VAT Credit is available in respective units. Input VAT Credit is being availed on receipt of tax invoice as per the JVAT Act to the extent allowable.

The limit of consideration of the value of items towards prior period adjustments and prepaid expenses have been based on the concept of "Materiality" which is one of the major considerations for selection and application of Accounting Policy as per Accounting Standard-1 (AS – 1).

AUDITORS' REPORT**MANAGEMENT'S REPLY****1.17 Changes in the system of Accounting :**

Rates for providing depreciation have been revised considering the useful life of the following assets thereby written-down value of fixed assets – tangible are understated by Rs. 2.00 crore and the profits for the year understated by the same amount.

The change in the rate of depreciation is in keeping with the vary last obsolescence rates of such assets. Further, the changed rate have been approved by the Board of Directors of CIL, incorporated in the Accounting Policy and the said change is not in contravention with the provisions of the Companies Act, 1956.

Sl. No.	Assets	Existing Rate	Revised Rate
1.	Photocopying Machine	10.55%	23.75%
2.	Fax Machine	15.83%	31.67%
3.	Mobile Phone	15.83%	31.67%
4.	Digitally Ebhance Cordless Telephone	15.83%	31.67%
5.	Computer (including Printer & Scanner)	16.21%	31.67%

Without considering the items mentioned in paragraphs 1.3 to 1.16 above the affect of which could not be determined, had the observations made by us in paragraphs 1.2 and 1.17 above been considered the profit before tax for the year would have been Rs. 2,506.27 crore as against reported figures of Rs. 2,525.87 crore in the Statement of Profit & Loss, surplus would have been Rs. 1,954.18 crore as against reported figures of Rs. 1973.78 cr under the head Reserves & Surplus, Closing Stock of Coal under the head Inventories would have been Rs. 1,045.68 crore as against reports figures of Rs. 1,067.28 crore and the written-down value of the Fixed Assets – Tangible would have been Rs. 1,589.65 crore as

No Comments.

AUDITORS' REPORT

MANAGEMENT'S REPLY

against reports figures of Rs. 1,587.65 crore.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and subject to our above comments, the 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 :

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014.
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of

AUDITORS' REPORT

MANAGEMENT'S REPLY

account as required by law have been kept by the Company so far as appears from our examination of those books;

- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statements dealt with by this report are in agreement with the books of account;
- (d) Except to the effects of the matter described in Paragraph 1.1 to 1.17 in Para below to the Auditor's Responsibility, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- (e) As explained to us and as per Notification No. GSR 829(E) issued by the Department of Company Affairs the provisions of clause (g) of sub-section (1) of Section 274 of the Act, are not applicable to a Government Company.

For V. Singhi & Associates
Chartered Accountants
(Firm Reg. No. 311017E)
Sd/-
(V.K.Singhi)
Partner
(Membership No.050051)

Place: Delhi

Date: 27th May, 2014

AUDITORS' REPORT TO THE MEMBERS

(Referred in paragraph-1 of Report on Other Legal and Regulatory Requirements of our report of even date)

AUDITORS' REPORT

MANAGEMENT'S REPLY

- | | |
|---|---|
| 1. (a) The Company has generally maintained records to show particulars of Fixed Assets including quantitative details and situation. | No Comments |
| (b) The Physical verification of Fixed Assets valuing Rs. 1 lakh and above has been conducted at reasonable intervals except Surveyed Off Assets. As informed to us, no material discrepancies have been noticed on such verification wherever reconciliation has been carried out. In one area though Fixed Assets have been verified but not reconciled between Fixed Assets as per Books and as per Physical verification and discrepancies are yet to be ascertained. | This is a statement of fact except the physical verification of surveyed off assets. The Physical verification of surveyed off assets is carried out at the time of survey off of the P&M as well as at the time of disposal through auction. |
| (c) During the year, the Company has not disposed off any substantial/major part of Fixed Assets, which would affect the going concern status of the Company. | No comments. |
| 2. (a) Stock of Coal, Coke etc. has been physically verified by way of volumetric measurement with reference to contour map at each mine, by Coal Measurement Team of Coal India Limited (CIL) at the year end and by the team of the Company at reasonable intervals.

Physical verification of major part of Stock & Spare Parts of Regional Stores has been done by the outside agencies, appointed by the management. | No comments. |
| (b) According to the information and explanations given to us, the procedures of physical verification of Coal, Coke etc. followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. | No Comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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| <p>(c) The company is maintaining proper records of inventory. Discrepancies found in physical verification compared to the book records in respect of Coal, Coke etc. which were within $\pm 5\%$ have not been dealt with in the financial statements, in terms of the Accounting Policy No. 7.1 of Note-33 of the company. However, variance of shortage of 72.95% and 68.48% over book stock has been found in Kuju Area by Stock Measurement Team and the same has been accounted for in the financial statement.</p> <p>The procedure of physical verification of Stores and spares appears to be inadequate in Piparwar, Dhori and Rajrappa Area.</p> | <p>There is a Uniform Accounting Policy to deal with the case of discrepancy found on physical verification compared to book stock and it is being dealt in accordance with the Accounting Policy No. 6.1 of Note-33.</p> <p>Noted</p> |
| <p>3(a) Except maintaining Current Account with the holding Company, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.</p> | <p>No Comments.</p> |
| <p>(b) According to the information and explanations given to us, the holding company has allowed interest on Current Account. Considering the relationship of holding company with subsidiary company, we are unable to express our opinion on the rate of interest allowed by the holding company.</p> | <p>No Comments.</p> |
| <p>(c) As per records, the receipts of interest are regular.</p> | <p>This is a statement of fact.</p> |
| <p>(d) Since the company has not granted any loan therefore, clause 4 (iii) (d) of the Order is not applicable.</p> | <p>This is a statement of fact.</p> |
| <p>(e) According to the information and explanations given to us, except a loan of Rs. 300 Crore taken from its holding company and refunded back during the year, the Company has not taken any other</p> | <p>No comments.</p> |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act during the year.

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| (f) | In our opinion and according to the information and explanations given to us, the Company has paid interest on the said loan to holding company and other terms and conditions are not prima facie prejudicial to the interest of the Company. | No comments. |
| (g) | The principal amount and interest have been paid during the year. | This is a statement of fact. |
| 4. | According to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of Inventory, fixed assets and for the sale of goods and services however, there are certain lapses in few cases, such as long time lag between receipts of materials and recording of liabilities and/or adjustment of advances to Employees and others. Except as stated above and on the basis of verification and as reported by the Branch Auditors there is no serious continuing failure to correct major weakness in Internal Control System. | Noted. |
| 5.(a) | According to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section. | No comments. |
| (b) | According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. | No comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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| 6. The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed thereon. | No Comments. |
| 7. According to the information and explanations given to us, the Company has an internal audit system and concurrent audit is being conducted monthly by outside agencies for Checking of Wages records, Certificate of Annual Production and System Transactions. Further, Stores & Spares Audit as on 31.12.2013 is conducted by outside agencies appointed by the Company. In our opinion, the area of audit should be more exhaustive and the scope of audit should be re-considered so as to have an effective internal control commensurate with the nature and size of the business. | No comments. |
| 8. We have broadly reviewed the books of account maintained by the Company in respect of product where pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. | No comments. |
| 9. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Income Tax, Service Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as at 31st March, 2014 for a period of more | Reconciliation of old un-linked balances under the heads CMPF Contributions, CMPF Administrative charges and CMPF Pension Fund etc. are in progress. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

than six months from the date they became payable, except Service Tax of Rs. 16.51 crore for the period from 01.01.2005 to 31.12.2007 and Sales Tax of Rs. 0.04 crore in respect of different areas. As informed to us Investors Education and Protection Fund and Employee State Insurance Act are not applicable to the Company. Further, in absence of reconciliation, we are unable to comment on old outstanding balances lying credit under the heads CMPF Contribution, CMPF Admin Charges, Pension Fund and CMPF Pension Fund.

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| (b) | According to information and explanations given to us, the Company has not deposited dues as per Appendix – I to the report on account of dispute with appropriate authority. | In the case of disputed dues of sales tax, royalty, cess etc. advance payment is to be made to the authority as a pre-requisite for appeal. The same amount has been shown as Loans & Advances. Contingent Liabilities for the total amount disputed has been shown in the Additional Notes on Financial Statements. |
| 10. | The Company has no accumulated losses as at 31st March 2014, and it has not incurred any cash losses in the financial year under our audit or in the immediately preceding financial year. | No Comments. |
| 11. | According to the information and explanations given to us, the Company has not obtained any loan from banks and financial institutions, therefore, Clause 4 (xi) of the Order is not applicable. | No comments. |
| 12. | As informed to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities during the year, therefore, Clause 4(xii) of the Order is not applicable. | No comments. |

AUDITORS' REPORT**MANAGEMENT'S REPLY**

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| 13. In our opinion, the Company is not a Chit Fund/Nidhi/Mutual Benefit Fund/Society and therefore, clause 4(xiii) of the Order is not applicable. | No comments. |
| 14. In our opinion, the Company is not dealing or trading in Shares, Securities, Debentures and other Investments, except investment in units of Mutual Funds. The Company has maintained proper records of transactions and contracts in respect of units of Mutual Fund and power bonds allotted to the Company by Power Companies under tripartite agreement. All power bonds and investments in units of Mutual Funds have been held by the Company in its own name. | No comments. |
| 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. However, the Company through its holding company, entered into an agreement with State Bank of India consortium to avail Cash credit facility and charge has been created against the Current Assets of the Company amounting to Rs. 83.00 crore in favour of State Bank of India and members of consortium for a loan of Rs. 55.00 crore. However, the said facility has not been availed by the Company during the year. | No comments. |
| 16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no term loan has been obtained during the year. | No comments. |
| 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used for long term investments. | No comments. |

AUDITORS' REPORT

MANAGEMENT'S REPLY

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| 18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act during the year. | No comments. |
| 19. The Company has not issued any debentures during the year. | No comments. |
| 20. The company has not raised any money by way of public issue during the year . | No comments. |
| 21. To the best of our knowledge and belief and according to the information and explanations given to us, subject to Clause No. 8.1 and 9.18 of the Additional Notes on Financial Statements (Note - 34), we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of any such case by the management, that causes the financial statements to be materially misstated. | No comments. |

For V. Singhi & Associates
Chartered Accountants
Firm Reg. No. : 311017E

Sd/-
(V. K. Singhi)
Partner
(Membership No.050051)

Place: Delhi

Date: 27th May, 2014

Appendix-1**DETAILS OF DISPUTED STATUTORY LIABILITIES AS ON 31.03.2014***(₹ in Crore)*

Tax Type	No. of Cases	Name of Court	Period	Disputed Amount
Royalty Cases	38	Certificate Office – Dhanbad, Ranchi, Bokaro, Hazaribagh	1984-85 to 2013-14	25.50
Royalty Cases	1	Dy. Commissioner, Ramgarh	2008-09	0.74
Royalty Cases	9	Commissioner, Hazaribagh	1996-97 to 2008-09	7.29
Royalty Cases	27	High Court, Jharkhand	1990-91 to 2010-11	375.72
Royalty Cases	7	Supreme Court, Delhi	1991-92 to 2008-09	53.57
Sales Tax Cases	202	Commercial Tax Officer – Ranchi, Hazaribagh, Tenughat, Ramgarh	1989-90 to 2012-13	87.49
Sales Tax Cases	182	JCCT (A), Hazaribagh	1989-90 to 2012-13	230.48
Sales Tax Cases	17	JCCT (A), Ranchi	1985-86 to 2009-10	2.69
Sales Tax Cases	128	Commissioner, Commercial Tax, Ranchi	1988-89 to 2012-13	271.82
Sales Tax Cases	103	Tribunal, Ranchi	1990-91 to 2012-13	153.71
Service Tax & Excise Cases	10	Commissioner, Ranchi	2004-05 to 2008-09	49.97
Service Tax & Excise Cases	2	CESTAT, Kolkata	2004-05 to 2007-08	38.60
Service Tax & Excise Cases	2	Others		0.39
Electricity Duty Cases	15	DCCT	2005-06 to 2012-13	11.94
Electricity Duty Cases	3	CCT, Ranchi	2008-09 to 2010-11	0.56
Electricity Duty Cases	160	JCCT (A), Hazaribagh	1992-93 to 2010-11	17.26
Electricity Duty Cases	10	Tribunal, Ranchi	1993-94 to 2008-09	0.77
Electricity Duty Cases	8	High Court, Jharkhand	1997-98 to 2004-05	3.18
Entry Tax Cases	1	Supreme Court, Delhi	2006-07	25.00
Income Tax Cases	1	Assessing Officer, Ranchi	2011-12	1.37
Income Tax Cases	8	CIT (Appeal), Ranchi	2004-05 to 2011-12	421.80
Income Tax Cases	16	CIT (Appeal), Jamshedpur	2004-05 to 2010-11	6.70
Income Tax Cases	2	High Court, Jharkhand	1986-87 & 1989-90	0.99
	952	Total		1787.54



**Farewell Function of Two Independent Directors,
Shri Gautam Basu and Shri S. K. Sarkar on 26.04.2013**



Central Coalfields Limited

Darbhangra House, Ranchi-834 029
Jharkhand

