



COAL INDIA LIMITED

A Maharatna Company



2012-13

Annual Report & Accounts

Deeper insights into
India's progress



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GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

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

- 1.** Emails have been sent to all those shareholders who have registered their emails ids with CDSL, NSDL or our Share Transfer Agent intimating them that all future communication including notice of Annual General Meeting and the Annual report shall only be sent to them at their registered email. They were further requested to intimate if they wish to receive these communication physically.
- 2.** Individual letters have been sent to shareholders who have not registered their emails ids and also to those shareholders from whom emails have bounced back requesting them to register their email ids to enable the company to send the future communication including Annual report etc through email.

After seeking response of the Shareholders, individual emails have been sent to all shareholders who have not exercised the option to receive the Annual Report for 2012–13 in physical mode. They have been provided with a link (URL) to the website of COAL INDIA LIMITED for downloading the Annual report 2012–13.

In case you have not yet registered your email id, we urge you to kindly furnish your email id to M/s Karvy Computershare Pvt Ltd(R&T Agent of Coal India Ltd) at their address indicated in the report elsewhere Or email at einward.ris@karvy.com. Please ensure that you have indicated your Folio No/DP & Client ID No as well as your consent to receive future communications from Coal India Ltd including Annual Reports etc through email at your registered email address.

Please help us to save the environment.



M. Viswanathan
Company Secretary



MISSION

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

VISION

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

Board of Directors



Shri S.Narsing Rao



Dr A.K.Dubey



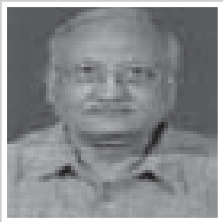
Smt. Sujata Prasad



Prof S.K.Barua



Dr. (Smt.) Sheela Bhide



Dr. R.N. Trivedi



Dr. Mohd. Anis Ansari



Shri Kamal R Gupta



Smt. Sachi Chaudhuri



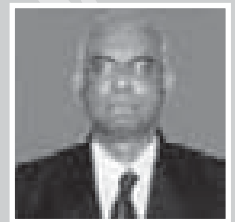
Shri R Mohan Das



Shri N.Kumar



Shri B.K.Saxena



Shri A. Chatterjee

Permanent Invitees



Shri A.N.Sahay



Shri A.K.Debnath

Members of the Board

as on 26th June, 2013

Functional Directors:

Shri S.Narsing Rao	: Chairman
Shri R. Mohan Das	: Personnel & Industrial Relations
Shri N. Kumar	: Technical
Shri B.K.Saxena	: Marketing
Shri A. Chatterjee	: Finance

Part-Time Official Directors:

Dr A.K.Dubey	: Additional Secretary, MoC, New Delhi.
Smt. Sujata Prasad	: Joint Secretary & Financial Advisor, MoC, New Delhi

Independent Directors:

1. Prof. S. K. Barua
2. Dr. R. N. Trivedi
3. Dr.(Smt) Sheela Bhide
4. Dr. Mohd. Anis Ansari
5. Shri Kamal R.Gupta
6. Ms.Sachi Chaudhuri

Permanent Invitees:

Shri A.N.Sahay	: Chairman-cum-Managing Director, MCL.
Shri A.K.Debnath	: Chairman-cum-Managing Director, CMPDIL

Company Secretary:

M.Viswanathan



Management During 2012–13

Shri S.Narsing Rao	: Chairman (From 24.04.2012)
Ms .Zohra Chatterji	: Chairman [Additional Charge] (From 01.02.2012 till 23.04.2012)

Functional Directors

Shri R. Mohan Das	: Director (P&IR) (From 01.06.2007)
Shri N.Kumar	: Director (Technical) (From 01.02.2012)
Shri B.K.Saxena	: Director (Marketing) (From 19.06.2012)
Shri A K Sinha	: Director (Finance) (From 13.03.2010 till 31.10.2012)
Shri A.Chatterjee	: Director (Finance) (From 01.11.2012)

Part Time Official Directors

Ms. Zohra Chatterji	: Additional Secretary, Ministry of Coal (From 12.11.2011 till 31.01.2013)
Ms. Anjali Anand Srivastava	: Joint Secretary & Financial Advisor (From 20.01.2011)

Independent Directors

Prof. S. K. Barua	: (From 24.08.2007)
Dr. A.K. Rath	: (From 27.04.2010)
Dr. (Smt.) Sheela Bhide	: (From 04.08.2010)
Shri Kamal R. Gupta	: (From 04.08.2010)
Dr. R.N. Trivedi	: (From 24.08.2010)
Dr. Mohd. Anis Ansari	: (From 24.08.2010)
Ms. Sachi Chaudhuri	: (From 24.08.2010)

Permanent Invitees

Shri D.C. Garg	: CMD, Western Coalfields Limited (From 21.08.2008)
Shri A.K.Singh	: CMD, Central Mine & Design Institute Limited (From 21.08.2008 till 31.07.2012)
Shri D.P.Pande	: Addl. Member (Traffic Transportation) Railway Board (From 12.07.2012)

Company Secretary:

Shri M.Viswanathan	: (From 14.12.2011)
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Bankers, Auditors and Regd. Office

Bankers

1. STATE BANK OF INDIA
2. PUNJAB NATIONAL BANK
3. UNITED BANK OF INDIA
4. CANARA BANK
5. ALLAHABAD BANK
6. UNION BANK OF INDIA
7. BANK OF BARODA
8. BANK OF INDIA
9. ORIENTAL BANK OF COMMERCE
10. HDFC BANK
11. ICICI BANK
12. HSBC LTD
13. ROYAL BANK OF SCOTLAND
14. STANDARD CHARTERED BANK
15. BNP PARIBAS
16. CITI BANK
17. DEUTSCHE BANK
18. UCO BANK
19. BANK OF MAHARASHTRA
20. CENTRAL BANK OF INDIA
21. IDBI BANK

Statutory Auditor

De Chakraborty & Sen
Chartered Accountants
Bikaner Buildings, 1st Floor,
8-B, Lalbazar Street
Kolkata-700001
Phone: 22300171/5604
E-mail:-dechasen@vsnl.net

Registered Office

Coal Bhawan
10 Netaji Subhas Road
Kolkata 700001
Phone No: +91-33-22488099, Fax: +91-33-22435316

Website

www.coalindia.in



NOTICE

Dated : 26th June 2013

Notice of the Thirty-Ninth Annual General Meeting of Coal India Limited

Notice is hereby given to the Members of Coal India Limited that the Thirty-Ninth Annual General Meeting of the Company will be held on **Wednesday, the 18th September 2013 at 10.30 A.M** at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata-700046 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Profit and Loss Account for the financial year ended on that date together with the Reports of Statutory Auditor & Comptroller & Auditor General of India and Directors' Report.
2. To confirm payment of Interim dividend paid and to declare Final Dividend on equity shares for the Financial Year 2012-13.

SPECIAL BUSINESS:

ITEM No 3.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**
“RESOLVED THAT Dr A.K.Dubey, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 3rd April, 2013 and holds office upto the 39th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature to the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

ITEM No 4

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**
“RESOLVED THAT Smt. Sujata Prasad, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 3rd May, 2013 and holds office upto the 39th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature to the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

ITEM No 5

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**
“RESOLVED THAT Shri A. Chatterjee, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 1st November, 2012 and holds office upto the 39th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature to the office of director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

By order of the Board

Registered Office :
10, N.S.Road,
Kolkata – 700 001.
India.

(M.Viswanathan)
Company Secretary

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY - EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday the 11th September'2013 to Wednesday, the 18th September'2013** (both days inclusive). The Final dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on and from **26th September, 2013** to the Members or their mandates whose names appear in the Company's Register of Members on **18th September, 2013** in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the beneficial owners of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on **10th September, 2013**.
3. Members are requested to:-
 - i. Note that copies of Annual Report will not be distributed at the Annual General Meeting.
 - ii. Bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
 - iii. Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.
 - iv. Quote their Folio / Client ID & DP ID Nos. in all correspondence.
 - v. Note that due to strict security reasons, eatables and other belongings are not allowed inside the Auditorium.
4. Members are advised to submit their Electronic Clearing System (ECS) mandates, to enable the Company to make remittance by means of ECS. Those holding shares in physical form may obtain and send the ECS mandate form to M/s. Karvy Computershare Pvt. Ltd. Registrar & Share Transfer Agent (RTA) of the Company. Those holding shares in Electronic Form may obtain and send the ECS mandate form directly to their Depository Participant (DP). Those who have already furnished the ECS Mandate Form to the Company/ RTA /DP with complete details need not send it again.
5. Members may avail of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the Form-2B as prescribed in the Companies (Central Government's) General Rules and Forms, 1956, any person to whom their shares in the Company shall vest on occurrence of events stated in the Form. Form-2B is to be submitted in duplicate to M/s. Karvy Computershare Pvt. Ltd., RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
6. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members are requested to notify immediately any change of address:
 - i. to their Depository Participants (DP) in respect of shares held in dematerialized form, and
 - ii. to the Company at its Registered Office or to its RTA, M/s. Karvy Computershare Pvt. Ltd.. in respect of their physical shares, if any, quoting their folio number.
8. The Board of Directors of your company in its meeting held on 14th March, 2013 had declared an interim dividend @ 97% (₹ 9.70 per share) on the paid-up equity share capital of the company which was paid on and from 25th March, 2013. Members who have not received or not encashed their dividend warrants may approach M/s. Karvy Computershare Pvt. Ltd. Registrar & Share Transfer Agent of the Company, for obtaining Demand Draft.
9. Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amount which remain unpaid / unclaimed for a period of seven years, are required to be transferred to Investors Education & Protection Fund of the Central Government. After such transfer, there remains no claim of the members whatsoever on the said amount. Therefore, Members are advised to encash their Dividend warrants immediately on receipt.



10. Pursuant to Section 619(2) of the Companies Act, 1956, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C & AG) and in terms of Clause (aa) of sub-section 8 of Section 224 of the Companies Act, 1956, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 27th Annual General Meeting held on 29th September, 2001 authorised the Board of Directors to fix the remuneration of Statutory Auditors.
11. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days (barring Saturdays and Sundays) between 11.00 A.M to 1.00 P.M prior to the Annual General Meeting.
12. The address of Registrar and Share Transfer Agents of the company is as follows :

M/s. Karvy Computershare Pvt. Ltd.
17-24 Vithal Rao Nagar
Madhapur
Hyderabad-500081
E-mail id: einward.ris@karvy.com
Ph. no.: 040-44655000
Toll Free No.: 18003454001
Fax: 040 23420814

&

M/s. Karvy Computershare Pvt. Ltd.
49 Jatin Das Road
1st Floor
Kolkata 700 029
E-mail id: einward.ris@karvy.com
Ph. no.: 033 2464 7231/7232/4891
Fax: 033 2464 4866

13. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, in respect of Special Business is enclosed.
14. The Board of Directors of your company comprised of 5 Functional Directors, 2 Government nominees and 7 Independent Directors. As per Article No 33(b) of the Articles of Associations of your company Functional Directors of your company are not liable to retire by rotation at the Annual General Meeting. Government Nominees Dr A.K.Dubey and Smt Sujata Prasad were appointed as additional Directors during the year. Among the Independent Directors Prof S.K.Barua, Dr.(Smt)Sheela Bhide and Shri Kamal R Gupta are completing their tenure on 3rd August' 2013 and Dr R.N.Trivedi, Dr Mohd. Anis Ansari and Smt Sachi Chaudhuri are completing their tenure on 23rd August'2013. Dr A.K.Rath, Independent Director on completion of his tenure ceased to be a Director of the Board from 26th April' 2013. Hence none of directors is eligible for appointment/ re-appointment at the Annual General Meeting. In case of appointment of new Director(s) by the Ministry of Coal, Government of India, such Director(s) will be appointed as an Additional Director(s) by the Board of Directors under section 260 of the Companies Act 1956 until the next Annual General Meeting of the Company.

By order of the Board

Date : The 26th June, 2013
Registered Office :
10, N.S.Road,
Kolkata – 700 001.
India.

(M.Viswanathan)
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ITEM No 3.

APPOINTMENT OF DR A.K.DUBEY

Dr A.K.Dubey has been appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 3rd April, 2013. He holds office upto 39th Annual General Meeting of the company. The company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying intention to propose Dr A.K.Dubey as candidate to the office of Director. Dr A.K.Dubey, if appointed, will be liable to retire by rotation under Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the company.

Dr A.K.Dubey aged 54 years belongs to Kerala cadre of IAS. He has held various positions in Government of Kerala and Government of India. He had been Secretary (Taxes), Secretary (Expenditure), Principal Secretary (Finance) and Principal Secretary (Forests and Wild Life) in Government of Kerala. He has served as Joint Secretary in Cabinet Secretariat, Ministry of Panchayati Raj and Ministry of Tribal Affairs in Government of India. He had also served as Registrar, University of Delhi (a Central University).

He holds directorship in Neyveli Lignite Corporation Limited.

He occasionally writes on various administrative matters in professional journals.

None of the Directors except Dr A.K.Dubey is interested or concerned in the resolution.

The Board of Directors consider that in view of the background and experience of Dr A.K.Dubey, it would be in the interest of the Company to appoint him as a Director of the Company. The Board recommends the resolution for your approval.

ITEM No 4

APPOINTMENT OF SMT. SUJATA PRASAD

Smt. Sujata Prasad has been appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 3rd May' 2013. She holds office upto the 39th Annual General Meeting of the company. The company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying intention to propose Smt. Sujata Prasad as candidate to the office of Director. Smt. Sujata Prasad, if appointed, will be liable to retire by rotation under Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the company.

Smt Sujata Prasad aged 55 years belongs to 1983 batch of Indian Civil Accounts Service. She has held senior managerial positions in different ministries and departments of the Central Government. This includes her last stint as the head of a Training/Research Institute of the Ministry of Finance (Government of India). She has spent 5 years with the Government of Bihar and an equal number of years as Senior Financial Adviser of the All India Institute of Medical Science.

Smt Prasad has co-authored a book on Health Security, edited an International Journal on Public Policy and has published several research papers on different aspects of gender, public health, poverty and development.

In addition to her current position as JS & FA, MoC. Smt Prasad is also JS & FA of the Mines, Corporate Affairs, Youth Affairs and Sports ministries.

She holds directorship in Hindustan Zinc Limited (HZL), Bharat Aluminum Company Limited (BALCO) and Hindustan Copper Limited (HCL).

None of the Directors except Smt. Sujata Prasad is interested or concerned in the resolution.

The Board of Directors consider that in view of the background and experience of Smt. Sujata Prasad, it would be in the interest of the Company to appoint her as a Director of the Company. The Board recommends the resolution for your approval.

ITEM No 5

APPOINTMENT OF SHRI ABHIJIT CHATERJEE

Shri Abhijit Chatterjee has been appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 1st November, 2012. He holds office upto the 39th Annual General Meeting of the company. The company



has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying intention to propose Shri A.Chatterjee as candidate to the office of Director. Shri A.Chatterjee, if appointed, will not be liable to retire by rotation under Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the company.

Shri A.Chatterjee aged 58 years has assumed the charge of Director (Finance), Coal India Limited from 01.11.2012. Prior to this, he was working as Director (Finance) in Central Coalfields Limited (CCL) from 08.03.2010. Before his joining CCL, he has worked in Bharat Earth Movers Ltd (BEML) in the capacity of General Manager, Chief General Manager and Executive Director (Finance) from 01.10.1997 till 05.02.2010.

He has rich experience in financial management of the company and has made significant contribution in BEML viz Treasury Management, Customs, Excise Duty, Service Tax, Insurance, Rail & Metro and Defence Product business marketing etc. Due to his efforts along with team members, BEML got benefit of around ₹ 8 crores in the area of Treasury Management. He was instrumental in arranging Marine-cum-storage-cum-erection Policy covering the risks of transit, storage, construction, fabrication, installation and commissioning in respect of Bangalore Metro Rail business for a period of 82 months from 18.02.2009 valued at ₹ 3.58 crores (approx) payable in 15 installments. He has also arranged Professional Indemnity Insurance to cover any risk arising out of professional negligence and errors in the design works from the period of commencement of work till 5 years after the date of issue of the performance certificate valued at ₹ 4.25 crores (approx) in 4 installments. These insurance covers were arranged for the first time in BEML by involving quotes for 10 underwrites in a very transparent manner within a period of 47 days only. He has also contributed in settling matters on Customs and Excise Duty related cases and as a result the company saved a substantial working capital of ₹ 54.86 crores.

On behalf of CCL, he has organized promotion of IPO floated by CIL. As a team leader of Coal Companies, he took up interest claim against HPGCL for delayed payment of coal dues and ensured quick, logical and favourable decision of Umpire in favour of Coal Companies. He has ensured improving realization from JSEB and TNVL. M/s. TNVL has signed FSA with CCL due to tremendous persuasion.

He has attended Senior Management course at MDI, Gurgaon and also undergone training at various Management schools at Europe. Mr. Chatterjee is a member of the Institute of Chartered Accountants of India.

He holds Directorship at South Eastern Coalfields Ltd and Eastern Coalfields Ltd.

None of the Directors except Shri A. Chatterjee is interested or concerned in the resolution.

The Board of Directors consider that in view of the background and experience of Shri A.Chatterjee, it would be in the interest of the Company to appoint him as a Director of the Company. The Board recommends the resolution for your approval.

By order of the Board

Date : The 26th June, 2013
Registered Office :
10, N.S.Road,
Kolkata – 700 001.
India.

(M.Viswanathan)
Company Secretary

CHAIRMAN'S STATEMENT

Friends,

I am delighted to welcome you to the 39th Annual General Meeting of Coal India Limited (CIL). The Directors' Report and Audited Accounts for the year ended 31st March, 2013, together with the report of Statutory Auditors, and report and review of Comptroller & Auditor General of India, are already with you.

1. Importance of Coal

Energy is a prerequisite in the economic development of any country. In developing countries, the energy sector plays a critical role in view of the ever-increasing energy needs. Enormous investments are necessary to secure the same.

India is one of the fastest growing economies of the world. Coal dominates the country's energy mix. It contributes over 50% of India's total primary energy production. The mineral is expected to continue playing a crucial role in meeting India's future energy needs.

CIL accounted for about 81% of the total coal produced in the country during fiscal 2013. There appears to be no dearth of market for the mineral, if it can be produced at a reasonable cost on a sustainable basis. India's coal industry shall continue its dominance as the primary source of energy for most part of the 21st century.

India's ever-increasing demand for coal is expected to touch 980.5 Mt by 2016-17. Of this, the demand from the power sector constitutes about 70%. However, indigenous coal availability is projected optimistically at 795 Mt. Hence, major production constraints need to be addressed to boost production capacity. Some of the steps that need to be undertaken include enhancing drilling for coal exploration, fast-tracking land acquisition and R&R issues, avoiding delays in obtaining environmental and forestry clearances, timely completing construction of infrastructural facilities for coal evacuation and providing greater thrust on R&D activities in the coal sector. Unless these issues are resolved in a manner conducive to exploitation, extraction and expansion of coal reserves, there will always be a demand-supply gap for coal. To bridge this shortfall, coal needs to be imported.

2. Vision

The strategic vision of CIL is to place itself on a path of accelerated growth with enhancement in productivity, competitiveness and profitability, while meeting the growing demand of coal in the country in an environmentally and socially sustainable manner. The Board of Directors of CIL had approved the recommendations of KPMG and adopted the corporate plan titled 'Vision 2020'. Vision 2020 envisages various measures aimed at improving coal supply and capability building. Necessary actions have been initiated to implement the suggestions. KPMG is currently engaged in providing implementation-related assistance to CIL.

3. Activities

We are the largest coal producing company in the world. We produced 452.21 MT during 2012-13. We produce coal through seven of our wholly-owned subsidiaries in India. Another wholly owned subsidiary, CMPDIL, carries out exploration activities for our subsidiaries. It also provides technical and consultancy services for our operations as well as to third-party clients for coal exploration, mining, processing and related activities. We have also established a wholly owned subsidiary in Mozambique, Coal India Africana Limitada (CIAL), to pursue coal mining opportunities in the country. We have our core competence across the entire coal business value chain, starting from exploration, planning and design operations, beneficiation and marketing. Our principal product is raw coal, primarily non-coking. We are also looking for diversification opportunities in areas of coal bed methane, coal gasification, coal liquefaction and power generation.



4. Performance Highlights, 2012-13

We have achieved impressive results with significant growth in production, off-take and profitability during 2012-13. It indicates the robustness of our strategy to maximise coal dispatch to our esteemed consumers. This performance is particularly remarkable when viewed against the backdrop of extremely challenging demand-supply scenario prevailing in the country. We recorded an impressive growth of 32.1 MT in coal off-take, a growth of 7.41% over the previous year. Raw coal off-take touched 465.18 Mt during 2012-13 compared to 433.08 MT in 2011-12. The dispatch performance this year has reversed the usual trend of production exceeding off-take, which has soared coal production by about 13 MT in 2012-13. There has also been a growth of 16.4 MT in coal production over last year, a growth of 3.8%. Production of raw coal during 2012-13 was 452.21 MT as against 435.84 MT in 2011-12. Overburden removed during the year was 746.70 Million Cubic metres as against 735.14 Million Cubic metres in 2011-12, up by 11.56 Million Cubic metres.

We are one of the largest profit making and tax & dividend paying enterprises in India. Aggregate pre-tax profits for CIL and its subsidiaries increased by 17.42% from ₹ 21,272.66 crores in 2011-12 to ₹ 24,979.04 crores for 2012-13.

Your Directors recommended dividend payment of ₹ 8,842.91 crores at ₹ 14/- per share on 6316364400 Equity Shares of ₹ 10/- each, fully paid value at ₹ 6316.36 crores. Out of total dividend, Government of India gets ₹ 7,958.62 crores and other shareholders get ₹ 884.29 crores. (Previous year, Government of India received ₹ 5,684.72 crores and other shareholders got ₹ 631.64 crores).

5. Introduction of Mine-Developer-Operator

In order to step coal production to meet growing demand for coal, it has now been decided to work through the Mine-Developer-Operator (MDO) mode. We propose to take up seven mines in the first phase and expand later, based on experience.

Under this concept, MDO shall develop, operate the mine and be responsible for detailed designing, financing, procurement, construction, operations and maintenance of all infrastructures, including coal washery, loading arrangement etc. Further, the MDO/Participating Company will facilitate possession of land and R&R activities, preparation and clearance of EIA-EMP, and forestry clearance. However, CIL will directly obtain approval of EMP & FC. The MDO on the other hand will be responsible for environment monitoring and management, reclamation and mine closure (progressive and final).

All activities within the mine premises and till the loading of coal in rail wagons, according to agreed annual targets, shall be the MDO's responsibility.

6. Accelerate the Power Generation from New Power Plants

Government of India, having considered the likelihood of commissioning further 60,000 MW, decided to revise the trigger level for coal supply from 50% to 80% of Annual Contracted Quantity. The Government also decided to revise the tenure of Fuel Supply Agreement from 5 years to 20 years. Accordingly, a Presidential Directive was issued to this effect on 4th April, 2012 to modify the Fuel Supply Agreements (FSA) for execution with new Power Plants having long-term Power Purchase Agreements (PPA) with the DISCOMs. Till 31st March, 2013, 61 units signed FSAs for 88.8 MTY.

7. Initiative for Overcoming Logistic Bottleneck

We came out with a scheme for supply of coal 'As is – Where is' basis to its power consumers under FSA, to be lifted by the purchaser by arranging their own logistics from the stock points. The scheme aimed at augmenting coal dispatch capacity, which is constrained due to various logistics issues restricting transportation to dispatch points.

The FSA offers similar provision for the Seller to offer coal upto 5% of the annual contracted quantity. For this, consumers use their own transportation arrangements, either by Road or Road-cum-Rail (R-C-R) mode in three coal companies, namely CCL, MCL and SECL. Logistics inadequacy in these three companies in terms of new rail connectivity has restrained coal evacuation potentials of these companies.

8. Growth Profile

Ongoing Projects

We have 148 on-going projects, costing ₹ 2 Crs and above, which are under different stages of implementation. The ultimate capacity of these projects is 446.75 Mty, with sanctioned capital outlay of ₹ 32,004.54 Crs.

Out of this, 85 ongoing projects contributed to the tune of 212.04 Mt. during the terminal year of XIth Five Year Plan, i.e. 2011-12. However, during the 1st year of the XIIth Five Year Plan, 90 ongoing projects contributed 260.80 Mt. The envisaged contribution during the terminal year of the XIIth Five Year Plan, i.e. 2016-17, is 335.46 Mt from 134 ongoing projects.

Out of these 148 ongoing projects, both forestry and environmental clearances have already been received for 90 projects. Environmental and forestry clearances are awaited for 9 and 34 projects respectively. For the remaining 15 projects, both forestry and environmental clearances are awaited.

Future Projects

A total of 126 projects, with an estimated capacity of 438.04 Mty, have been identified. These projects will be taken up during the XIIth Five Year Plan. Out of these future projects, 60 projects are envisaged to contribute about 88 Mt during the terminal year of the XIIth Five Year Plan, i.e. 2016-17.

Out of these 126 identified projects, PRs for 78 projects have already been formulated. Four projects, having an estimated capacity of 12.50 Mty with an investment of ₹ 2294.79 Crs, have been sanctioned during the XIIth Five Year Plan.

9. Forestry and Environmental Clearances

Forestry Clearance

During the XIth Five Year Plan, Forestry Clearances for 56 proposals, involving an area of 7095 Ha, have been obtained from MoEF. The contribution from such projects involving these 56 forestry proposals granted clearance was 77.5 Mt during the year 2012-13. So far, five forestry proposals covering an area of 538 Ha have also been cleared by MoEF during the first year of the XIIth Five Year Plan, i.e. 2012-13. The contribution from such projects involving these 5 forestry proposals was 0.85 Mt during the year 2012-13.

However, at present, 193 forestry proposals are awaiting clearances either at MoEF or at state levels. These projects together cover an area of 29500 Ha.

Environmental Clearance

122 environmental clearance proposals for a capacity of 207 Mty have been cleared by MoEF during the XIth Five Year Plan. So far, 30 environmental clearance proposals, for a capacity of 100 Mty, have also been approved by MoEF during the first year of XIIth Five Year Plan, i.e. 2012-13.

However, at present, 48 environmental clearance proposals, having a capacity of about 109 Mty, are awaiting clearances at different levels.

10. Other Strategies

To augment underground production, semi-mechanised Bord and pillar mining with Load Haul Dumper (LHD)/Side Discharge Loader (SDL) loading with continuous coal evacuation system are being planned. Universal Drilling Machines (UDMs) are also being deployed to increase the productivity of SDL/LHD mines. They also help to ensure safety of the workers in the mines. Mass production technology methods with Continuous Miner (CM) and Power Support Longwall (PSLW) faces, are now being planned to be introduced in phases in some of the underground mines. Man-riding system is being installed in underground mines to fully utilise shift hours. This is expected to increase productivity and reduce the arduous travelling time of the personnel in underground.



11. Coal Beneficiation

CIL operates 17 coal washeries with a total capacity of 39.4 Mty. Out of these, 12 are coking coal washeries with a total capacity of 22.18 Mty, while five are non-coking coal washeries with a total capacity of 17.22 Mty.

Contracts have been finalised for three more washeries. Besides, action to finalise two more washeries is in advanced stage. Further, 12 more washeries have been identified to be taken up during the XIIth Five Year Plan.

12. Foreign Venture initiatives

A. Activities of CIAL, Mozambique.

CIAL, a wholly owned subsidiary of CIL in Mozambique, has been operationalised in February 2012. An office has been set up in the city of Tete, Mozambique. A four member team of senior officers has been deputed. Various activities related to exploration of coal blocks have been initiated. Some of these activities are as follows:

- i. Nearly 5,100 Mtrs of initial exploration drilling in the two allotted coal blocks have been completed till the end of March 2013. Shri Pratik Prakashbapu Patil, the Hon'ble Minister of State for Coal, Government of India, inaugurated this Initial exploration drilling programme for 10,000 metres in November 2012.
- ii. A global tender for carrying out additional 30,000 metres of drilling in the allotted coal blocks has been floated in February 2013 and finalised in June 2013.
- iii. We received environment clearance from the Government of Mozambique in July 2012 to carry out exploratory drilling and also completed geological mapping for the entire allotted coal block.
- iv. To demarcate the concession area and locate the proposed exploratory boreholes, surveyors from CMPDI were engaged in Nov-Dec 2012. Major part of the work has since been completed.

B. Global expression of interest inviting proposals related to acquisition of overseas coal assets

Pursuant to the Govt. of India's guidelines to acquire raw material assets abroad, a notice inviting proposals offering overseas coal assets to CIL was floated on 27th February, 2013. Number of proposals have been received and are being evaluated based on their marketing potential.

13. Safety – always a Priority

Safety is always our highest priority. Embedded in our mission statement, it is one of the major deciding factors in our overall business strategy. We have framed a well-defined policy to ensure safety in our mines. We meticulously plan and design all our operations, systems and processes, with due regard to safety to achieve targeted coal production. We endeavour to inculcate the best operational and safety practices. We encourage Participative Safety Management to promote a proactive safety culture and to improve awareness at every level. We have identified hazards and associated risks in every mining operation and have prepared safety management plan for every mine. Annual Safety Plan for each and every mine is also prepared at the beginning of each calendar year to assess safety in mining operations to be carried out in that year. We have also established multi-level monitoring mechanism to implement the Safety Policy.

Over the years, the safety standards of our mines have significantly improved due to sincere and collective commitment shown by the management and the workers. Relentless safety awareness drives help impart advanced and continuous training. These drives use the best technologies in the field of mining methods and strong oversight. Required assistance and support from several quarters are also contributed to this achievement. All these factors have helped to reduce serious accidents to a record low in 2012. We are not complacent and are continuing our efforts to ensure better safety in every sphere of our activities.

To improve safety standards, we initiated several measures in 2012-13. Along with on-going safety activities and initiatives, we also ensured that our operations comply to the statutory requirements.

14. Improving the condition of contractor's workers

During this year, wages and social security of contractors workers were jointly deliberated and finalised, based on the recommendations of High Powered Committee consisting of the representatives of Central Trade Unions. This Committee was constituted in accordance with the decision taken in the meeting with Central Trade Unions held on 16.04.2010, in presence of then Hon'ble Minister of State (I/C) & SPI and in pursuant to the letter dated 28.03.2010 of Ministry of Coal.

The basic rate of wages of different categories of contractors' workers engaged in mining activities are as under w.e.f 01/01/2013

Employee categories	Basic rate (per day)
Unskilled	₹ 464.00
Semi-skilled/Unskilled supervisory	₹ 494.00
Skilled	₹ 524.00
Highly skilled	₹ 554.00

15. CIL's R&R Policy, 2012

CIL recognises that its business activities have direct and indirect impact on the society, in which it operates. Therefore, as a sound business practice, it properly considers the interests of all its stakeholders, including the people affected by the project. In line with the above, we reviewed the earlier R&R Policy-2008 and revised the Resettlement & Rehabilitation Policy- 2012, which has been approved by the CIL Board in March, 2012.

The revised R&R Policy of CIL- 2012 has provided multiple options to the land losers. It also bestows more flexibility to the Board of Subsidiary Companies to meet unique R&R problems to acquire land faster.

16. Corporate Social Responsibility

Corporate Social Responsibility (CSR) lies at the core of all our operations. We have a well-defined CSR Policy which was introduced in June 2010. These policies were based on the guidelines issued by the Department of Public Enterprises for Central PSUs in April 2010. The same guidelines are also applicable to our subsidiary companies.

Our CSR activities mainly encompass the poor and the needy living in and around the project site and the HQs (within a radius of 25 Kms). Further, we also conduct CSR activities beyond mining areas, within the respective states with the due approval. CIL, being a holding company, executes CSR activities, which are beyond the jurisdiction of the subsidiary companies.

During 2012-13, we allocated ₹ 595.74 Crores (includes spill over amount) to undertake CSR activities at CIL and its subsidiaries.

We adopted CSR as a strategic tool for sustainable growth. In the present context, apart from investing funds for social activities, CSR at CIL also includes integrating business process with social ways.

17. Green initiatives

We are committed to follow all the environmental regulations and take necessary measures to mitigate the impact of mining and associated activities. We shall undertake the measures in a phased manner according to EIA/EMP of each project. We plant numerous trees every year. During 2012-13, we planted 15.86 lakh saplings.

Degraded land of opencast mines are restored by technical reclamation, followed by its biological reclamation. We have been monitoring reclamation work of 50 of our major OCPs, producing more than 5 Million Cubic metres (Coal+OB) every year and other OCPs once in three years through state-of-the-art technology of satellite surveillance. The satellite images reveal that land reclamation area increased by 5.27 Sq KM in 2012 in the 50 OCPs. We have undertaken initiatives in five subsidiaries to convert the reclaimed land into a cultivatable land with the help of agricultural universities.



We have initiated steps to install solar energy generation units on the rooftops of non-residential and residential buildings. These units are going to be connected to the grid. The objective is to conserve non-renewable energy resources and promote renewable energy.

18. Corporate governance

CIL complied with the conditions of Corporate Governance, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India. It also complied with the conditions of Corporate Governance, as provided in Clause 49 of the Listing Agreement with the Stock Exchanges. As required under the said guidelines and provisions, a separate section on Corporate Governance has been added to the Directors' Report and a Certificate regarding compliance of conditions of Corporate Governance has been obtained from a Practicing Company Secretary.

As a proactive measure, CIL has conducted Secretarial Audit for 2012-13 by a Practicing Company Secretary.

19. Expectation

I am confident that CIL shall continue to move to achieve greater heights in future, meet the expectations of the stakeholders as well as the nation at large with the dedicated performance at all levels.

20. Acknowledgement

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

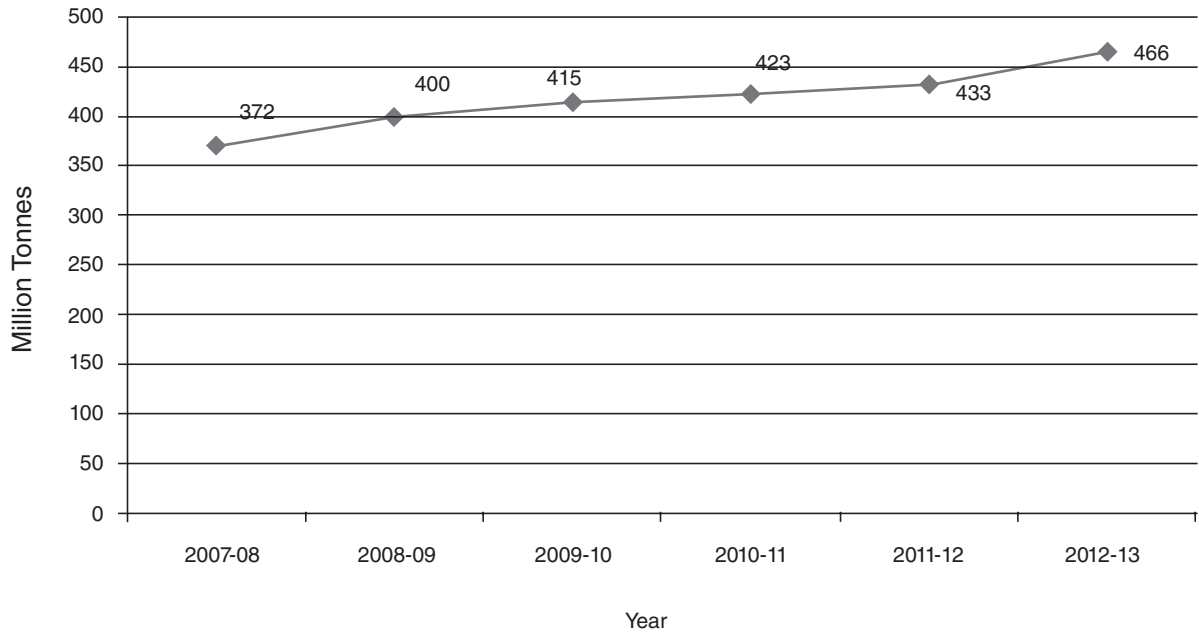
I appreciate the unstinted support and valuable guidance received from the Ministry of Coal, Government of India. I also express my sincere thanks to other Central Government Ministries and Departments, State Governments, all employees, Trade Unions, consumers and suppliers for their relentless co-operation.

Kolkata

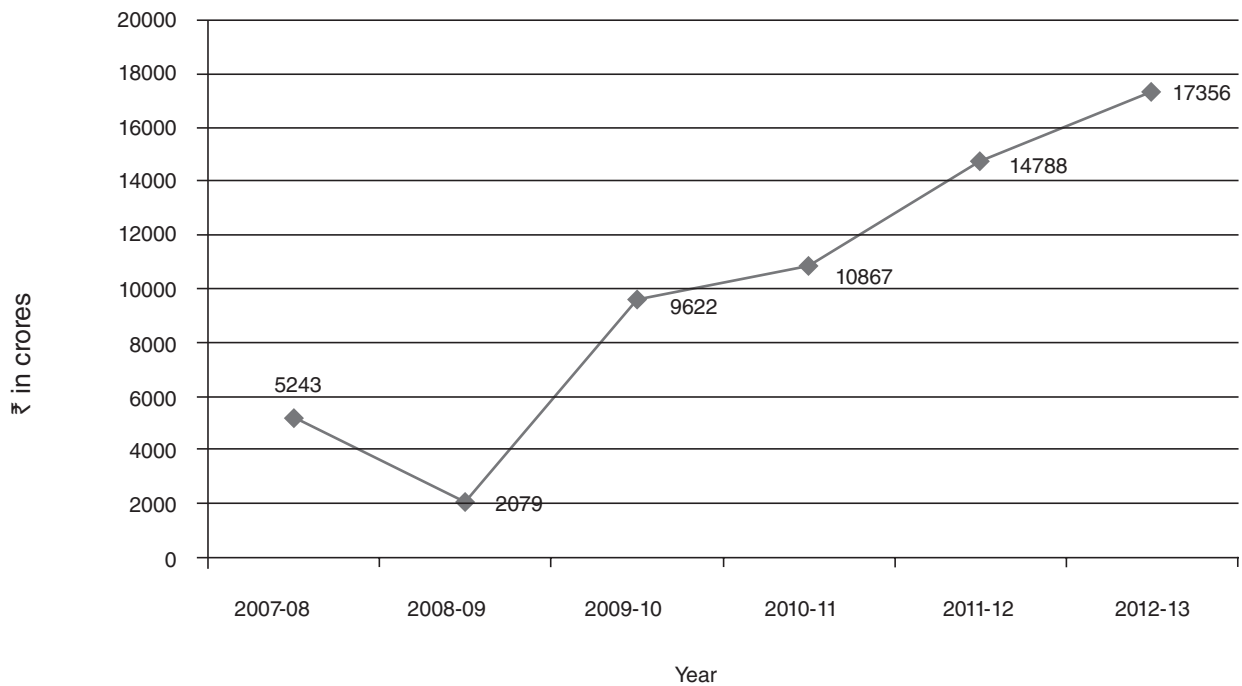
Dated : 15th July' 2013

S. Narsing Rao
Chairman

Despatches of Coal

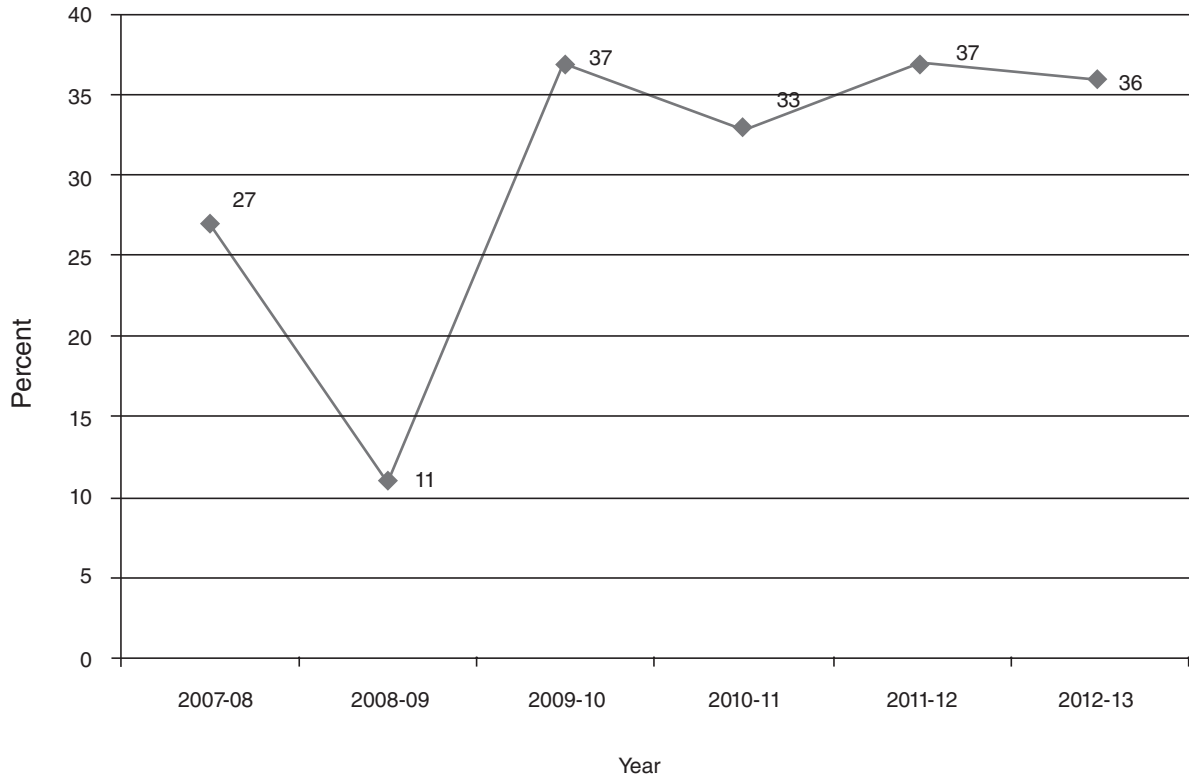


Net Profit

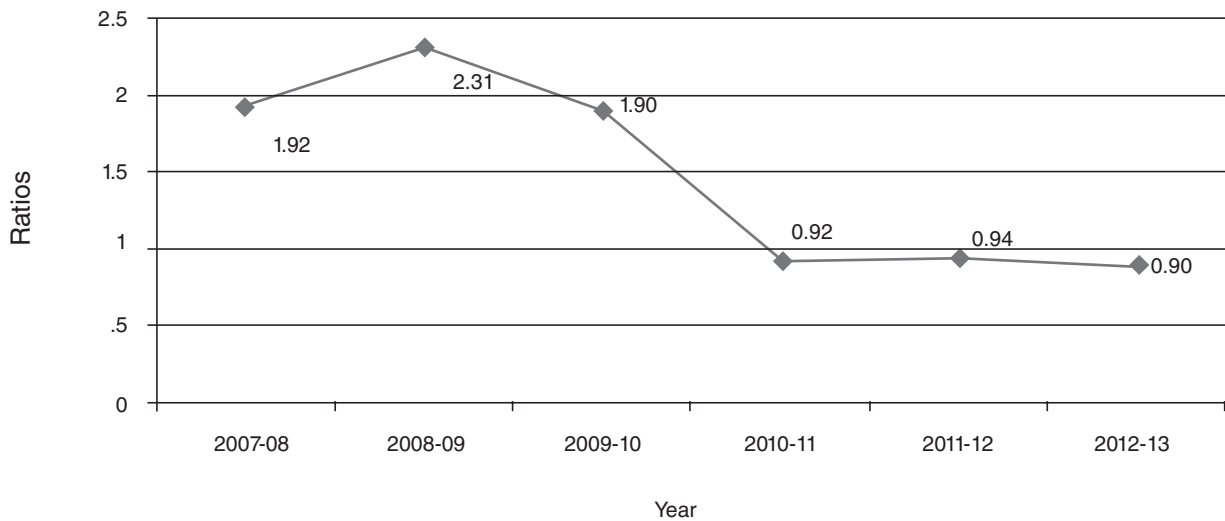




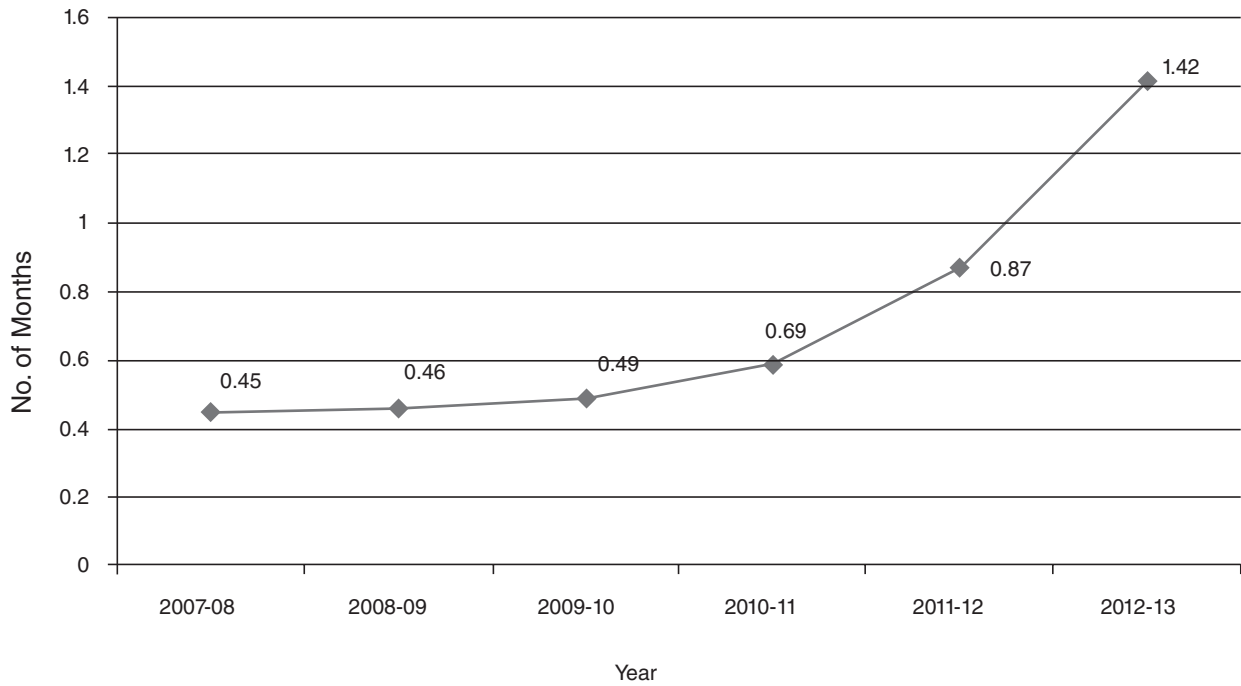
Net Profit to Net Worth



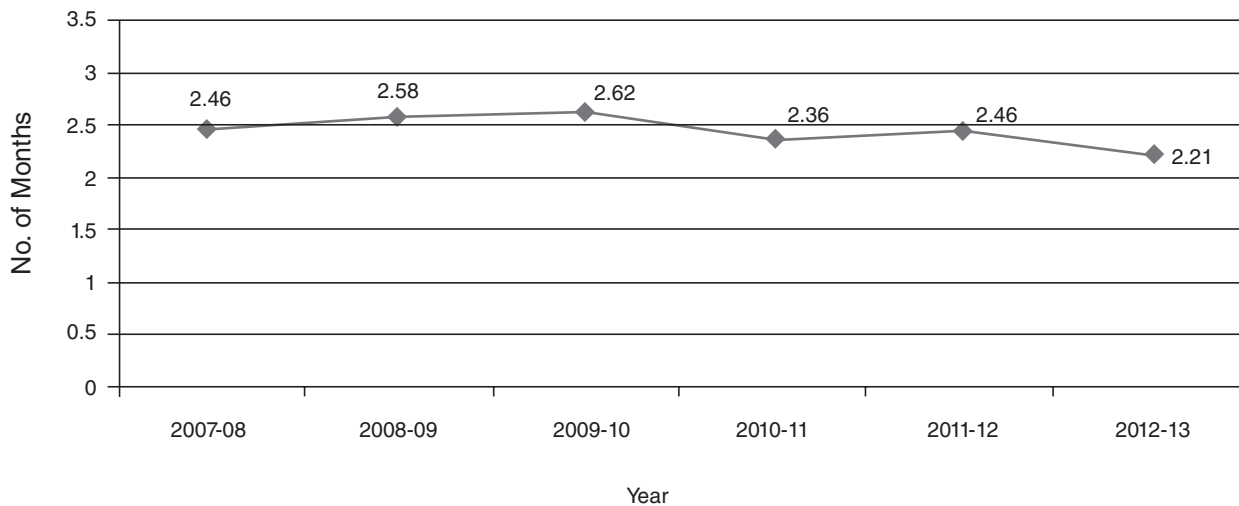
Sales (Net) to Capital Employed



Debtors in Month's Sales

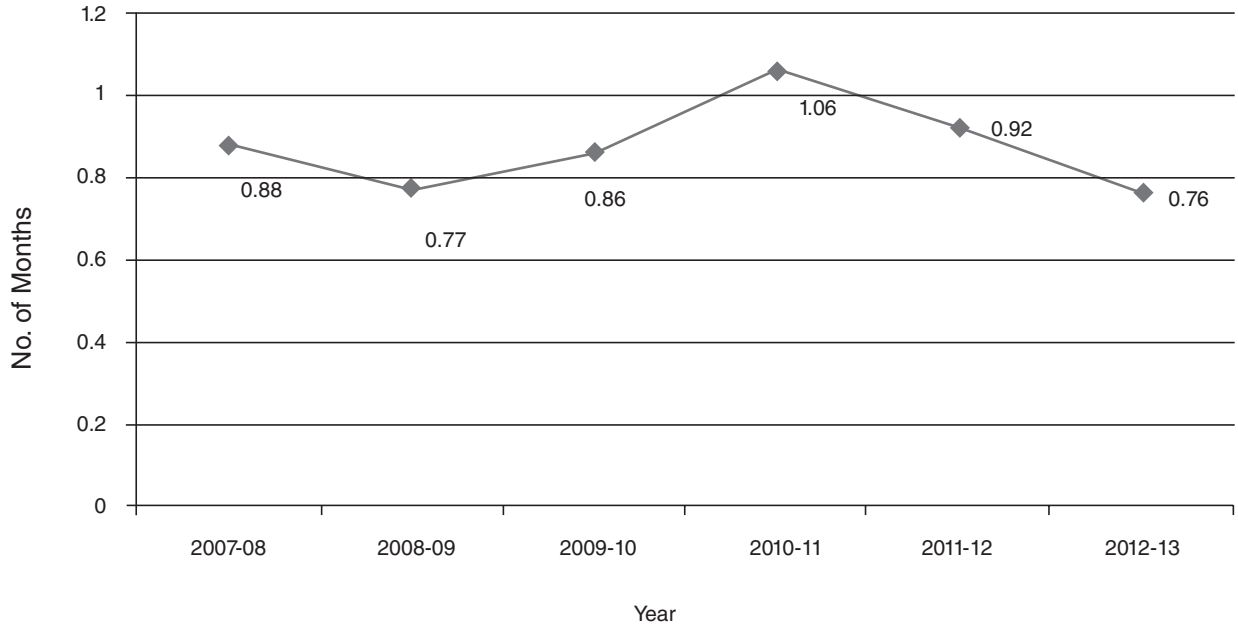


Stock of stores in Month's Consumption

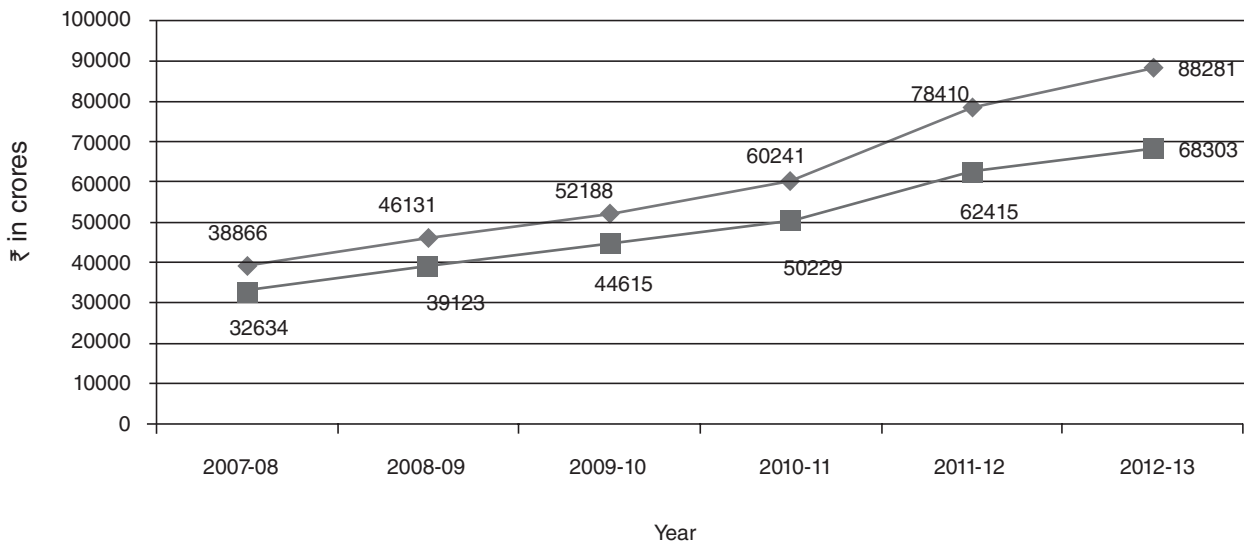




Stock of Coal as no. of Months Net Sales



Gross Sales and Net Sales



OPERATIONAL STATISTICS

For the Year Ending 31st March		2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
1. (a) Production of Raw Coal (Million Tonnes)											
Underground	37.776	38.39	40.02	43.25	43.96	43.54	43.32	45.82	47.04	47.44	
Opencast	414.435	397.45	391.30	388.01	359.77	335.92	317.59	297.57	276.54	258.92	
Total	452.211	435.84	431.32	431.26	403.73	379.46	360.91	343.39	323.58	306.36	
b) Overburden Removal (million Cum)	746.702	735.14	732.13	682.03	645.13	607.56	537.65	533.94	516.11	497.00	
2. Off take (Raw Coal) (Million Tonnes)											
Power	345.32	312.05	304.30	298.87	296.74	280.15	262.14	256.65	248.86	234.23	
Steel / Hard Coke	8.04	7.76	9.50	8.92	9.00	10.01	9.85	10.02	11.70	12.18	
Railway											
Others	111.818	113.27	110.70	108.09	95.72	85.17	79.15	66.99	60.99	58.03	
Total	465.178	433.08	424.50	415.88	401.46	375.33	351.14	333.66	321.55	304.44	
3. Average Manpower	364736	377447	390243	404744	419214	432710	445815	460369	476577	493061	
4. Year-end Manpower	357926	371546	383347	397138	412350	426077	439343	452287	468450	484703	
5. Productivity											
A) Average per Man per Year (tonnes)	1263	1173	1125.10	1085.93	979.11	890.59	821.48	759.23	652.70	632.06	
B) Output per manshit (OMS)											
i) Under Ground (Tonnes)	0.77	0.75	0.77	0.78	0.76	0.73	0.71	0.71	0.69	0.68	
ii) Open Cast (Tonnes)	11.48	10.40	10.06	9.51	8.95	8.60	8.00	7.51	7.18	6.67	
iii) Overall (Tonnes)	5.32	4.89	4.73	4.47	4.09	3.79	3.54	3.26	3.05	2.82	



FINANCIAL POSITION

(BASED ON CONSOLIDATED ACCOUNTS OF COAL INDIA LTD. & ITS' SUBSIDIARIES)

(₹ in crores)

OPERATIONAL STATISTICS

As per Revised Schedule VI

For The Year Ending 31st March

A) What is owned

	2013	2012	2011
Gross Fixed Assets	39010.67	38096.41	36714.12
Less Depreciation & Impairment	(25544.91)	(24656.12)	(23870.81)
(1) Net fixed Assets	13465.76	13440.29	12843.31
(2) Capital Work-in-progress	3495.95	2903.38	2057.16
(3) Deferred tax Asset	2255.02	1194.06	873.23
(4) Non-Current Investment	1400.30	946.99	850.96
(5) Long-Term Loans & Advances	1181.36	1017.25	845.35
(6) Other Non-current Assets	74.17	69.29	76.33
(7) Current Assets			
i) a) Inventory of Coal,Coke etc.	4301.16	4801.14	4439.82
b) Inventory of Stores & Spares etc.	1117.90	1126.45	1038.17
c) Other Inventories	198.77	143.69	107.62
ii) Trade Receivables	10480.21	5662.84	3456.98
iii) Cash & Bank Balances	62236.00	58202.78	45806.44
vi) Current Investments	994.66	1034.41	212.73
v) Short term Loans & advances	16188.76	13478.19	11180.14
vi) Other Current assets	4174.74	2965.50	2125.75
Total Current Assets (7)	99692.20	87415.00	68367.65
(8) Less Current Liab. & Prov.			
(a) Short Term Borrowing	—	—	32.60
(b) Trade Payables	837.17	829.02	645.45
(c) Other Current Liabilities	16385.71	17832.16	13601.00
(d) Short Term Provisions	20446.94	15594.80	12436.19
Net Current Assets (7-8)	62022.38	53159.02	41652.41
TOTAL (A)	83894.94	72730.28	59198.75

OPERATIONAL STATISTICS

(₹ in crores)

As per Revised Schedule VI

For The Year Ending 31st March

B) What is owed

(1) Long Term Borrowing	1077.79	1305.35	1333.76
(2) Deferred Tax Liability			
(3) Other Long Term Liabilities	3137.21	2647.03	2057.39
(4) Long Term Provisions	31144.35	28271.28	22460.79

TOTAL (B)

35359.35 32223.66 25851.94

C) Minority Interest

63.60 53.60 32.61

Net Worth (A-B-C)

48471.99 40453.02 33314.20

Represented by:

(1) Equity Capital	6316.36	6316.36	6316.36
(2) Pending Allotment	—	—	—
(3) Reserves	17526.65	14035.64	11693.66
(4) Profit/Loss	24636.44	20105.60	15307.55
(5) Misc.Expenditure (D\Liab.)	(7.42)	(4.54)	(3.37)
(6) Surplus/ (Deficit) of Joint Ventures	(0.04)	(0.04)	-

Net Worth (1 to 6)

48471.99 40453.02 33314.20

Capital Employed

75488.14 66599.31 54495.72



OPERATIONAL STATISTICS

COAL INDIA LTD.

INCOME AND EXPENDITURE STATEMENT

(BASED ON CONSOLIDATED ACCOUNTS OF COAL INDIA LTD. & ITS' SUBSIDIARIES)

(₹ in crores)

For The Year Ending 31st March

A) Earned From :

	2013	2012	2011
1) Gross Sales	88281.32	78410.38	60240.90
Less Levies (Excise Duty & other levies)	(19978.58)	(15994.95)	(10011.62)
Net Sales	68302.74	62415.43	50229.28
2) Other Income (a to e)	8746.69	7536.90	4872.14
a) Interest on Deposits etc.	6216.71	5317.77	2964.34
b) Dividend from Mutual Funds	140.49	27.97	0.33
c) Subsidy for Sand Stowing & Protective Works	79.51	67.48	76.83
d) Recovery of Transportation & Loading Cost	1469.02	1376.04	1218.88
e) Other non-operating Income	840.96	747.64	611.76

TOTAL (A)

77049.43 69952.33 55101.42

B) Paid to/Provided for

1) Employees Remuneration & benefits (a to e)	27320.78	26387.42	19851.78
a) Salary, Wages, Allowances ,Bonus etc.	18930.24	16571.73	13296.31
b) Contribution to P.F. & Other Funds	2291.46	1778.31	1697.84
c) Gratuity	1456.83	3944.09	1482.09
d) Leave Encashment	833.21	804.67	686.11
e) Others	3809.04	3288.62	2689.43
2) Accretion/Decretion in Stock	493.92	(381.04)	(1214.97)
3) Welfare Expenses	622.43	317.60	381.81
4) Stores & Spares	6062.11	5504.07	5272.82
5) Power & Fuel	2333.48	2012.52	1749.48
6) Contractors (including Transportation & Repairs)	6624.37	5546.68	5281.86
7) Finance Costs	45.17	53.98	73.70
8) Depreciation/Amortization/Impairment	1812.97	1969.22	1765.40
9) Provisions & Write Off	927.10	1469.84	578.84
10) Overburden Removal Adjustment	3201.74	3693.89	2618.47
11) Other Expenses	2633.18	2196.64	2231.59
12) Prior Period Adjustment / Exceptional Items / Extraordinary Items	(6.86)	(91.15)	47.40

TOTAL (B)

52070.39 48679.67 38638.18

OPERATIONAL STATISTICS

(₹ in crores)

For The Year Ending 31st March

	2013	2012	2011
Profit/loss for the year (A-B)	24979.04	21272.66	16463.24
Tax on Profit	7622.67	6484.45	5595.88
Profit/loss from discontinuing operation	(0.01)	(0.01)	(0.01)
Proposed dividend	8842.91	6316.36	2463.38
Tax on Dividend	1323.23	1183.56	897.74
Transfer to General Reserve	2508.92	2143.24	1471.94
Transfer to CSR Reserve	220.82	231.22	168.12
Transfer to Sustainability Development Reserve	22.78	—	—
Reserve for Foreign Exchange Transaction	(93.14)	(35.87)	7.74
Adjustments	—	151.64	—
Accumulated profit / loss from Last year	20105.60	15307.55	9449.12
Cumulative profit / loss transferred to Balance Sheet	24636.44	20105.60	15307.55
Cumulative profit / loss (Before transfer to Reserves)	27295.82	22595.83	16955.35



OPERATIONAL STATISTICS

IMPORTANT FINANCIAL INFORMATION
(As per Consolidated Audited Accounts)

(₹ in crores)
As per Revised Schedule VI

For The Year Ending 31st March

(A) Related to Assets & Liabilities

	2013	2012	2011
1) i) No. of Equity Shares (CIL) of ₹ 10 each	6316364400	6316364400	6316364400
ii) Shareholder's Funds			
a) Equity	6316.36	6316.36	6316.36
b) Reserves	17526.65	14035.64	11693.66
c) Accumulated Profit/Loss	24636.44	20105.60	15307.55
d) Misc. Expend.(D/Liab.)	(7.42)	(4.54)	(3.37)
e) Surplus / Deficit of Joint Ventures	(0.04)	(0.04)	—

Net Worth

2) a) Long Term Borrowings incl. Current Maturities	1305.30	1527.38	1520.97
b) Long Term Borrowings excl. Current Maturities	1077.79	1305.35	1333.76
3) Capital Employed	75488.14	66599.31	54495.72
4) (i) Net Fixed Assets	13465.76	13440.29	12843.31
(ii) Current Assets	99692.20	87415.00	68367.65
(iii) Current Liabilities	37669.82	34255.98	26715.24
5) a) Sundry Debtors (net)	10480.21	5662.84	3456.98
b) Cash & Bank	62236.00	58202.78	45806.44
6) Closing Stock of :-			
a) Stores & Spares (Net)	1117.90	1126.45	1038.17
b) Coal, Cokes etc. (Net)	4301.16	4801.14	4439.82
7) Average Stock of Stores & Spares (Net)	1122.18	1082.31	1062.86

(B) Related to Profit/Loss

1. a) Gross Margin	26837.18	23295.86	18302.34
b) Gross Profit	25024.21	21326.64	16536.94
c) Profit before Tax	24979.04	21272.66	16463.24
d) Net Profit (AfterTax)	17356.36	14788.20	10867.35
e) Net Profit (After Tax & Dividend)	8513.45	8471.84	8403.97

OPERATIONAL STATISTICS

IMPORTANT FINANCIAL INFORMATION

(₹ in crores)

As per Revised Schedule VI

(As per Consolidated Audited Accounts)

For The Year Ending 31st March

	2013	2012	2011
2) a) Gross Sales	88281.32	78410.38	60240.90
b) Net Sales (after excise duty & other levies)	68302.74	62415.43	50229.28
c) Sale value of Production	67808.82	62796.47	51444.25
3) Cost of Goods Sold (Net Sales-PBT)	43323.70	41142.77	33766.04
4) a) Total Expenditure	52070.39	48679.67	38638.18
b) Employee Benefit & Expenses	27320.78	26387.42	19851.78
c) Stores & Spares	6062.11	5504.07	5272.82
d) Power & Fuel	2333.48	2012.52	1749.48
e) Finance Cost & Depreciations	1858.14	2023.20	1839.10
5) Average Consumption of Stores & Spares (gross) per month	505.18	458.67	439.40
6) a) Average Manpower employed during the year	364736	377447	390243
b) Welfare Expenses	622.43	317.60	381.81
c) Welfare Expenses per employee (₹ '000)	17.07	8.41	9.78
7) a) Value added	59413.23	55279.88	44421.95
b) Value added per employee (₹ '000)	1628.94	1464.58	1138.32



OPERATIONAL STATISTICS

IMPORTANT FINANCIAL RELATIVE RATIOS

(As per Consolidated Audited Accounts)

As per Revised Schedule VI

For The Year Ending 31st March

(A) PROFITABILITY RATIOS

1) AS % of NET SALES

a) Gross Margin

b) Gross Profit

c) Net Profit (PBT)

2) AS % of TOTAL EXPENDITURES

a) Employee Benefit & Expenses (Gross-Rev.)

b) Store & Spares(Gross-Rev.)

c) Power & Fuel

d) Interest & Depreciation (Gross-Rev.)

3) AS % of CAPITAL EMPLOYED

a) Gross Margin

b) Gross Profit

c) Profit before Tax

4) OPERATING RATIO (SALES-PROFIT/SALES)

(B) LIQUIDITY RATIOS

1) Current Ratio

(Current Asset/Current Liability)

2) Quick Ratio

(Quick Asset/Current Liability)

	2013	2012	2011
a) Gross Margin	39.29	37.32	36.44
b) Gross Profit	36.64	34.17	32.92
c) Net Profit (PBT)	36.57	34.08	32.78
a) Employee Benefit & Expenses (Gross-Rev.)	52.47	54.21	51.38
b) Store & Spares(Gross-Rev.)	11.64	11.31	13.65
c) Power & Fuel	4.48	4.13	4.53
d) Interest & Depreciation (Gross-Rev.)	3.57	4.16	4.76
	-	-	-
a) Gross Margin	35.55	34.98	33.58
b) Gross Profit	33.15	32.02	30.35
c) Profit before Tax	33.09	31.94	30.21
	0.63	0.66	0.67
	2.65	2.55	2.56
	1.93	1.86	1.84

OPERATIONAL STATISTICS

IMPORTANT FINANCIAL RELATIVE RATIOS

(As per Consolidated Audited Accounts)

As per Revised Schedule VI

For The Year Ending 31st March

(Net Sales / Capital Employed)

(C) TURNOVER RATIOS

	2013	2012	2011
1) Capital Turnover Ratio	0.90	0.94	0.92
2) Sundry Debtors (net) as no of months			
a) Gross Sales	1.42	0.87	0.69
b) Net Sales	1.84	1.09	0.83
3) As Ratio of Net Sales			
a) Sundry Debtors	0.15	0.09	0.07
b) Coal Stocks	0.06	0.08	0.09
4) Stock of Stores & Spares			
a) Avg. Stock/Annual Consumption	0.19	0.20	0.20
b) Closing Stocks in terms of no.of month's consumption	2.21	2.46	2.36
5) Stock of Coal, Coke, W/coal etc.			
a) As no of month's Value of production	0.76	0.92	1.04
b) As no of month's of cost of goods sold	1.19	1.40	1.58
c) As no of month's Net Sales	0.76	0.92	1.06

(D) STRUCTURAL RATIOS

1) Debt : Equity Share Capital	0.17	0.21	0.21
2) Debt : Net Worth	0.02	0.03	0.04
3) Net worth : Equity	7.67	6.40	5.27
4) Net Fixed Assets : Net Worth	0.28	0.33	0.39

(E) SHARE HOLDER'S INTEREST

1) Book Value of Shares (₹) (Net worth / No of Equity)	76.74	64.04	52.74
2) Dividend per Share (₹) (₹ 10 from 2009-10)	14.00	10.00	3.90



FINANCIAL POSITION (BASED ON CONSOLIDATED ACCOUNTS OF COAL INDIA LTD. & ITS SUBSIDIARIES)

OPERATIONAL STATISTICS

Year Ending 31st March	As per earlier Schedule VI										(₹ in Crores)
	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04			
(A) What is owned											
Gross Fixed Assets	36721.12	34945.32	33256.13	31856.91	30257.42	29223.34	28057.55	27622.92			
Less Depreciation & Impairment	23878.21	22909.88	22234.89	21360.32	20040.56	19080.62	17899.98	16523.06			
(1) Net Fixed Assets	12842.91	12035.44	11021.24	10496.59	10216.86	10142.72	10157.57	11099.86			
(2) Capital Work-in-progress	2218.05	2210.67	1919.49	1620.09	1335.18	1205.95	1347.45	1188.57			
(3) Deferred Tax Asset	873.22	960.39	926.77	977.72	690.63	650.88	590.13	131.91			
(4) Misc. Expend. & other payable		0.20									
(5) Investment (internal)	1063.69	1282.14	1505.18	1717.90	2025.88	2244.52	2244.52	2244.52			
(6) Current Assets											
(i) (a) Inventory of Coal, Coke etc.	4439.82	3186.49	2514.98	2381.24	2137.04	1889.50	1405.72	1175.25			
(b) Inventory of Stores & Spares etc.	1038.97	1087.54	1055.51	909.36	900.67	921.92	915.75	931.64			
(c) Other Inventories	106.85	127.74	112.39	93.36	82.76	90.40	95.71	85.01			
(ii) Sundry Debtors (Incl. CMPDIL)	3025.56	2168.65	1826.14	1657.06	1586.41	1804.47	2072.14	2484.34			
(iii) Cash & Bank Balances	45862.28	39077.76	29695.01	20961.48	15929.27	13427.24	7986.95	2966.55			
(vi) Loans & Advances	9922.54	8676.20	11244.51	10304.29	8191.88	6278.10	5059.72	4361.32			
Total Current Assets (6)	64396.02	54324.38	46448.54	36306.79	28828.03	24411.63	17535.99	12004.11			
(7) Less Current Liab. & Prov.	46493.90	42909.08	40505.80	29695.18	22820.97	21741.25	18341.40	14478.96			
Net Current Assets (6-7)	17902.12	11415.30	5942.74	6611.61	6007.06	2670.38	(805.41)	(2474.85)			
TOTAL (A)	34899.99	27904.14	21315.41	21423.91	20275.61	16914.45	13534.26	12190.01			
(B) What is owed											
(1) 10% Redeemable Pref. Shares											
(2) Govt. Loan					0.18	71.62	107.09	125.23			
(3) Interest Accrued & Due											
(4) Inter corporate Loan											
(5) Term Loan (F. Innt. & Banks)											
(6) Bonds											
(7) Deferred tax liability											
(8) Others (foreign loan, incld. deferred credit)	1520.96	1623.68	1980.53	197.64	242.41	14.00	25.00	36.00			
SUB-TOTAL (1 TO 7)	1520.96	1623.68	1980.53	1873.12	2078.47	2584.67	3193.60	3293.34			
(9) Bank Borrowings (Incl. O.D. & Oth.)	32.60	463.17	167.94	208.43	307.84	214.96	202.32	353.23			
TOTAL (B)	1553.56	2086.85	2148.47	2081.55	2386.31	2799.63	3395.92	3646.57			
(C) Minority Interest	32.61	23.61	1.90								
Net Worth (A-B-C)	3313.82	25793.68	19165.04	19342.36	17889.30	14114.82	10138.34	8543.44			
Represented by :											
(1) Equity Capital (incl. pending allotment)	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36			
(2) Reserves	11693.29	10044.70	8615.86	7676.20	6798.48	5893.98	5279.37	4820.91			
(3) Profit / Loss	15307.55	9434.15	4232.84	5349.80	4774.45	1904.48	(1457.39)	(2593.83)			
(4) Misc. Expenditure (D/Lib.)	(3.38)	(1.53)	(0.02)								
Net Worth (1 to 4)	3313.82	25793.68	19165.04	19342.36	17889.30	14114.82	10138.34	8543.44			
Capital Employed	30745.03	23450.74	16963.98	17108.20	16223.74	12741.48	9280.54	8526.36			

(+)(-)

INCOME AND EXPENDITURE STATEMENT (BASED ON CONSOLIDATED ACCOUNTS OF COAL INDIA LTD. & ITS SUBSIDIARIES)

OPERATIONAL STATISTICS

For The Year Ending 31st March

As per earlier Schedule VI

(₹ in Crores)

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
(A) Earned From :								
Gross Sales	60245.21	52187.79	46131.24	38865.70	35129.17	33997.19	30659.46	26234.17
Less : Coal from development Mines			11.55	9.25	1.20	8.79	8.00	0.81
Less : Levies (Royalties, cesses etc.)	10011.62	7572.54	6996.21	6222.59	5525.78	5286.57	4788.60	4333.35
(1) Net Sales	50233.59	44615.25	39123.48	32633.86	29602.19	28701.83	25862.86	21900.01
(2) Accretion / Decretion in Stocks	1253.34	667.16	133.61	244.20	247.55	483.77	230.47	36.60
(3) Boiler & Domestic Consumption	2382.57	2069.04	2021.98	1974.54	1940.47	2054.04	1819.75	1568.40
(4) Other Revenue Receipts	4796.30	5240.84	4778.31	3764.10	3215.21	2769.14	1974.04	2258.08
TOTAL (A)	58665.80	52592.29	46057.38	38616.70	35005.42	34008.78	29887.12	25763.09
(B) Paid to / Provided for								
Employees Remu. & benefits (Gorss-Rev.)	18845.45	17191.46	20219.59	12939.48	10350.39	9985.69	11263.67	9191.73
Less : Trans. to other revenue heads	670.09	572.60	518.76	378.76	355.02	332.06	305.94	279.70
(1) Net S & Wages (excl'd. V.R.S. Payment)	18175.36	16618.86	19700.83	12560.72	9995.37	9653.63	10957.73	8912.03
(2) V. R. S. Payment (Net of Grant Recd.)	35.68	36.66	40.69	74.44	102.16	134.36	152.36	271.52
(3) Social Overheads (Incl'd. LLTC & Dom. Coal)	2316.73	2049.47	1909.63	1642.15	1491.93	1380.39	1344.94	1280.09
Less : Social Overhead Dep. & Intt.	46.61	31.98	22.32	19.29	13.88	12.65	12.51	11.34
Social Overheads (Excl'd. Depr. & Intt.)	2270.12	2017.49	1887.31	1622.86	1478.05	1367.74	1332.43	1268.75
(4) Stores & Spares (Gross-Rev.)	5278.60	4975.78	4914.03	4432.11	4182.28	3939.97	3373.26	3246.50
Less : Trans. to oth. rev. heads	47.15	48.86	52.73	53.55	56.68	51.22	46.14	42.87
Stores & Spares (Net)	5231.45	4926.92	4861.30	4378.56	4125.60	3888.75	3327.12	3203.63
(5) (i) Power & Fuel (excl'd. coal consumed)	1754.62	1739.59	1595.05	1593.70	1600.35	1551.33	1502.14	1480.17
(ii) Boiler & Colliery Consumption	2341.29	1972.11	1992.15	1950.86	1848.05	2013.67	1739.23	1394.18
(6) Contractors (trans & repairs)	5177.80	4579.78	4125.92	3342.95	2758.31	2624.68	2346.09	1927.40
(7) Misc. Expenses	2224.88	1953.09	1942.59	1506.70	1287.16	1356.40	1108.07	949.42
(8) Provision for D/Debts, Obsol Etc.	577.91	209.37	176.00	232.01	116.86	34.41	202.26	17.38
(9) Interest (Incl'd. S/O & P. P.)	61.92	136.46	156.60	149.93	84.93	90.90	190.15	147.90
(10) Depreciation (Incl'd. S/O, P.P. & Impairment)	1672.89	1329.45	1690.90	1560.65	1357.81	1357.38	1355.01	1397.60
(11) O. B. R. Adjustment	2618.47	3053.92	2177.19	1564.03	1686.58	1209.89	852.74	497.48
(12) P. P. Adj.	60.18	53.66	(33.15)	(659.17)	(38.28)	(62.82)	(72.26)	(383.49)
TOTAL (B)	42202.57	38627.36	40313.28	29878.24	26402.95	25220.32	24993.07	21083.97
Profit / loss for the year (A-B)	16463.23	13964.93	5744.10	8738.46	8602.47	8788.46	4894.05	4679.12
Investment Allowance Reserve								16.35
Tax on Profit	(5595.88)	(4342.48)	(3665.41)	(3495.19)	(2893.74)	(2896.94)	(2376.35)	(1797.74)
Proposed dividend	(2463.38)	(2210.00)	(1705.42)	(1705.42)	(1500.00)	(1263.27)	(274.55)	(181.32)
Tax on Dividend	(897.75)	(777.13)	(549.36)	(885.34)	(534.43)	(475.64)	(247.79)	(202.15)
Trans. to General Reserve / CSR Reserve	(1642.42)	(1426.31)	(933.92)	(889.74)	(904.61)	(798.68)	(557.31)	(503.16)
Pref. Shares & Bond Redmpt Fund	(7.74)	(7.26)	(6.99)	(6.74)	(13.80)	(3.09)	87.46	(44.60)
Other Adj. (deferred tax, excess prov. of tax)				(1180.66)	114.08	11.03	69.75	
Adjustment of impairment Loss	17.33	(0.43)	0.03				(458.82)	
Cummul. profit / loss from Last year	9434.16	4232.84	5349.81	4774.44	1904.48	(1457.39)	(2593.83)	(4560.33)
Cummul. profit / loss to B/Sheet	15307.55	9434.16	4232.84	5349.81	4774.45	1904.48	(1457.39)	(2593.83)
Current Profit / Loss & Reserve	27000.84	19478.85	12848.70	13026.01	11572.94	7798.46	3821.98	2227.08



OPERATIONAL STATISTICS IMPORTANT FINANCIAL INFORMATION (As per Consolidated Audited Accounts)

For The Year Ending 31st March

- (A) Related to Assets & Liabilities
 (1) No. of Equity Shares (CIL) of ₹ 10 each
 (ii) No. of 10% Non. Cum Rd. Pref. Shares of ₹ 1000 each
 (iii) Shareholder's Funds

- (a) Equity
 (b) Reserves
 (c) Accumulated Profit/Loss
 (d) Misc. Expend. (D/Liab.)

Net Worth

- (2) Loan
 (3) Capital Employed
 (4) (i) Net Fixed Assets
 (ii) Current Assets
 (iii) Net Current Assets (W/C)
 (5) Current Liabilities
 (Excl. Intt. accrued & Due)

- (6) (a) Sundry Debtors (Net) (Excl. CMPDIL)
 (b) Cash & Bank

- (7) Closing Stock of :-
 (a) Stores & Spares (Net)
 (b) Coal, Coke etc. (Net)

- (8) Average Stock of Stores & Spares (Net)

(B) Related to Profit/Loss

- (1) (a) Gross Margin (PBDIT)
 (b) Gross Profit
 (c) Net Profit (before Tax & Invnt. allow etc.)
 (d) Net Profit (After Tax)

- (e) Net Profit (After Tax & Div. on Pref. & Equity)
 (2) (a) Gross Sales
 (b) Net Sales (after levies & dev. etc.)

- (c) Sale value of Production
 (3) Cost of Goods Sold (Sales - Profit)

- (4) (a) Total expenditures (excl. recoveries)
 (b) Sal & Wages (Gross-rev. only)
 (c) Stores & Spares (Gross-rev. only)
 (d) Power & Fuel

- (e) Int. & Depreciations (Gross-rev. only)
 (5) Avg. Consump. of Stores & Spares (gross) per month

- (6) (a) Average Manpower Employed during the year
 (b) Social Overheads (incl. LTC/LLTC)

- (7) (c) S/Overhead expend. per employee (₹ 000)
 (a) Value added
 (b) Value added per employee (₹ 000)

As per earlier Schedule VI
 (₹ in Crores)

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
6316364400	6316364400	6316364400	63163644	63163644	63163644	63163644	63163644	63163644
6316.36	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
11693.29	10044.70	8615.86	7676.20	6798.49	5893.98	5279.37	4820.91	4820.91
15307.55	9434.15	4232.84	5349.80	4774.45	1904.48	(1457.39)	(2593.83)	(2593.83)
3.38	1.53	0.02						
33313.82	25793.68	19165.04	19342.36	17889.30	14114.82	10138.34	8543.44	8543.44
1520.96	1623.68	1980.53	1675.48	1836.06	2104.03	2439.72	2660.79	2660.79
30745.03	23450.74	16963.97	17108.20	16223.74	12741.48	9280.54	8526.36	8526.36
12842.91	12035.44	11021.23	10496.59	10216.86	10142.72	10157.57	11099.86	11099.86
64396.02	54324.38	46448.55	36306.79	28828.03	24411.63	17535.99	12004.11	12004.11
17902.12	11415.30	5942.74	6611.61	6007.06	2670.38	(805.41)	(2474.85)	(2474.85)
46493.90	42909.08	40505.81	29695.18	22820.97	21741.25	18341.40	14478.96	14478.96
2979.83	2110.40	1780.71	1456.43	1459.29	1690.93	1954.58	2375.68	2375.68
45862.28	39077.76	29695.01	20961.48	15929.27	13427.24	7986.95	2966.55	2966.55
1038.97	1087.54	1055.51	909.36	900.67	921.92	915.75	931.64	931.64
4439.82	3186.49	2514.98	2381.24	2137.04	1889.50	1405.72	1175.25	1175.25
1063.26	1071.53	982.44	905.02	911.30	918.84	923.70	941.15	941.15
18198.04	15430.84	7591.50	10449.04	10045.21	10236.74	6439.21	6224.62	6224.62
16525.15	14101.39	5900.60	8888.39	8687.40	8879.36	5084.20	4827.02	4827.02
16463.23	13964.93	5744.10	8738.46	8602.47	8788.46	4894.05	4679.12	4679.12
10867.35	9622.45	2078.69	5243.27	5708.73	5891.52	2517.70	2881.38	2881.38
60245.21	52187.79	7412.45	373.27	3537.85	4208.73	2243.15	2700.06	2700.06
50233.59	44615.25	39123.48	38865.70	35129.17	33997.19	30659.46	26234.17	26234.17
53869.50	47351.45	41279.07	34852.60	31790.21	31239.64	27913.08	23505.01	23505.01
33770.36	30650.32	33793.38	23895.40	20999.72	19913.37	20968.81	17220.89	17220.89
38566.66	35891.16	38157.69	27659.50	24214.93	22682.51	22942.85	19478.97	19478.97
18845.45	17191.46	20219.59	12939.48	10350.39	9985.69	11263.67	9191.73	9191.73
5278.60	4975.78	4914.03	4432.11	4182.28	3939.97	3373.26	3246.50	3246.50
1754.62	1739.59	1595.05	1593.70	1600.35	1551.33	1502.14	1480.17	1480.17
1734.81	1465.91	1847.40	1710.58	1442.74	1448.28	1545.16	1545.50	1545.50
439.88	414.65	409.50	369.34	348.52	328.33	281.11	270.54	270.54
3902.43	4047.44	4192.14	4458.15	4458.15	4603.69	4765.77	4930.61	4930.61
2316.73	2049.47	1909.63	1642.15	1491.93	1380.39	1344.94	1280.09	1280.09
59.37	50.64	45.55	37.95	33.47	29.98	28.22	25.96	25.96
44542.14	38712.83	32830.57	26929.48	24216.21	23785.89	21344.59	17427.03	17427.03
1141.40	956.48	783.15	622.34	543.19	516.67	447.87	353.45	353.45

OPERATIONAL STATISTICS

IMPORTANT FINANCIAL INFORMATION

(As per Consolidated Audited Accounts)

For The Year Ending 31st March

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
(A) PROFITABILITY RATIOS								
(1) AS % NET SALES								
(a) Gross Margin	36.23	34.59	19.40	32.02	33.93	35.67	24.90	28.42
(b) Gross Profit	32.90	31.61	15.08	27.24	29.35	30.94	19.66	22.04
(c) Net Profit	32.77	31.30	14.68	26.78	29.06	30.62	18.62	21.37
(2) AS% TOTAL EXPENDITURES								
(a) Sal & Wages (Gross-Rev.)	48.86	47.90	52.99	46.78	42.74	44.02	49.09	47.19
(b) Store & Spares (Gross-Rev.)	13.69	13.86	12.88	16.02	17.27	17.37	14.70	16.67
(c) Power & Fuel	4.55	4.85	4.18	5.76	6.61	6.84	6.55	7.60
(d) Interest & Depreciation (Gross-Rev.)	4.50	4.08	4.84	6.18	5.96	6.39	6.73	7.93
(3) AS % CAPITAL EMPLOYED								
(a) Gross Margin	59.19	65.80	44.75	61.08	61.92	80.34	69.38	73.00
(b) Gross Profit	53.75	60.13	34.78	51.95	53.55	69.69	54.78	56.61
(c) Net Profit	53.55	59.55	33.86	51.08	53.02	68.98	52.73	54.88
(4) OPERATING RATIO (SALES PROFIT/SALES)	0.67	0.69	0.85	0.73	0.71	0.69	0.81	0.79
(B) LIQUIDITY RATIOS								
(1) Current Ratio	1.39	1.27	1.15	1.22	1.26	1.12	0.96	0.83
(Current Asset / Current Liability)								
(2) Quick Ratio	1.05	0.96	0.78	0.75	0.76	0.70	0.54	0.37
(Quick Asset / Current Liability)								
(C) TURNOVER RATIOS								
(1) Capital Turnover Ratio	1.63	1.90	2.31	1.91	1.82	2.25	2.79	2.57
(Net Sales / Capital Employed)								
(2) Sundry Debtors (net) as no of months								
(a) Gross Sales	0.60	0.49	0.46	0.45	0.50	0.60	0.77	1.09
(b) Net Sales	0.71	0.57	0.55	0.54	0.59	0.71	0.91	1.30
(3) As Ratio of Net Sales								
(a) Sundry Debtors	0.06	0.05	0.05	0.04	0.05	0.06	0.08	0.11
(b) Coal Stocks	0.09	0.07	0.06	0.07	0.07	0.07	0.05	0.05
(4) Stock of Stores & Spares								
(a) Avg. Stock / Annual Consumption	0.20	0.22	0.20	0.20	0.22	0.23	0.27	0.29
(b) C. Stocks in terms of no. of Months Consumpt.	2.36	2.62	2.58	2.46	2.58	2.81	3.26	3.44
(5) Stock of Coal, Coke, W/ Coal etc.								
(a) As no of Months Value of production	0.99	0.81	0.73	0.82	0.81	0.73	0.60	0.60
(b) As no of Months of cost of goods sold	1.58	1.25	0.90	1.20	1.22	1.14	0.80	0.82
(c) As no of Months Net Sales	1.06	0.86	0.77	0.88	0.87	0.79	0.65	0.64
(D) STRUCTURAL RATIOS								
(1) Debt : Equity	0.24	0.26	0.31	0.27	0.29	0.33	0.39	0.42
(2) Debt : Net Worth	0.05	0.06	0.10	0.09	0.10	0.15	0.24	0.31
(3) Net worth : Equity	5.27	4.08	3.03	3.06	2.83	2.23	1.61	1.35
(4) Net Fixed Assets : Net Worth	0.39	0.47	0.58	0.54	0.57	0.72	1.00	1.30
(E) SHARE HOLDER'S INTEREST								
(1) Book Value of Shares (₹)	52.74	40.84	3034.19	3062.26	2832.21	2234.64	1605.09	1352.59
(Networth / No of Equity) (₹ 10 from 2009-10)								
(2) Dividend per Share (₹) (₹ 10 from 2009-10)	3.90	3.50	270.00	270.00	237.50	200.00	43.00	16.00



BRIEF PROFILE OF DIRECTORS

Shri S. Narsing Rao (55) took over as Chairman, Coal India Limited with effect from 24th April 2012. Prior to the top post in the state owned Maharatna coal mining monolith, Shri Rao, an IAS officer of 1986 batch from Andhra Pradesh Cadre, was Chairman of Singareni Collieries Company Limited (SCCL), the AP based coal mining company since September 2006. Shri Narsing Rao as CMD of SCCL, a joint venture between Government of AP and Central Government, took the company up from a production of 36 Million Tonnes in 2006 to 53 MTs in 2011–12. Shri Rao had taken SCCL to a higher growth trajectory of 9%–10% from that of 2% to 3%. During his tenure at the helm of SCCL, the company experienced the first ever strike free year (2007–08). Singareni has witnessed substantial productivity gains during his tenure. A post-graduate in Chemistry and Economics, he also holds a post-graduate higher diploma in forestry. Before joining the IAS, he had undergone training in Forestry and Rural Development sectors. After joining the IAS, he had held various positions in the Government of Andhra Pradesh, both at the District Administration level and State Administration. Shri Rao has wide international exposure and his expertise includes consultant to the International Fund for Agriculture Development (IFAD), Rome, Italy and Chief Technical Advisor, United Nations Office of Project Services, Asia & Pacific regions. He has extensive international experience in poverty alleviation and rural development in South and South East Asia. He rendered technical advice to the Governments of Bangladesh, Nepal, Bhutan, Maldives and Myanmar. He lived and functioned out of Rome (Italy), Yangon (Myanmar), Kuala Lumpur (Malaysia) and Bangkok (Thailand). Shri Rao's areas of interests include rural development, poverty alleviation, environment and ecology. He passionately worked for reforms in administration to make it responsive to the needs and aspirations of the communities. He is also a Director at International Coal Ventures Private Limited.

Shri R. Mohan Das (56) is the Director (Personnel & Industrial Relations) of our Company. He holds a post graduate degree in social work from Madurai University. Shri Das has also participated in the 'Advanced Management Programme' at Queens' College, Cambridge, United Kingdom and the 'Management Development programme' at Wharton School, University of Pennsylvania, United States of America. Shri Das began his professional career over three decades ago with Bharat Heavy Electricals Limited in their human resources department. In the course of his career at Bharat Heavy Electricals Limited, Shri Das is credited with various human resource initiatives such as introduction of an 'Integrated Human Resource Information System' to usher in the concept of paper-less office in Nagpur unit and was involved in development and piloting 'E-Enabled Performance Management System' for officers with linkage to balance scorecard during his stint in the Bhopal office. Prior to joining our Company, 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 undergone training as a lead auditor for the 'ISO Quality System' and lead assessor for 'Total Quality Management'. As Director (Personnel & Industrial Relations) of our Company, Shri Das is responsible for formulation and implementation of personnel policies of our Company. He holds Directorship at Western Coalfields Ltd and Central Coalfields Ltd.

Shri Nagendra Kumar (54) is Director (Technical) of our company. Shri Kumar has graduated in Mining Engineering (B.Tech – Mining) from Indian School of Mines, Dhanbad in 1980. He joined CCL as junior Executive Trainee in 1980. In his first 20 years in CCL, he has worked for almost 6 years as Manager and 7 years as Project Officer. He was transferred to ECL in 2001 in the same capacity and assumed the charge of General Manager in 2004 and Chief General Manager in 2007. Shri Kumar assumed the charge of Director (Technical), ECL on 24th July, 2009. Shri Kumar joined our company as Director (Technical) on February 01, 2012. He has spent most of his career in reviving difficult underground and opencast mines and has the experience of working with almost all kind of mechanization in underground and opencast. He was actively associated with indigenization of Long Wall Equipment and has presented a number of papers on its successful implementation. His latest achievement is the successful operation of Continuous Miner in Jhanjra Area matching World Standards in production and safety. Shri Kumar is a member of MGMI, IMMA and Institution of Engineers. He has travelled foreign countries like South Africa and China, France, Italy and Germany. Shri Kumar is fond of cricket, books, old melody songs and Rabindra Sangeet too. He is holding additional charge of Chairman cum Managing Director of South Eastern Coalfields Ltd. He holds Directorship at Bharat coking Coal Ltd, Central Mine Planning and Design Institute Ltd and International Coal Ventures Pvt. Ltd. He is also holding chairmanship of Coal India Africana Limitada.

Shri Bipin Kumar Saxena, (57) years has assumed charge of Director (Marketing) of Coal India Limited from 19th June, 2012. Prior to this he was Director (Technical) in Western Coalfields Limited, Nagpur from 7th March, 2008. An alumni of Indian School of Mines, Dhanbad, Shri Saxena is an experienced Mining Engineer and Administrator. He has completed his B.Tech (Hons) in Mining Engineering in 1978 from Indian School of Mines and First Class Certificate of Competency under Indian Mines Act in 1981. Shri Saxena has been serving the Coal Industry since more than three decades. Prior to elevation as Director (Technical) he has served in various capacities in Central Coalfields Ltd. since 1978. Thereafter he has served in large Opencast Mines of Northern Coalfields Ltd. till 1998. His contribution as successful Nodal Officer in implementation and prompt completion of the Mega Project of Amb river Diversion at Umrer Area is quite commendable. He has also served in different capacities in WCL at Chandrapur, Wani, Pench, Umrer and Wani North Areas. On promotion as Chief General Manager he was posted in Mahanadi Coalfields Ltd. in Technical Coordination Department and also in IB Valley Area. Shri Saxena has wide experience in Planning, Operation and Management of both Underground and Opencast Mines. Shri Saxena has visited United Kingdom in 1993 in connection with Environmental Engineering, visited Australia in 2007 with respect to appraisal of Mining in Australian Coal Industry, and visited Minsk, Belaz (Moscow) and Russian Mine sites as a part of Working Group Training in Russian Coal Mines from 21st July to 25th July, 2008. He has also visited Manila, Philippines from 18th to 22nd May, 2009 to participate in the programme on "Measuring & Mining Corporate Performance". Shri Saxena is associated with several Professional Bodies. He holds Directorship at Northern Coalfields Ltd and Mahanadi Coalfields Ltd.

Shri Abhijit Chatterjee (58) has assumed charge of Director (Finance), Coal India Limited from 01.11.2012. Prior to this, he was working as Director (Finance) in Central Coalfields Limited from 08.03.2010. Before his joining in CCL, he has worked in Bharat Earth Movers Ltd (BEML) in the capacity of General Manager, Chief General Manager and Executive Director (Finance) from 01.10.1997 till 05.02.2010. He has rich experience in financial management of the company and has made significant contribution in BEML viz Treasury Management, Customs, Excise Duty, Service Tax, Insurance, Rail & Metro and Defence Product business marketing etc. Due to his efforts along with team members, BEML got benefit of around ₹ 8 crores in the area of Treasury Management. He was instrumental in arranging Marine-cum-storage-cum-erection Policy covering the risks of transit, storage, construction, fabrication, installation and commissioning in respect of Bangalore Metro Rail business for a period of 82 months from 18.02.2009 valued at ₹ 3.58 crores (approx) payable in 15 installments. He has also arranged Professional Indemnity Insurance to cover any risk arising out of professional negligence and errors in the design works from the period of commencement of work till 5 years after the date of issue of the performance certificate valued at ₹ 4.25 crores (approx) in 4 installments. These insurance covers were arranged for the first time in BEML by involving quotes for 10 underwrites in a very transparent manner within a period of 47 days only. He has also contributed in settling matters on Customs and Excise Duty related cases and as a result, the company saved a substantial working capital of ₹ 54.86 crores. On behalf of CCL, he has organized promotion of IPO floated by CIL. As a team leader of Coal Companies, he took up interest claim against HPGCL for delayed payment of coal dues and ensured quick, logical and favourable decision of Umpire in favour of Coal Companies. He has ensured improving realization from JSEB and TNVL. M/s. TNVL has signed FSA with CCL due to tremendous persuasion. He has attended Senior Management course at MDI, Gurgaon and also undergone training at various Management schools at Europe. Mr Chatterjee is a member of the Institute of Chartered Accountants of India. He holds Directorship at South Eastern Coalfields Ltd and Eastern Coalfields Ltd.

Dr A.K.Dubey (54) Additional Secretary, MoC has been nominated as a nominee Director in CIL Board with effect from 3rd April 2013. Dr. A. K. Dubey belongs to Kerala cadre of IAS. He has held various positions in Government of Kerala and Government of India. He had been Secretary (Taxes), Secretary (Expenditure), Principal Secretary (Finance) and Principal Secretary (Forests and Wild Life) in Government of Kerala. He has served as Joint Secretary in Cabinet Secretariat, Ministry of Panchayati Raj and Ministry of Tribal Affairs in Government of India. He had also served as Registrar, University of Delhi (a Central University). He occasionally writes on various administrative matters in professional journals. He holds directorship in Neyveli Lignite Corporation Limited.

Smt. Sujata Prasad (55) Joint Secretary & Financial Advisor, MoC has been nominated as nominee Director in CIL Board with effect from 3rd May' 2013. Ms Sujata Prasad belongs to 1983 batch of Indian Civil Accounts Service. She has held senior managerial positions in different ministries and departments of the Central Government. This includes her last stint



as the head of a Training/Research Institute of the Ministry of Finance (Government of India). She has spent 5 years with the Government of Bihar and an equal number of years as the Senior Financial Adviser of All India Institute of Medical Science. Smt. Prasad has co-authored a book on Health Security, edited an International Journal on Public Policy and has published several research papers on different aspects of gender, public health, poverty and development. In addition to her current position as JS & FA, MoC. Smt. Prasad is also JS & FA of the Mines, Corporate Affairs and Youth Affairs and Sports ministries. She holds directorship in Hindusthan Zinc Limited (HZL), Bharat Aluminium Company Limited (BALCO) and Hindusthan Copper Limited.

Prof. S.K. Barua (62) is an independent Director on the Board of our Company. Prof. Barua holds a master's degree in technology from the Indian Institute of Technology, Kanpur and has a doctorate in management from the Indian Institute of Management, Ahmedabad. Prof. Barua has been on the faculty of Indian Institute of Management, Ahmedabad, for more than 30 years and held various administrative positions including that of director of the Institute. At present he is Sr. Professor at IIM, Ahmedabad. Other than being an independent Director on the Board of our Company, Prof. Barua is also an independent director on the Board of corporates such as Torrent Power Limited, IOT Infrastructure and Energy Services Limited, Axis Bank, Axis Capital Ltd and Oil and Natural Gas Corporation Ltd.

Dr. (Smt.) Sheela Bhide (65) is an independent Director on the Board of our Company. Dr. Bhide holds a doctorate in international trade from the Institute of International Studies, Geneva and also holds a master's degree in economics from George Mason University, United States of America, a master's in public policy from John F. Kennedy School of Government, Harvard University, United States of America. Dr. Bhide joined the Indian Administrative Service in 1973 and in the course of her 36 year long career has held various posts such as Chairman and Managing Director, India Trade Promotion Organization, Ministry of Commerce, GoI, Additional Secretary and Financial Advisor, Ministry of External Affairs, GoI, Additional Secretary and Financial Advisor, Ministry of Defence, GoI and Joint Secretary, Ministry of Corporate Affairs, GoI. She also holds directorship in Northern Coalfields Ltd, Suryodaya Microfinance Pvt. Ltd, L&T Metro Rail (Hyderabad) Ltd and Gati-Kirtetsu Express Ltd.

Dr. R.N. Trivedi (65) is an independent Director on the Board of our Company. Dr. Trivedi holds a bachelor's degree in technology from the Indian Institute of Technology, Kanpur and also holds a master's degree in arts (economics), a doctorate in economics and a doctorate in science (agricultural economics) from CSJM University, Kanpur. Dr. Trivedi joined the Indian Administrative Services in 1972 and in the course of his career has held various significant posts such as Collector of Farrukhabad, Lakhimpur Kheri and Lucknow, Principal Secretary to the Government of Uttar Pradesh and Director General Training, Government of Uttar Pradesh. Dr. Trivedi was also the Managing Director of certain public sector undertakings such as, Uttar Pradesh Financial Corporation, Uttar Pradesh State Industrial Development Corporation and Uttar Pradesh Co-operative Spinning Mills Federation. Dr. Trivedi is an independent director in M/s. Frontier Springs Ltd., Kanpur and South Eastern Coalfields Ltd.

Dr. Mohd. Anis Ansari (64) is an independent Director on the Board of our Company. Shri Ansari holds a bachelor's degree in arts, a bachelor's degree in law and a master's degree in law from Aligarh Muslim University, Aligarh. He joined the Indian Administrative Services in 1973 and in the course of his over three decades long career has held various significant posts such as Agriculture Production Commissioner, Government of Uttar Pradesh, Secretary, Department of Agriculture, Government of Uttar Pradesh, Principal Secretary of Labour Department and Rural Development Department, Government of Uttar Pradesh and Chairman and Managing Director of U.P. Food and Essential Commodities Corporation. Dr. Ansari has also been a member of the board of directors of Bombay Mercantile Co-operative Bank Limited. Dr. Ansari is presently the Vice Chancellor of U.P. Urdu, Arabi and Farsi University, Lucknow. Dr. Ansari is also a member of various social and cultural organizations, including All India Management Association, Lucknow and was the founder chairman of Asma Hussain Institute of Fashion Technology, Lucknow. Dr. Ansari has received numerous literary and other awards including the 'Top Professional Manager of the Year Award' for the year 1994 from the Institute of Marketing and Management, New Delhi and has published eight collections of his poems in Urdu and Hindi.

Shri Kamal R. Gupta (59) is an independent Director on the Board of our Company. He holds a bachelor's degree in science from CSJM University, Kanpur and became a member of the Institute of Chartered Accountants of India in 1977. Shri Gupta has over 36 years of experience in the fields of taxation and finance consultancy. Other than being an independent Director on the Board of our Company, Shri Gupta is also on the boards of Corporate Consultants Private Limited and Govind Polymers Private Limited.

Ms. Sachi Chaudhuri (64) is an independent Director on the Board of our Company. Ms. Chaudhuri graduated in Economics (Honours), with subsidiary Mathematics from Presidency College, Calcutta University and has pursued Post Graduate studies in Economics with specialization in Econometrics, Statistics and Mathematical Economics from Calcutta University through Presidency College. She joined the Indian Revenue Services in 1975 and in the course of her career has held various significant posts such as Chief Commissioner of Income Tax, Delhi, Directorate of Income Tax (IT & Audit), Central Board of Direct Taxes, Commissioner of Income Tax, Joint Secretary, Financial Adviser, All India Council for Technical Education, Ministry of Human Resources Development, Joint Secretary level post in a Schedule 'A' public sector undertaking under the Ministry of Commerce, Government of India, Director (Finance), Department of Biotechnology, Ministry of Science & Technology. She was a faculty member at the National Academy of Direct Taxes, Nagpur and also a Departmental Representative before the Income Tax Appellate Tribunal. Ms. Chaudhuri has also held ex-cadre posts in the Cabinet Secretariat, Department of Biotechnology, Ministry of Science & Technology and Ministry of Finance. In addition, Ms. Chaudhuri was also the Executive Director (Vigilance) of MMTC Limited, and was responsible inter alia for investigation of vigilance cases and submission of reports to the Central Vigilance Commission and other investigative agencies. Presently, Ms. Chaudhuri is also a special director on BIFR.

Shri A.N.Sahay (57) currently Chairman cum Managing Director of Mahanadi Coalfields Limited (MCL), a wholly owned subsidiary of the Holding company Coal India Limited (CIL), has been appointed as a permanent invitee in the CIL Board with effect from 23rd April 2013. After graduation in Mining Engineering from IIT, Kharagpur in 1976, Sri A.N. Sahay joined Coal India Ltd. in Aug'1976. He has over 35 years of experience in Coal Industry covering Operations, Planning and Project implementation. He has extensive exposure to handling of international agreements in coal sector for project formulation and project implementation. He has successfully handled project execution in Tanzania for "Exploration of Mchuchuma coalfield and preparation of feasibility report for the mine and pit head thermal power plant". He has worked as Coal Controller with Govt. of India, which entails administration of various Statutes like Colliery Control Order 2000, Coal Mines (Conservation and Development) Act, 1974 and related rules, Coal Bearing Areas Act 1957, Collection of Statistics Act 1953 etc. In addition, he has handled challenging task of monitoring and facilitating expeditious development of captive coal blocks. He has also served as Director (Technical) in CMPDI from November 2007 to February 2011 when he was looking after R&D and S&T activities in coal sector, coal preparation as well as new technology initiatives like CBM/CMM, UCG etc. in Coal India Ltd. His initiatives in the field of S&T and R&D in coal sector has resulted in multifold increase in activities in this field and on account of this CMPDI has been nominated for SCOPE Meritorious Award for R&D, Technology Development and Innovation for the year 2009-10. Under his leadership, construction of washeries under BOM got real boost and expeditious steps has resulted in award for construction of one washery while seven more are likely to be awarded soon. Shri Sahay was actively associated in development of coal based non-conventional energy resource like CBM, CMM, VAM, UCG etc and with his endeavour UNDP/GEF-GOI funded CBM/CMM project at Moonidih mine of BCCL has been successfully implemented which proved efficacy of CMM development in Indian geo-mining conditions. His initiatives have paved way for commercial development of UCG and CMM within CIL command areas.

Shri Amal Kumar Debnath (57) currently Chairman cum Managing Director of Central Mine Planning and Design Institute (CMPDI), a wholly owned subsidiary of the Holding company Coal India Limited (CIL), has been appointed as a permanent invitee in the CIL Board with effect from 23rd April 2013. Shri Debnath graduated in Mining Engineering (in 1976) from Indian School of Mines (ISM), Dhanbad. He obtained First Class Mine Manager's Certificate of Competency (Coal) from DGMS, Dhanbad. He has working experience of over three & half decades in coal mining sector, wherein, he served in various capacities in production and planning and management in Central Coalfields Limited (CCL) and Central Mine Planning and Design Institute Ltd. (CMPDI). He also served as the Regional Director of Regional Institute-V,



CMPDI providing full exploration and planning support to South Eastern Coalfield Ltd. (SECL). Shri Debnath worked in the capacity of Director (Technical / P&D), CMPDI, Ranchi and looked after the various activities of Environment, Underground Mine Planning & Design, Project Appraisal Division, Quality Management System and Opencast Divisions. He has been responsible for preparation of Project Reports, Environmental Impact Assessment (EIA)/Environmental Management Plan (EMP), Operational Plan and other specialised reports for mines of CIL as well as outside clients. Project Report for Kusmunda OCP for a total capacity of 50 Mty was prepared under his guidance which is the largest mine planned in India till date. He has been instrumental in selection of sites & preparation of Global Bids for application of Highwall Mining, mass production technology such as Continuous Miner, Shortwall, Low Capacity Continuous Miner, etc. He has acted as Chairman of various Tender Committees for technical and commercial evaluation as well as award of work for turn-key execution of Coal Handling Plants and other projects. Major consultancy works in metal mining sector for Manganese Ore (India) Ltd., Hindustan Copper Ltd., Hutti Gold Mines Co. Ltd., etc. have also been taken up under his leadership. He is the member of Mining, Geological & Metallurgical Institute of India (MGMI). Shri A.K. Debnath has a large number of technical papers presented in National and International Conferences/Symposia/Seminars. He has travelled widely to many countries like USA, UK, China, Germany, Sweden, South Africa, Australia, Poland, Turkey, etc.

DIRECTORS' REPORT

To
The Members,
Coal India Limited.

Ladies & Gentlemen,

On behalf of the Board of Directors, I have great pleasure in presenting to you, the Thirty-Ninth Annual Report of Coal India Limited (CIL) and Audited Accounts for the year ended 31st March, 2013 together with the reports of Statutory Auditors and the Comptroller and Auditor General of India thereon.

Coal India Limited (CIL) is a '**Maharatna**' company under Ministry of Coal, Government of India with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and the largest corporate employer with manpower of 357,926 (as on 1st April, 2013). CIL operates through 81 mining areas spread over 8 provincial states of India. Coal India has 462 mines of which 270 are underground, 169 opencast and 23 mixed mines. CIL further operates 17 coal washeries (12 coking coal and 5 non-coking coal) and also manages 200 other establishments like workshops, hospitals etc. CIL has 27 training Institutes. Indian Institute of Coal Management (IICM) as a 'Centre of Excellence' operates under CIL and imparts multi disciplinary Management Development Programmes to executives. Coal India's major consumers are Power and Steel sectors. Others include Cement, Fertilizer, Brick Kilns, and a host of other industries.

CIL has eight fully owned Indian subsidiary companies viz.:

Eastern Coalfields Limited (ECL),
Bharat Coking Coal Limited (BCCL),
Central Coalfields Limited (CCL),
Western Coalfields Limited (WCL),
South Eastern Coalfields Limited (SECL),
Northern Coalfields Limited (NCL),
Mahanadi Coalfields Limited (MCL) and
Central Mine Planning & Design Institute Limited (CMPDIL).

In addition, CIL has a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL).

The mines in Assam i.e. North Eastern Coalfields continue to be managed directly by CIL. Similarly, Dankuni Coal Complex also continues to be on lease with South Eastern Coalfields Limited.

MCL has three subsidiaries viz. MNH Shakti Ltd., MJSJ Coal Ltd. and Mahanadi Basin Power Ltd with 70% ,60 % and 100% equity holding respectively.

During 2012-13, SECL has incorporated two subsidiary companies viz M/s Chhattisgarh East Railway LTD on 12th Mar'13 and M/s Chhattisgarh East- West Railway Ltd on 25th Mar'13 with 64% holding in each of the subsidiary.

1. NOTABLE ACHIEVEMENTS

CMPDI bags International Award

Central Mine Planning & Design Institute (CMPDI) the Ranchi based mine consultancy arm of Coal India Limited (CIL) received the reputed "Geospatial World Excellence Award 2012" on 24th April, 2012, in Amsterdam, The Netherlands. The award conferred on CMPDI, amidst stiff competition, was in recognition of excellent usage of Geospatial technology for land reclamation monitoring of coal mines on behalf of CIL. CMPDI was selected for the award out of total 149 nominations by a panel of eminent international jury.

Coal India features in Platts Global Energy Company rankings

Coal India Limited was named 'Platts Top 250 Global Energy Company Rankings' for 2012 for having distinguished itself through its remarkable performance last year.

Since, 2002 Platts has ranked energy companies' financial performance globally, regionally and by industry sector. For 2012 CIL's rank was 48 on overall global performance. Platts also analyzed energy companies by nine industry classifications and three regions. CIL ranked No. 2 in Coal and Consumable Fuels in Asia/Pacific Rim; also No.2 in Coal and Consumable Fuels globally and No.11 in overall performance in Asia/Pacific Rim.

Platts rankings are based on four key metrics – assets, revenues, profits and return on investment/ capital. All companies which ranked are publicly held and have assets greater than US \$4 Billion.

The rankings were announced in a formal Asia Awards Function on 23 October 2012 in Singapore.

Coal India receives Geospatial Award

Coal India Limited was conferred with 'Best Geospatial Application in an Enterprise' Award, on 22 January 2013 by Geospatial Media and Communications Pvt. Ltd.



The award received by Shri S Narsing Rao, Chairman, CIL, on behalf of the company in a formal ceremony “India Geospatial Excellence Awards” was for CIL’s innovative and successful implementation of geospatial technologies in exploration and mining techniques which helped in managing and streamlining the usage of natural resources.

Coal India bags CSR Award

Coal India Limited was awarded “IPE CSR Corporate Governance Award 2012” for its outstanding achievement in Corporate Social Responsibility. The award instituted by Institute of Public Enterprises and endorsed by World CSR Congress, CMO Asia and Asian Confederation of Business was presented in a formal function to CIL Officials. CIL

lays special emphasis on CSR activities and is among the top PSUs of the country in terms fund allocation to CSR activities.

CIL conferred with two CSR Awards

Coal India Limited was conferred with two Corporate Social Responsibility Awards on 18 February 2013-the World CSR Day. The awards, ‘Global CSR Excellence and Leadership Award’ for Best Corporate Social Responsibility Practices and ‘Blue Dart Most Caring Companies of India Award’ were presented in a formal function to CIL officials.

2. FINANCIAL PERFORMANCE

2.1 Financial Results

CIL is one of the largest profit making and tax & dividend paying enterprises. CIL and its subsidiaries has achieved an aggregate pre-tax profit of ₹ 24,979.04 crores for the year 2012-13 against a pre-tax profit of ₹ 21,272.66 crores in 2011-12, thus registering a growth of 17.42% over earlier year.

Company	2012-13		2011-12	
		Profit		Profit
ECL	(+)	1897.18	(+)	962.13
BCCL	(+)	1709.06	(+)	822.36
CCL	(+)	2683.56	(+)	1970.24
NCL	(+)	4420.58	(+)	4265.67
WCL	(+)	428.87	(+)	440.50
SECL	(+)	6290.37	(+)	6002.87
MCL	(+)	6202.48	(+)	5463.69
CMPDIL	(+)	29.77	(+)	30.79
CIL/NEC	(+)	10338.03	(+)	8599.95
Sub-Total	(+)	33999.90	(+)	28558.20
Less: Dividend from Subsidiaries	(-)	9038.08	(-)	7307.20
Total	(+)	24961.82	(+)	21251.00
Adjustment for deferred revenue income	(+)	18.34	(+)	21.59
Adjustment for exchange rate variation on Current Account overseas subsidiary	(+)	(1.12)	(+)	0.07
Overall Profit as per Consolidation of Accounts	(+)	24979.04	(+)	21272.66

CIL has achieved post tax profit of ₹ 17,356.36 crores in 2012-13 compared to ₹ 14,788.20 crores in 2011-12 thus registering a growth of 17.37% over last year.

Highlights of performance

The highlights of performance of Coal India Limited including its Subsidiaries for the year 2012-13 compared to previous year are shown in the table below:

	2012-13	2011-12
Production (in million tonnes)	452.21	435.84
Off-take of Coal (in million tonnes)	465.18	433.08
Sales (Gross) (₹/Crores)	88281.32	78410.38
Gross Profit (₹/Crores)	25024.21	21326.64
Capital Employed (₹/Crores)	75488.14	66599.31
Net Worth (₹/Crores)	48471.99	40453.02
Profit before Tax (₹/Crores)	24979.04	21272.66
Profit after Tax (₹/Crores)	17356.36	14788.20
Gross Profit / Capital Employed (in %)	33.15	32.02
Profit before Tax / Net Worth (in %)	51.53	52.59
Profit after Tax / Net Worth (in %)	35.81	36.56
Earning Per Share (₹) (Considering Face Value of ₹ 10 per share)	27.63	23.47
Dividend per Share (₹) (Considering Face Value of ₹ 10 per share)	14.00	10.00
Coal Stock (Net) (in terms of No. of months Net Sales)	0.76	0.92
Sundry Debtors (Net) (in terms of No of Months Gross Sales)	1.42	0.87



2.2 Dividend Income and Pay Outs

Dividend income of CIL accounted for during the year under review, based on the recommendations from five profit making subsidiaries namely, CCL, NCL, WCL, SECL and MCL was ₹ 9038.08 crores as against ₹ 7307.20 crores in previous year, the subsidiary-wise break-up of which are as under:-

Name of the Subsidiary	(₹ in crores)
	Dividend Income of CIL
CCL	1486.74 (748.10)
NCL	1662.05 (2067.27)
WCL	184.04 (323.25)
SECL	2984.73 (1992.02)
MCL	2720.52 (2176.56)
Total	9038.08 (7307.20)

Figures in brackets are for previous year.

Your Directors recommended dividend payment of ₹ 8842.91 crores @ ₹ 14/- per share on 6316364400 Equity Shares of ₹ 10/- each fully paid value at ₹ 6316.36 crores. Out of total dividend, Govt of India gets ₹ 7958.62 crores and other shareholders get ₹ 884.29 crores. (Earlier year - Govt of India - ₹ 5684.72 crores and other shareholders – ₹ 631.64 crores)

3. COAL MARKETING

3.1 (a) Off-take of Raw Coal

Off-take of raw coal continued to maintain its upward trend and reached 465.18 million tonnes for fiscal ended March 13, surpassing previous highest of 433.08 million tonnes achieved during the last year, i.e., an increase of 7.4 % over the last year. Off-take suffered heavily in most of the coalfields, due to excessive rainfall in August-September'2012. There was gradual improvement in the second half of the year (Oct'12-March'13) with CIL surpassing the off-take target of second half. The overall raw coal Off-take achieved was 99 % of the Annual Action Plan Target.

Company-wise coal off-take:

Company-wise target vis-à-vis actual off-take for 2012-13 and 2011-12 are shown below: -

(Figs. in Mt)

Company	2012-13			2011-12	Growth over last year	
	AAP Target	Achieved	% Achieved	Achieved	Abs.	%
ECL	34.25	35.84	104.64	30.83	5.01	16.25
BCCL	31.80	33.04	103.90	30.16	2.88	9.55
CCL	56.60	52.89	93.45	48.04	4.85	10.10
NCL	69.25	67.29	97.17	63.61	3.68	5.79
WCL	45.25	41.55	91.82	41.97	-0.42	-1.00
SECL	118.00	121.99	103.38	115.15	6.84	5.94
MCL	113.75	111.96	98.43	102.53	9.43	9.20
NEC	1.10	0.62	56.36	0.80	-0.18	-22.50
CIL	470.00	465.18	98.97	433.08	32.10	7.41

From the above it may be seen that ECL, BCCL & SECL had not only achieved its target but also exceeded last year's level of despatch. Barring WCL and NEC all other coal companies registered a positive growth in off-take. Off-take from NCL was affected mainly due to less despatch through MGR. Less transportation due to law & order problem and frequent break-down of surface miner affected despatch from CCL. Off-take from WCL was affected due to less despatch through non-rail mode and transportation constraints. Less transportation due to law & order problem coupled with problems associated with MGR movement to Talcher STPS as well as less availability of railway wagons affected the overall off-take of MCL.

(b) Sector-wise despatch of coal & coal products:

Sector-wise break-up of despatch of coal & coal products for 2012-13 against target and last year's actual are given below:

(Figs. in Mt)

Year Sector	2012-13			2011-12	Growth over last year	
	Target	Despatch	% Satn.	Actual	Abs.	%
Power (Util)	342.31	345.43	100.91	312.07	33.36	10.69
Steel *	4.54	4.74	104.41	4.12	0.62	15.05
Cement **	7.70	6.47	84.03	6.69	-0.22	-3.29
Fertilizer	2.70	2.50	92.59	2.79	-0.29	-10.39
Others	109.30	107.07	97.96	107.28	-0.21	-0.20
Despatch	466.55	466.21	99.93	432.95	33.26	7.68

* despatch of washed coal, direct feed & blendable coal to steel plants,

** despatch to cement plants excluding cement cpp.



3.2 Dispatches of coal and coal products by various modes:

Dispatches of coal and coal products during 2012-13 were 466.21 million tonnes against 432.95 million tonnes in 2011-12, thus registering a growth of 7.7 %. Overall dispatch by non-rail mode was 101% of the target. Growth in despatches via rail mode was 9.6 % whereas overall non-rail mode was 5.5 %. Performance could have been even better but for less movement through MGR at ECL, NCL, MCL and WCL, though road dispatch of CIL was more than the target. Rail dispatch had been almost at par with Target.

Dispatch of coal and coal products by various modes for the years 2012-13 and 2011-12 are given below:

(Figs. in million tonnes)

Year Mode	2012-13			2011-12	Growth over last year	
	AAP Target	Despatch	% Satn.	Actual	Abs.	%
Rail	253.62	251.11	99.01	229.07	22.04	9.62
Road	108.51	115.68	106.61	113.39	2.29	2.02
MGR	92.15	88.77	96.33	79.32	9.45	11.91
Other Modes	12.27	10.65	86.80	11.17	-0.52	-4.66
Overall	466.55	466.21	99.93	432.95	33.26	7.68

3.3 Wagon Loading

Sustained efforts and regular coordination with railways at different levels saw loading increase by 18.7 rakes per day over the last year .Overall materialization was 98.2 % of the target. Company wise performance shows that ECL & WCL not only exceeded last years level of loading but also surpassed its target.NCL achieved its target and also loaded more than last year. Rake loading performance was more than last year at BCCL, CCL, SECL & MCL. The loading potentials of CCL, NCL, MCL & SECL-Korba could not be fully utilized due to inadequate supply of empty wagons. In some of the coalfields viz. CCL-Karanapura and MCL-Talcher, desired level of rail despatch could not be achieved due to less transportation of coal to sidings arising out of law & order problem and obstruction/agitation by local people on various demands. Rail despatch at NCL could have been even better but for supply of N-Box and NHL-wagons for up-country movement. This apart, availability of wagons was affected in the fourth quarter of the year due to Mahakumbh.

(Figs. in Rake/day)

Company	2012-13			2011-12	Growth over last year	
	AAP Target	Achieved	% Achieved	Achieved	Abs.	%
ECL	16.1	17.8	110.56	14.8	3.00	20.27
BCCL	21.0	20.8	99.05	19.8	1.00	5.05
CCL	30.4	27.3	89.80	25.4	1.90	7.48
NCL	18.7	18.7	100.00	17.7	1.00	5.65
WCL	15.0	17.5	116.67	14.0	3.50	25.00
SECL	35.9	32.9	91.64	31.8	1.10	3.46
MCL	51.9	50.8	97.88	43.5	7.30	16.78
NEC	0.81	0.60	74.07	0.74	-0.14	-18.92
CIL *	189.8	186.4	98.20	167.7	18.66	11.13

3.4 Consumer Satisfaction:

- i) In order to ensure enhanced customer satisfaction, special emphasis has been given to quality management. Steps were undertaken to monitor quality right at the coalface apart from bringing further improvements in crushing, handling, loading and transport system.
- ii) CIL has built up coal handling plants with a capacity of about 296 MT per annum so as to maximize dispatches of crushed / sized coal to the consumers. In addition, the washeries at BCCL, CCL, WCL and NCL have adequate crushing / sizing facilities to the tune of about 39.4 million tonnes.
- iii) Measures like picking of shale / stone, selective mining by conventional mode as well as by surface miners, adopting proper blasting procedure / technique to reduce the possibility of admixture of coal with overburden materials, improved fragmentation of coal etc. are being taken for improving coal quality.
- iv) Surface Miners have been deployed for selective mining at some of the mines to improve the quality of coal. Action is being taken for deployment of more surface miners in other mines where geo-mining condition permits. Already 31 Surface Miners have been deployed in MCL, CCL, ECL and SECL at opencast mines and are working satisfactorily.
- v) Joint sampling system is in vogue for major consuming sectors e.g. power (utilities as well as captive), steel, cement, sponge iron covering more than 95% of total production of CIL. On overall, large consumers having annual quantity of 0.4 million tonne or more and having FSA have been covered for sampling. The achievement of grade conformity in respect of sampling and analysis has been to the tune of 94.4% upto Dec'12 in respect of supplies to power sector during 2012-13. Consumers, covered under the agreed sampling arrangement are required to pay as per the analysed grade of coal. This system is working satisfactorily.
- vi) Electronic Weighbridges with the facility of electronic printout have been installed at rail loading points to ensure that coal dispatches are made only after proper weighment. For this purpose, coal companies have installed 168 weighbridges in the Railway sidings and 478 weighbridges for weighment of trucks. Coal companies have also taken actions for installation of standby weighbridges to ensure 100% weighment.

During 2012-13, about 99.1% of coal dispatches to power houses have been weighed compared to about 99.00% during 2011-12. Sized coal despatches to power houses during 2012-13 were 98.66% compared to about 98.64% during 2011-12.

3.5 Marketing Of Coal :

(A) Status of implementation of different provisions under New Coal Distribution Policy (NCDP) is as under:

- (i) For power stations, commissioned on or before 31.03.2009, 306 million tonnes had been considered to be supplied through bilateral legally enforceable Fuel Supply Agreements (FSA) with a trigger level of 90%. The total quantity covered under FSA against the allocation as on March'13 was 303.7 million tonnes.

Apart from the above, 176 Letter of Assurances have been issued to power plants by subsidiary companies of CIL, as per recommendations of various SLC (LT) Meetings for a quantity of about 421 Million tonne. In terms of MOC letter dated 17.02.2012, referred under Presidential Directives, out of the above power plants, plants aggregating capacity of about 60,000 MW and covering a quantity of about 250 Million tonnes commissioned/likely to be commissioned during the year 2009-10 to 2014-15, FSAs for 61 units/plants have been executed till 31st March covering a quantity of 88.8 Million tonne per annum. Out of the total 61 FSAs signed, 25 FSAs have been signed by the Government TPPs which includes UPRVUNL, APGENCO, TANGEDCO, RRVUNL, DVC, MAHAGENCO, MPPGCL and KPCL, involving 9955 MW capacity and ACQ of 42.4 MT. However signing of FSA with NTPC for their new power plants is yet to be materialised.

- (ii) In addition, 6 power plants having Pre-NCDP Long Term Linkage (commissioned & appearing in the MOC letter dated 17.02.2012 not having LOA) are drawing coal under FSA/MOU.
- (iii) Out of 1210 valid linked units other than power and steel plants with eligible FSA quantity of 65.75 mill tonne, 1194 units executed FSAs for 64.78 mill tonne
- (iv) For supply of coal to SME sector, 8 mill tonnes was earmarked for allocation to agencies nominated by the State Govt's/ Union Territories. 19 states / UT's sent their nomination for 30 state agencies for the year 2012-13. State agencies have signed 24 FSAs for 4.14 mill tonnes and drew coal accordingly.



- (v) After implementation of NCDP, 417 LOAs were issued to consumers of sponge iron, CPP and cement sectors against 519 notices issued to consumers of these sectors as per recommendations of various SLC (LT) meetings for a quantity of 65 Million tonnes per annum. Out of these, 305 FSAs have been concluded till date for 40.2 Million tonnes per annum.
 - (vi) Under Forward E Auction scheme during the year ended Mar 13, quantity allocated was 4.96 mill tonnes as against 7.55 mill tonnes allocated during the last year. During the period under review, 44.26 mill. tonnes of coal was allocated under spot e- auction to the successful bidders as against 49.72 mill. tonnes of coal allocated during the last year. The notional gain through Spot E-auction over & above the notified price was 49.9% as against 66.6% during the last year.
- c) The FSA signed with regard to power plants in (a) above shall be for full quantity of coal mentioned in Letters of Assurance (LOAs) for a period of twenty years, to be reviewed after every five year, with trigger level of 80% for levy of disincentives and 90% for levy of incentives.
 - d) To meet the commitment, CIL may reduce coal meant for e-auction from 10% to 7% of its production progressively, till the end of XII Plan.

Considering the enhanced commitment, CIL Board while approving the revised FSA model directed to keep the penalty for short supply at a token level of 0.01% of the weighted average price of the coal supplied with a moratorium of three years. Subsequently in the 289th Meeting of the Board, the penalty provisions for short supply were revised and the moratorium was withdrawn. During the process of incorporation of such revisions, CIL Board assessed the likely availability of coal and accordingly agreed for assuring 65% of the ACQ from domestic CIL sources till the end of 2014-15, which is to increase to 70% in 2015-16 and 75% from 2016-17 onwards. In order to attain the trigger level, Board directed that CIL shall supply imported coal on cost plus basis to willing power stations. In case power stations prefer to import coal themselves, the quantity shall be considered as deemed delivery.

CIL has also made provisions for supply of coal from the stock on road cum rail mode for three companies, viz. CCL, SECL and MCL, where the available rail logistics are not matching with the production programme.

This apart, considering availability of coal stock at pitheads, CIL offered coal from the stock on 'as is where is' basis to willing power station for meeting its FSA obligations.

During the year 2012-13, coal offered through e-auction had been more than 10% of the production and as reported by the coal companies there had been no adverse financial impact in 2012-13 on account of supplies of coal to the new power plants under the modified terms of the FSA.

(B) Initiative for overcoming logistic bottleneck:

CIL came out with a scheme for supply of coal on "As is – Where is" basis to its power consumers under FSA, to be taken by the purchaser by arranging their own logistics from the stock points. The scheme aimed at augmenting coal dispatch capacity which is constrained due to various logistics issues restricting transportation to dispatch points.

Similar provision is provided in the FSA for the Seller to offer coal upto 5% of the contracted quantity by using their own transportation arrangements, either by Road or Road cum Rail (R-C-R) mode in three coal companies namely CCL, MCL and SECL where logistics inadequacy has restrained coal supply potentials of these companies.

(C) Impact of signing FSA in the modified Model as per the Presidential directives on the financial position of the company:

The Fuel Supply Agreement (FSA) for power plants commissioned/being commissioned after 31.3.2009 was revised under a Presidential Directive dated 4.4.2012 and approved in the 282nd meeting of CIL Board. The directives issued under Clause 37 of Articles of Association of the Company inter alia directed the following:

- a) CIL will sign FSA with power plants that have entered into long-term PPAs with DISCOMs and have been commissioned/would get commissioned after 31.3.2009 and on or before 31.3.2015
- b) With the plants included in (a) above that have been commissioned upto 31.12.2011, CIL will sign FSAs before 31.3.2012

3.6 Coal Beneficiation

CIL operates 17 coal washeries with a total capacity of 39.4 Mty. Out of these, 12 are coking coal washeries with a total capacity of 22.18 Mty and 5 are non coking coal washeries with a total capacity of 17.22 Mty.

Contracts have been finalised for three more washeries while action for finalisation for two more washeries is in advance stage. Further 12 more washeries have been identified to be taken up during the XII Plan.

3.7 Stock of Coal, Coke etc.

Net adjusted value of the pithead stock of coal and other products at the close of the year 2012-13 after provision for stock deterioration etc. was ₹ 4301.16 crores, which was equivalent to 0.76 months value of net sales. The company-wise position of stocks held on 31.03.2013 and on 31.03.2012 are given below:

Company	(₹ in crores)	(₹ in crores)	Stock in terms of no. of months of Net Sales	
	Net Value of stock as on 31.03.2013	Net Value of stock as on 31.03.2012	As on 31.03.13	As on 31.03.12
	ECL	307.98	476.65	0.40
BCCL	757.05	946.79	1.07	1.56
CCL	1103.23	1379.68	1.55	2.26
NCL	629.32	391.10	0.86	0.59
WCL	584.54	488.14	1.05	0.87
SECL	445.55	572.54	0.33	0.46
MCL	460.38	530.59	0.55	0.67
NEC/CIL	13.11	15.65	0.45	0.45
Total	4301.16	4801.14	0.76	0.92

3.8 Coal Sales Dues

Net Coal Sales dues outstanding as on 31.03.2013 after providing of ₹ 1855.65 crores (previous year ₹ 1724.60 crores) for bad and doubtful debts, was ₹ 10480.21 crores (previous year ₹ 5662.84 crores) which is equivalent to 1.42 months combined gross sales of CIL as a whole (previous year 0.87 months). Subsidiary-wise break-up of coal sale dues outstanding as on 31.03.2013 against 31.03.2012 are shown below:-

Figures in ₹ Crores

Company	Coal Sales dues As on 31.03.2013		Coal Sales dues As on 31.03.2012	
	Gross	Net	Gross	Net
ECL	3981.52	3582.13	2665.04	2459.37
BCCL	1934.31	1372.05	1619.40	951.72
CCL	2080.45	1533.87	1471.75	1078.66
NCL	1741.28	1738.21	526.14	425.70
WCL	551.66	471.27	133.05	60.51
SECL	1582.46	1350.29	710.09	464.28
MCL	451.93	430.91	251.19	222.59
NEC/CIL	12.25	1.48	10.78	0.01
Total	12335.86	10480.21	7387.44	5662.84



3.9 Payment of Royalty, Cess & Others, Sales Tax/VAT/CST, Stowing Excise Duty, Central Excise Duty, Clean Energy Cess and Entry Tax

During the year 2012-13, CIL and its Subsidiaries paid/adjusted ₹ 19731.11 crores (previous year ₹ 16245.61 crores) towards Royalty, Cess, Sales Tax and other levies as detailed below:-

Figures in ₹ Crores

	2012-13	2011-12
Royalty	7248.61	5315.14
Cess & Others	2355.73	2745.85
Sales Tax / VAT	2908.49	2537.05
Stowing Excise Duty	457.54	421.75
Central Excise Duty	4227.49	3040.27
Clean Energy Cess	2319.35	2082.40
Entry Tax	213.90	103.15
Total	19731.11	16245.61

State-wise & Company-wise break-up of during 2012-13 are given below

Figures in ₹ Crores

Company	Particulars	MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam	CCO/GOI	2012-13
ECL	Royalty			11.11	229.04						240.15
	Cess & Others			1375.07							1375.07
	Sales Tax/VAT/CST			321.97	54.59						376.56
	Stowing Excise Duty									34.75	34.75
	Central Excise Duty			376.50	168.50						545.00
	Clean Energy Cess			80.34	71.91						152.25
	Entry tax										0.00
	Total			2164.99	524.04						34.75
BCCL	Royalty			0.04	770.45						770.49
	Cess & Others			3.79							3.79
	Sales Tax/VAT/CST			10.75	292.70						303.45
	Stowing Excise Duty									32.31	32.31
	Central Excise Duty				518.10						518.10
	Clean Energy Cess				171.51						171.51
	Entry tax										0.00
	Total			14.58	1752.76						32.31
CCL	Royalty				916.56						916.56
	Cess & Others										0.00
	Sales Tax/VAT/CST				273.05						273.05
	Stowing Excise Duty									52.13	52.13
	Central Excise Duty				547.08						547.08
	Clean Energy Cess				259.91						259.91
	Entry tax										0.00
	Total				1996.60						52.13
NCL	Royalty	854.99					236.98				1091.97
	Cess & Others	288.35					13.24				301.59
	Sales Tax/VAT/CST	184.38					177.48				361.86

Figures in ₹ Crores

Company	Particulars	MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam	CCO/GOI	2012-13
WCL	Stowing Excise Duty									66.72	66.72
	Central Excise Duty	281.28					222.91				504.19
	Clean Energy Cess	177.59					139.06				316.65
	Entry tax	6.40					29.54				35.94
	Total	1792.99					819.21			66.72	2678.92
	Royalty	140.31				704.23					844.54
	Cess & Others										0.00
	Sales Tax/VAT/CST	60.73				268.70					329.43
	Stowing Excise Duty									41.29	41.29
	Central Excise Duty	73.59				363.67					437.26
Clean Energy Cess	31.33				174.16					205.49	
Entry tax	9.34									9.34	
Total	315.30					1510.76				41.29	1867.35
SECL	Royalty	492.99	1624.16								2117.15
	Cess & Others	246.05	424.25	4.98							675.28
	Sales Tax/VAT/CST	168.11	558.41	3.58							730.10
	Stowing Excise Duty									119.03	119.03
	Central Excise Duty	206.14	763.52	1.39							971.05
	Clean Energy Cess	75.65	532.73								608.38
	Entry tax	20.38	76.15								96.53
	Total	1209.32	3979.22	9.95							119.03
MCL	Royalty							1225.06			1225.06
	Cess & Others										0.00
	Sales Tax/VAT/CST							520.40			520.40
	Stowing Excise Duty									110.63	110.63
	Central Excise Duty							685.87			685.87
	Clean Energy Cess							602.04			602.04
	Entry tax							71.95			71.95
	Total	0.00						3105.32			110.63
CIL/NEC/ Others	Royalty								42.69		42.69
	Cess & Others										0.00
	Sales Tax/VAT/CST								13.64		13.64
	Stowing Excise Duty									0.68	0.68
	Central Excise Duty								18.94		18.94
	Clean Energy Cess								3.12		3.12
	Entry tax								0.14		0.14
	Total								78.53	0.68	79.21
Overall	Royalty	1488.29	1624.16	11.15	1916.05	704.23	236.98	1225.06	42.69	0.00	7248.61
	Cess & Others	534.40	424.25	1383.84	0.00	0.00	13.24	0.00	0.00	0.00	2355.73
	Sales Tax/VAT/CST	413.22	558.41	336.30	620.34	268.70	177.48	520.40	13.64	0.00	2908.49
	Stowing Excise Duty	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	457.54	457.54
	Central Excise Duty	561.01	763.52	377.89	1233.68	363.67	222.91	685.87	18.94	0.00	4227.49
	Clean Energy Cess	284.57	532.73	80.34	503.33	174.16	139.06	602.04	3.12	0.00	2319.35
	Entry tax	36.12	76.15	0.00	0.00	0.00	29.54	71.95	0.14	0.00	213.90
	Total	3317.61	3979.22	2189.52	4273.40	1510.76	819.21	3105.32	78.53	457.54	19731.11



4. COAL PRODUCTION

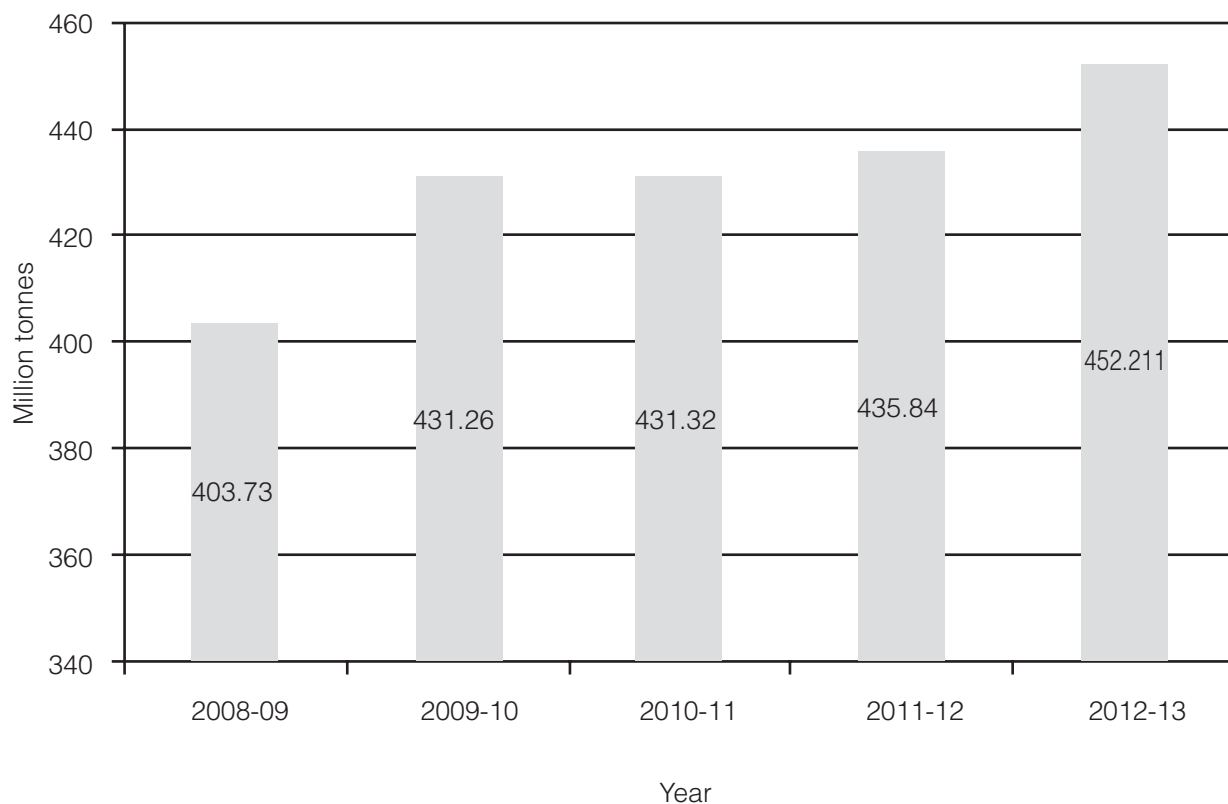
4.1 Raw coal production

Production of raw coal during 2012-13 was 452.211 Million Tonnes against 435.84 Million Tonnes produced in 2011-12. The company-wise production was given below:

(Figures in Million Tonnes)

Company	Coking		Non-Coking		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
ECL	0.043	0.05	33.868	30.51	33.911	30.56
BCCL	26.970	27.25	4.243	2.96	31.213	30.21
CCL	16.156	15.55	31.905	32.45	48.061	48.00
NCL	0.000	0.00	70.021	66.40	70.021	66.40
WCL	0.330	0.32	41.957	42.79	42.287	43.11
SECL	0.157	0.19	118.062	113.65	118.219	113.84
MCL	0.000	0.00	107.894	103.12	107.894	103.12
NEC	0.000	0.00	0.605	0.60	0.605	0.60
CIL	43.656	43.36	408.555	392.48	452.211	435.84

Raw Coal Production



4.2 Production from underground and opencast mines.

Coal production from underground mines in 2012-13 was 37.776 Million Tonnes compared to 38.39 Million Tonnes in 2011-12. Production from Open cast mines during 2012-13 was 91.6 % of total raw coal production. Company-wise production was as under:

(Figures in Million Tonnes)

Company	Underground Production		Opencast Production		Total Production	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
ECL	6.849	6.83	27.062	23.73	33.911	30.56
BCCL	3.153	3.48	28.060	26.73	31.213	30.21
CCL	1.024	1.09	47.037	46.91	48.061	48.00
NCL	0.000	0.00	70.021	66.40	70.021	66.40
WCL	8.200	8.39	34.087	34.72	42.287	43.11
SECL	16.869	16.41	101.350	97.43	118.219	113.84
MCL	1.678	2.19	106.216	100.93	107.894	103.12
NEC	0.003	0.00	0.602	0.60	0.605	0.60
CIL	37.776	38.39	414.435	397.45	452.211	435.84

4.3 Hard Coke and Washed Coal (Coking) Production

Subsidiary-wise production of Hard coke and Washed coal (coking) was as under:

(Figures in Lakh Tonnes)

Company	Hard Coke		Washed Coal (Coking)	
	2012-13	2011-12	2012-13	2011-12
ECL	-	-	-	-
BCCL	0.00	0.00	13.29	14.21
CCL	-	-	12.39	13.34
NCL	-	-	-	-
WCL	-	-	1.44	1.37
SECL	-	-	-	-
MCL	-	-	-	-
NEC	-	-	-	-
CIL	0.00	0.00	27.12	28.92

4.4 Overburden Removal

Overburden Removal during 2012-13 was 746.702 Million Cubic Metres against 735.14 Million Cubic Metres achieved in 2011-12 recording a modest growth of 1.6%. Company-wise details of overburden removal was shown below:

(Figures in Million Cubic Metres)

Company	2012-13	2011-12
ECL	76.448	60.31
BCCL	84.259	81.36
CCL	63.308	65.68
NCL	195.706	201.66
WCL	113.685	122.49
SECL	118.202	113.49
MCL	90.361	85.67
NEC	4.733	4.48
CIL	746.702	735.14



4.5 Future Outlook

In the terminal year (2016-17), as per XII Plan document, all India Coal demand growth rate has been envisaged at 7.09 % (980.50 Mt). Estimated coal demand for 2013-14 is 769.69 Mt against 695 Mt of 2012-13.

In the terminal year of XII Plan (2016-17), the envisaged indigenous coal production is 795.00 Mt. Out of this, CIL's projection is 615 Mt (envisaged growth rate of 7.12 %), 77 % share of total production. Out of this, 30.20% is to come from existing mines, 54.2 % from projects under implementation and 15.6 % from new projects to be taken up. On date, 148 projects are under various stages of implementation. Further 126 new projects are identified to be taken up in XII Plan, of which 58 are spill-over projects of X & XI Plans. Coal production target of CIL in 2013-14 is 482 Mt (growth of 6.59 %).

CIL has proposed a capital outlay of ₹ 25, 400 Cr in XII Plan plus an ad-hoc provision of ₹ 35, 000 Cr for acquisition of assets abroad and development of the acquired coal blocks in Mozambique. The capital expenditure for the year 2013-14 has been envisaged at ₹ 5000 Cr plus additional ad-hoc provision of ₹ 4000 Cr for acquisition of coal assets abroad and development of coal block in Mozambique.

5. POPULATION OF EQUIPMENT

The population of major Opencast Equipment (Heavy Earth Moving Machinery) as on 1.4.2013 and on 1.4.2012 alongwith its performance in terms of availability & utilisation expressed as percentage of CMPDIL norm was as under:

Equipment	No. of Equipment		Indicated as % of CMPDIL Norm			
	As on 1.4.2013	As on 1.4.2012	Availability		Utilisation	
			2012-13	2011-12	2012-13	2011-12
Dragline	39	40	90	93	77	83
Shovel	715	727	88	89	77	75
Dumper	3109	3280	101	100	70	69
Dozer	972	987	91	93	58	58
Drill	707	664	99	99	65	71

6. CAPACITY UTILISATION

I. SYSTEM CAPACITY UTILIZATION

The overall system capacity utilization of CIL as a whole for the year 2012-13 was 82.99 %. against 86.12 % during 2011-12. Subsidiary-wise details in terms of percentage vis-a-vis preceding year was as under:

Company	Unit	2012-13	2011-12
ECL		118.97	129.90
BCCL		79.29	97.77
CCL		84.89	93.81
NCL		76.69	79.87
WCL	%	93.41	102.49
SECL		80.52	79.87
MCL		75.61	69.90
NEC		66.34	56.29
Total CIL		82.99	86.12

7. PRODUCTIVITY: OUTPUT PER MANSHIFT (OMS)

Output per manshift (OMS) during 2012-13 improved to 5.32 Tonnes per manshift from 4.89 Tonnes per manshift of previous year. Company-wise position was given in the following table:

(Figures in Tonnes per Manshift)

Company	Underground OMS		Opencast OMS		Overall OMS	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
ECL	0.46	0.44	10.17	8.64	1.94	1.68
BCCL	0.35	0.36	8.31	6.57	2.50	2.20
CCL	0.33	0.32	6.09	5.79	4.42	4.19
NCL	0.00	0.00	13.65	13.55	13.65	13.55
WCL	1.10	1.08	5.03	4.22	2.97	2.70
SECL	1.37	1.30	19.26	19.32	6.72	6.44
MCL	0.97	1.24	21.34	20.38	16.07	15.36
NEC	0.01	0.01	3.77	3.79	1.30	1.23
CIL	0.77	0.75	11.48	10.40	5.32	4.89

8. PROJECT FORMULATION:

8.1 Preparation of Reports: As prioritized by subsidiary companies of Coal India Limited, preparation of Project Reports (PR) for new/expansion/re-organisation mines was carried out during the year 2012-2013 for building additional coal production capacity to the tune of 75 Mty. Revision of Project Reports/Cost Estimates for projects was also taken up along with new PRs. Thrust was given for preparation of reports of identified projects of XII Plan.

During the year under review, CMPDI had prepared 271 reports which include 15 Geological Reports, 29 Project Reports, 168 Other Reports (includes 17 Operational Plans) and 59 Draft Environment Management Plans (including 30 Form-I).

Expert Consultancy Services:

During 2012-2013, CIL's subsidiary companies received expert consultancy services in the following fields:

- Environmental Management and Monitoring,
- Remote Sensing,
- Energy Audit (Diesel & Electrical),
- Diesel & Electrical Consumption Benchmarking
- Fixation of Diesel & Electrical Consumption norms of opencast and underground mines, Physico-mechanical tests on rock and coal samples,
- Subsidence Studies,
- Strata Control,
- Non-Destructive Testing (NDT),
- Controlled Blasting & Vibration Studies and Explosive Utilisation
- Ventilation/Gas Survey of UG mines
- Mining Electronics
- Petrography and Cleat Study on coal samples
- Coal Core Processing & Analysis
- Washability tests
- OBR Survey
- Man Riding System
- Soil Erosion Study
- Slope Stability Study
- Effluent/Sewerage Treatment Plants
- Assessment of Normative Cost of sand stowing for stowing mines, etc.

8.2 Project Implementation

a) The following 2 coal projects, each costing ₹ 20 Crores & above, with ultimate capacity of 2.86 Mty and completion cost of ₹ 111.54 crores, were completed during the year 2012-13:

SI No	Cos	Name of Projects	Type	Sanctioned Capacity (Mty)	Completion Cost (₹ Crores)
1	CCL	Amlo OC	OC	2.50	64.82
2	SECL	Nawapara	UG	0.36	46.72
		TOTAL		2.86	111.54



- b) 5 Coal projects, each costing ₹ 20 Crores & above, with an ultimate capacity of 11.00 MTY and sanctioned capital of ₹ 1456.21 Crs have started contributing production during the year 2012-13 :-

SI No	Cos	Name of Projects	Type	Sanctioned Capacity (Mty)	Sanctioned Capital (₹ Crores)
1	ECL	Sonepur Bazari Comb*	OC	8.00	1055.05
2	SECL	Vijay West	UG	0.50	92.60
3	SECL	Amlai OC Sec-B	OC	1.50	198.58
4	WCL	Junakunada	OC	0.60	23.76
5	WCL	Gauri Deep	OC	0.40	86.22
		TOTAL		11.00	1456.21

*Earlier 3.5 Mty project has been dovetailed into 8 Mty.

Status of Ongoing Projects :

There are 117 mining (excluding 13 projects of WCL approved subject to finalization of Coal Supply Agreement on cost plus basis.) and 26 non-mining projects costing ₹ 20 Crores and above, under implementation.

Out of 117 mining projects, 55 projects are running on schedule & 62 are delayed. Out of 26 non-mining projects, 21 are on schedule and 5 are delayed.

Status of ongoing projects costing ₹ 20 Crs. and above

Projects	Total projects	Projects on schedule	Projects delayed
Mining	117	55	62
Non Mining	26	21	5
Total	143	76	67

Reasons of delay

Mining Projects :

SL	REASONS FOR DELAY	NO OF PROJECTS
1	ADVERSE GEOMINING CONDITIONS	1
2	DELAY IN LAND ACQUISITION + R&R	42
3	MISCELLANEOUS	19
	TOTAL	62

Non – mining Projects :

Out of 5 delayed non-mining projects, 4 are delayed due to land and rehabilitation problems including forest problem and one project due to miscellaneous reason.

8.3 Projects Sanctioned (Costing ₹ 20 Crores & Above) :

- (a) No Advance Action proposal was sanctioned during 2012-13.
 (b) CIL Board had sanctioned 2 mining projects during 2012-13.

SI No	Cos	Name of Projects	Type	Sanctioned Capacity (Mty)	Sanctioned Capital (₹ Crores)
1	ECL	Sonepur Bazari Comb	OC	8.00	1055.05
2	WCL	Chinchala- Chikalgaon Amalgamated	OC	3.00	1176.13

(c) CIL had approved one Non-mining project during the year 2012-13.

Approving Board	Subsidiary	Name	Sanctioned Capacity (Mty)	Sanctioned Capital (₹ Crores)
CIL	NCL	Incr. CHP for Jayant Expn Project	5.00	129.48

(d) The Subsidiary Company Boards had sanctioned one mining project under its delegated power during the year 2012-13 :

Sl No	Cos	Name of Projects	Type	Sanctioned Capacity (Mty)	Sanctioned Capital (₹ Crores)
1.	WCL	Sch of Diversion of Amb River Phase-IV of Umrer OC	OC	2.00	64.11

(e) The subsidiary company Boards sanctioned following 8 Non-mining Projects under its delegated powers during 2012-13.

Sl	Cos	Non-Mining Projects	Capital (₹ Cr)
1	MCL	Construction of diversion road from check post of Lingaraj OCP to NH-200 for a length of 2.30 Km with 01 fly over and 01 ROB.	136.00
2	MCL	Construction of ROB at the level crossing near Ghantpara Village at Talcher	37.50
3	MCL	Widening of road from 2 lane to 4 lane from Bankibahal to Kanika Rly Sdg. Length-27km	162.00
4	MCL	All CT roads in B-G area inside mine premises leading to siding having life more than 5 yrs to be constructed with concrete.	22.96
5	MCL	All CT roads in Ib coalfield inside mine premises leading to siding having life more than 5 yrs to be constructed with concrete.	94.22
6	MCL	All CT roads in Talcher CF inside mine premises leading to siding having life more than 5 yrs to be constructed with concrete.	179.00
7	MCL	Construction of Bye Pass Rd from Lajkura Welcome Gate to Mine 3 Jn of 3.7 Km length	35.56
8	MCL	Construction of concrete CT Road connecting Bundia Mine to NH 200 of 12.54 km length	135.29

8.4 Revised Project /Revised Cost Estimates

(a) No RPR/RCE was sanctioned by CIL during 2012-13.

(b) Subsidiary Company Boards sanctioned following RPRs/RCEs during 2012-13

Sl No	Cos	Name of Projects	Type	Sanctioned Capacity (Mty)	Sanctioned Capital (₹ Crores)
1	CCL	Kathara RCE	OC	1.9	128.94
2	WCL	Urdhan RCE	OC	0.50	70.23
3	SECL	Baroud Expn RCE	OC	3.00	258.56
4	SECL	Mahan RCE	OC	0.36	148.72

9. CONSERVATION OF ENERGY

CIL's subsidiaries have undertaken the following measures, interalia to conserve energy:

- Awareness programmes are conducted at various levels for efficient use of energy.
- Energy Audit and Benchmarking are conducted for colliery and other loads.
- Installation of capacitor banks for improvement of power factor.
- Use of energy efficient lamps.
- Constructed strata bunker in underground mines to avoid idle running of belt conveyors, thereby saving energy.



- Installation of time switches for street lights.
- Use of higher voltage cables nearer to the coal face in mine to reduce energy losses.
- Installation of demand controller to control maximum demand.
- CIL coordinates with the subsidiaries and follow up their activities of energy conservation.
- Performance of subsidiaries are also discussed during co-ordination meeting.
- Project-wise specific consumption of diesel is monitored in comparison to benchmarking by CMPDI for selected opencast projects (altogether 69 nos) of different subsidiaries of CIL.

In addition the following R&D projects are in progress :-

- CIL R&D endeavor under the project entitled “Green House Gas recovery from coal mines and coal beds for conversion of energy (GHG2E)” has been taken up for capacity building in new technology area of Coal Mine Methane (CMM) drainage and CO2 etc. Substantial data have been collected under this project from different coalfield areas for analysis and simulation for evaluation of Green House Gas recovery technique.
- Another project entitled “Research and Development on efficient energy management pilot study and action plan” has recently been taken up with CIL R&D fund. Preliminary studies including field studies / visit have started.

10. CAPITAL EXPENDITURE

Overall Capital Expenditure during 2012-13 was ₹ 2915.23 crores as against ₹ 3727.17 crores in previous year, subsidiary-wise details of which are given below:-

Figures in ₹ Crores

Company	2012-13		2011-12	
	(BE)	Actual	(BE)	Actual
ECL	450.00	202.94	400.00	332.96
BCCL	300.00	266.15	400.00	410.72
CCL	425.00	397.42	350.00	320.99
NCL	850.00	444.19	800.00	702.11
WCL	350.00	264.05	350.00	275.72
SECL	900.00	628.85	600.00	937.65
MCL	500.00	531.56	700.00	497.95
CMPDIL	30.00	6.94	30.00	16.30
NEC/CIL/Others	470.00	173.13	590.00	232.77
Total	4275.00	2915.23	4220.00	3727.17

11. CAPITAL STRUCTURE

The authorized share capital of the company as on 31.03.2013 was ₹ 8904.18 crores, distributed between Equity and Non-cumulative redeemable preference shares as under:

(i)	800,00,00,000 Equity Shares of ₹ 10/- each (Previous Year 800,00,00,000 Equity Shares of ₹ 10/- each)	₹ 8000.00 crores
(ii)	90,41,800 Non-cumulative 10% redeemable Preference Shares of ₹ 1000/- each (Previous Year 90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹ 1000/- each)	₹ 904.18 crores
	Total	₹ 8904.18 crores

The paid-up equity capital as on 31.03.2013 was ₹ 6316.36 crores, which includes ₹ 256.93 crores worth of Equity Shares issued in favour of the Government of India (GoI) towards value of land acquired.

Total investment by the Government of India in CIL and its subsidiaries are as follows:-

	Figures in ₹ Crores	
	As on 31.03.2013	As on 31.03.2012
Share Capital - Equity		
Investment by GoI	5684.72	5684.72
Other Investors	631.64	631.64
Total	6316.36	6316.36

12. BORROWINGS

Aggregate borrowings of CIL has decreased to ₹ 1305.30 Crores in 2012-13 from ₹ 1527.38 Crores in 2011-12, as detailed below.

	Figures in ₹ Crores	
	As on 31.03.2013	As on 31.03.2012
Share Capital - Equity		
Foreign Loans including deferred credits		
IBRD/JBIC	1136.23	1362.72
EDC Canada	160.35	155.63
Liebherr France SA., France	8.72	9.03
TOTAL	1305.30	1527.38

The debt servicing has been duly met.

13. INTERNATIONAL CO-OPERATION

International Co-operation.

Coal India is envisaged for foreign collaboration with a view to

- Bring in proven technologies and advanced management skills for running UG and OC mines and coal preparation.
- Exploration and exploitation of Coal Bed Methane
- Locating overseas countries interested in Joint Venture in the field of coal mining with special thrust on coking coal mining.

The key areas identified include modern technologies for mass production in UG and OC mining, dealing with fire and subsidence, mine safety, coal preparation, extraction of Coal Bed Methane, Coal Gasification, application of Geographical Information System, Satellite Surveillance, environmental control, overseas ventures in coal mining. Besides the above, emphasis is being given to transfer modern technologies and training.

CIL would endeavor to acquire suitable technology through international bidding. Bilateral cooperation may also be encouraged for locating availability of cost effective and latest technologies in the aforesaid areas, if the technology proves to be discernibly advantageous. CIL, therefore, has been following both these routes.

Following were the details of activities that took place with various countries during 2012-13.

Indo-US Collaboration:

U.S –India Energy Dialogue was held on September 26th-28th, 2012. Coal India Limited focused on the following areas concerning bilateral cooperation.

- The accomplishments in the area of cooperation for coal under India-US Coal Working group have been delineated.
- Priorities for cooperation in the next three to four years in the field of 3D Seismic Survey, Planning of large capacity OC, Microwave remote sensing for coal mine safety, Mine rehabilitation and reclamation, Underground coal gasification (CG) areas, Coal Mine Methane (CMM) projects, Ventilation Air Methane (VAM), Coal Bed Methane (CBM) clearing house, Development of Shale gas .
- Inputs with regard to international trends, policies, technology and regulatory issues.

A review meeting was held at Ministry of coal on 22.1.2013 to discuss the status of ongoing projects, work plan as per the last working group meeting held on 26-09-2012. Copy of the work plan has been circulated by MoC. CMPDIL has informed that US EPA grant of CMM/CBM clearing house has been extended for a further period of three years.

Ongoing Projects

- A) Development of Coal Preparation Plant Simulator.
- B) Under Ground Coal Gasification
- C) Cost Effective Technology for beneficiation and Recovery of fine coal



New Areas of Collaboration

- i) Advanced Dry Coal Cleaning Technologies
- ii) 3D seismic Surveys.
- iii) Planning Large Capacity Opencast mines.
- iv) Microwave Remote Sensing for Coal Mine Safety.
- v) Mine Rehabilitation and Reclamation.

Indo-Russia collaboration:

India-Russia Joint Working Group (JWG) on Modernization and Industrial Cooperation has been constituted under the India-Russia Inter –Governmental Commission Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC-TEC)/India-Russia Trade and Investment Forum (IR-TIF). Ministry of Mines informed that under this JWG, first meeting of the Subgroup on mining was held on 27th August 2012. Ministry of mines forwarded the minutes of the meeting which envisaged cooperation in the field of coal mining industry as follows:

- The Russian team confirmed their readiness to expand scientific and technological cooperation with their Indian counterparts in:
 1. New energy saving technologies of a coal mining in U/G and O/C.
 2. Application of energy saving processes of coal processing.
 3. Use of renewable and non-traditional energy in the coal industry

India-Russia Trade and Investment Forum was scheduled on April 12, 2013. CIL & CMPDIL has forwarded a note to MoC mentioning the potential areas of cooperation with Russian side. Potential areas are 3D-Seismic Survey, Strengthening capabilities for mine closer planning and implementation, Cast Blasting and Advance Dragline application for large Opencast Mines, Collaboration/Technology transfer for biological reclamation of degraded land due to mining operations, Development of Coal Mine Methane, Shale Gas, VAM, UCG, Extraction of steep seams at North Eastern Coalfields, Microwave Remote sensing for Coal mine safety etc.

Indo-Japan Collaboration

Meeting of Working Group under Indo-Japan Energy Dialogue was held on 7th August, 2012 under the Chairmanship of Member (Energy). wherein it was decided to hold the next meeting from 9th to 10th Oct'12 in Japan. Sri S.K. Singh, Joint Secretary, Ministry of Coal with Director (Technical), Coal India Limited, attended the meeting of Coal Working Group and Indo-Japan Energy Dialogue held from 9th -10th October 2012 in Japan.

Indo-Czech Co-operation

Ministry of coal forwarded a draft protocol of 9th Session of Indo-Czech JEC in Prague during September, 2012. Para 36 of the draft protocol concerning Coal sector status is as under.

"The two sides expressed satisfaction with the established contracts between Indian Coal industry and Czech manufacturers of mining equipment. It was appreciated that the visit of Shriprakash Jaiswal, Minister of Coal, Govt. of India and the delegation of Indian Coal Sector to the Czech Republic in June 2011 and the seminar of coal

industry held in Prague on this occasion created good impression for further cooperation."

Co-operation with Ukraine

MoC vide letter dated 7th May 2012 forwarded a copy of letter dated 24th April 2012 from Ministry of External Affairs, regarding Fourth Session of Indo-Ukrainian Inter-Governmental Commission on Trade, Economic, Scientific, Technological, Industrial and Cultural Cooperation and requested CIL to forward a note for discussion in the aforesaid meeting. MoC has forwarded a copy of minutes on 27/06/2012 of the fourth Session of the Indo-Ukrainian Inter-Governmental Commission.

14. WORLD BANK FINANCED PROJECTS FOR 2012-13

The net utilization of loan distribution by IBRD and JBIC is to the tune of USD 245.73 million and JPY 28440.82 million respectively, for procurement of equipment and technical assistance under Coal Sector Rehabilitation Project (CSR). The disbursement for funding of procurement by IBRD and JBIC was completed in December 2003. As such, there is no drawals of loan since January 2004.

With the repayment of loan of USD 138.83 million to IBRD and JPY 19,026.87 million to JBIC till 2012-13, the total CSR loan as on 31st March'2013 stands at USD 106.90 million (equivalent to ₹ 585.80 Crs.) on account of IBRD and JPY 9,413.95 million (equivalent to ₹ 550.43 Crs.) on account of JBIC.

Thus a total amount of ₹ 1136.23 Crs. is lying outstanding under CSR Loan as on 31st March'2013.

COAL VIDESH DIVISION

Initiatives undertaken for acquisition and development of coal assets abroad

- (A) Activities of Coal India Africana Limitada (CIAL), Mozambique.

Prospecting Licenses for coal having nos 3450L & 3451L, covering a total area of 224 Square kilometers were granted to CIAL, a wholly owned subsidiary of CIL in Mozambique in 2009 which is valid till August 2014.

CIAL became operational in February 2012 by setting up of an office in the city of Tete in Mozambique with deputation of 4 members team of senior officers. Various activities related to exploration of coal blocks have been initiated, which are as follows:

1. Environmental clearance from Govt. of Mozambique for carrying out exploratory drilling has been obtained in July 2012.
2. Geological mapping for the entire allotted coal block by engaging a consultant through global tendering has been completed.
3. Drilling contract for carrying out initial 10,000 mtrs of core drilling was awarded in Nov 2012. As on 31st March 2013 5,100 mtrs had been drilled.
4. Additional 30,000 mtrs of drilling in the allotted coal blocks has been awarded in June'13.
5. For demarcation of the concession area and location of the proposed exploratory boreholes, surveyors from CMPDI were engaged in Nov-Dec 2012. Major part of the work has since been completed.

- (B) Global Expression of Interest inviting proposals related to acquisition of overseas coal assets

Pursuant to guidelines of Govt. of India for acquiring raw material assets abroad, a notice inviting proposal offering overseas coal assets to CIL was floated on 27th February 2013. Number of proposals have been received and are being evaluated on the basis of their marketing potential.

- (C) MOA with parastatal of Limpopo province of South Africa.

Premier Provincial Govt. of Limpopo, Republic of South Africa, has written to Chairman, CIL reiterating interest for undertaking joint business initiatives between Govt. of Limpopo and CIL for exploration and development of coal resources in Limpopo Province. A Memorandum of Understanding (MoU) between CIL and Provincial Government of Limpopo, Republic of South Africa for exploration and development of coal assets in Limpopo province, South Africa was signed on 26th Sept. 2011 in New Delhi. As a follow up action, a Memorandum of Agreement (MoA) to be signed between CIL and the parastatal agencies nominated by the provincial Govt. Limpopo, has been prepared and is under the consideration.

- (D) Setting up of a wholly owned subsidiary of CIL in South Africa.

To implement the Memorandum of Understanding, CIL has decided to register a wholly owned subsidiary(WOS) in South Africa which shall in turn form a joint venture company

with organizations owned by Provincial Govt. of Limpopo for undertaking all related activities covered under MoU.

CIL had awarded this job to a consultant through competitive bidding in February 2013. The draft Memorandum of Incorporation prepared by the consultant is under the process of approval.

15. MASTER PLAN FOR DEALING WITH FIRE, SUBSIDENCE AND REHABILITATION

The Master Plan for dealing with fire, subsidence and rehabilitation in the lease hold of BCCL and ECL was approved on 12th Aug'2009 by Govt. of India with an estimated investment of ₹ 7112.11 Crs. for Jharia Coalfields and ₹ 2661.73 for Raniganj Coalfields. Implementation period has been delineated as 10 years.

- Implementation of Master Plan is being monitored by High Powered Central Committee at regular intervals. Advisor (Projects), Ministry of Coal took the last meeting on 23.04.2013.

Master Plan dealing with Fire, Subsidence and rehabilitation in the Leasehold of Eastern Coalfields Limited.

Asansol Durgapur Development Authority (ADDA), a state Govt. organization has been identified as implementing agency for Rehabilitation of Non-ECL houses. Contingency charges @3% & Supervision charges @5% (total 8%) are to be paid to ADDA for implementation, which is included in the assessed capital requirements.

The salient features of approved master Plan are as follows:

■ No. of unstable sites proposed for Rehabilitation	:- 139 nos+ 2(later added as per recommendation of DGMS)= 141
■ No. of houses/ families assessed for Rehabilitation	:- 33196 nos. (18136 nos. in Phase-I & 15060 nos. in Phase-II)
■ Requirement of Land assessed for Rehabilitation	:- 896.29 Ha.
■ No. of Locations identified for Diversion of Infrastructure	:- 7(Railway lines, Roads & IOC pipe lines.)
■ Capital Requirement estimated for Rehabilitation	:- ₹ 2610.10 Crores. (₹ 1424.84 Crs & ₹ 1185.26 respectively in Phase I & II)
■ Capital Requirement estimated for Diversion projects	:- ₹ 11.35 Crores. (Equally divided in 5 years of Phase-I)
■ Capital Requirement estimated for Fire schemes	:- ₹ 40.28 Crores. (₹ Equally divided in 5 years of Phase-I)
■ Total Capital Requirement assessed	:- ₹ 2661.73 Crores. (Include Phase-I & II, each of 5 years.)

Master Plan dealing with Fire, Subsidence and rehabilitation in the Leasehold of Bharat Coking Coal Limited.

Jharia Rehabilitation & Development Authority (JRDA), a state Govt. organization has been identified as implementing agency for Rehabilitation of Non-BCCL houses. Contingency charges @3% & Supervision charges @5% (total 8%) are to be paid to JRDA for implementation, which is included in the assessed capital requirements.

• No of fire areas for which action plan has been proposed	:- 67 nos.
• No. of houses to be vacated	:- 98314 nos.
• No. of houses proposed to be reconstructed	:- 79159 nos. (45795 nos. in Phase-I, 33364 nos. in Phase-II)
• Requirement of Land assessed for Rehabilitation	:- 1504.99 Ha
• Capital Requirement estimated for Rehabilitation	:- ₹ 4780.60 Crs.
• Capital Requirement estimated for Diversion projects	:- ₹ 20 Crs.(Railway line, Road)
• Capital Requirement estimated for Fire schemes	:- ₹ 2311.50 Crs.
• Total Capital Requirement assessed	:- ₹ 7112.11 Crs.



The R & R Package for Non-ECL and Non-BCCL endangered people are:

- (a) Cash compensation equivalent to assessed cost of homestead land & other super structure/ infrastructure within the homestead land. In addition, a plot of 100 Sq.m. free of cost at resettlement site having all amenities and infrastructural facilities will be provided. Extra plot if required may be provided on payment basis upto a maximum limit of owned land at unstable site, or in lieu a constructed flat of 40 Sq.m. as super built up area having two rooms, a kitchen and a toilet in a triple storied building will be provided. In such case, no other cash compensation shall be paid.
- (b) A cash compensation in lieu of free plot along with the entitled compensation are to be offered if a house owner refuses to be resettled at the proposed township.
- (c) No cash compensation is to be paid to encroacher/ settlers. Head of each such family will be provided a constructed flat of 27 Sq.m. as super built up area.
- (d) Head of each family will be paid a minimum wage for 250 days per year for two years for income generation due to displacement/ shifting.
- (e) A shifting allowance of ₹ 10, 000/- will be paid to each family to be resettled at new townships.
- (f) No employment shall be offered for any rehabilitation under the Master Plan.
- The Major Implementation Activities Proposed to be completed in Phase I & II are:
 - i. Demographic Survey of affected people, Valuation of homestead land & house including all structures/ infrastructures in that land, Preparation/ Distribution of photo-identity cards etc.
 - ii. Identification & Acquisition of land for proposed townships.
 - iii. Tendering & Awarding of work for land survey and township planning.
 - iv. Survey of land.
 - v. Township planning.
 - vi. Tendering & Award of work for townships.
 - vii. Construction of approach road, Development of land & infrastructural facilities, Demarcation of plots, construction of flats and providing amenities like schools, bank, postoffice, hospital, community centre, play ground, shopping centre etc.
 - viii. Allotment of plots/ flats for resettlement.
 - ix. Shifting of people from unstable sites.(Rehabilitation & Resettlement)
 - x. Demolition of super structure/ infrastructures at unstable sites.
 - xi. Fire mitigation.
 - xii. Diversion of surface infrastructures like Rail , Road, IOC pipeline etc.

Action taken for implementation of Master Plan :

- A. For Raniganj Coalfields
 - a) Status of Demographic Survey:

ADDA has issued work order for all the 142 unstable sites to M/S XISS, Ranchi. Out of which M/S XISS has completed 120 sites & work is going on in 10 sites. Total Demographic Survey completed (till 31.03.2013) is 43171.
 - b) Land acquisition status:

Acquisition of land in Bonjemari (1300 acres) and Gourandi (2300 acres) is under progress by W.B Govt.
 - c) Diversion of surface infrastructures (Rail, Roads & IOC Pipelines etc):

The proposal for appointing CIMFR Dhanbad, for (1) Geo-technical Survey of the area to find out the total void below the Rly line and (ii) Stability analysis of the workings and prediction of any surface subsidence based on detail geo-technical investigation and analytical method has been approved by ECL Board of Directors. The above work has been awarded to CIMFR, Dhanbad on 08.11.2012 for Andal- Sainthia Railway Line of Pandaveswar Area. The work of stability test has been conducted by CIMFR in the recent past. Representatives of DRM Eastern Railway, Asansol, Officials of DGMS were present during the stability test conducted by M/s CIMFR on 11.03.2013. CIMFR has informed that the report will be submitted shortly.

For preparation of Feasibility Study and Detail Project Report for diversion of Andal-Sitarampur Railway line of Salanpur Area, has been awarded to M/S RITES Ltd.

For diversion of IOCL pipe line, a preliminary survey has been conducted by NIRM and the final Survey for pipe line diversion work will commence shortly.
- B. For Jharia Coalfields :
 - a) Demographic (socio-economic) survey:

CIMFR and ISM started the job of demographic / socio-economic survey of fire affected / subsidence prone areas for identification of families living in the areas. Out of total 595 nos. of fire affected / subsidence prone sites / areas to be surveyed, CIMFR and ISM have completed demographic / socio-economic survey of 348 sites in which 37367 families have been identified.
 - b) Status of Land acquisition by JRDA for rehabilitation sites:

Proposal for acquisition of 1038.88 acres of Raiyti land sent to DLAO, Dhanbad by JRDA.

Proposal for acquisition of 309.13 acres of Government land was sent to Addl. Collector, Dhanbad.

440 acres of Raiyti and Govt. land has been surveyed for acquisition / transfer by JRDA.

Delivery of possession for mouza Lipania (120.82 acres Raiyati land) situated near Belgoria for construction of houses for non-BCCL families and Dhokra (7.99 Acres Raiyati and 1.35 acres Govt. land) for construction of Ring Road has been taken over by JRDA from DLAO, Dhanbad on 28.02.2013.

Transfer of land to JRDA by BCCL-86.44 acres of vacant land in Bhuli Township and 849.68 acres of non-coal bearing land in and around Belgoria Township belonging to BCCL have been identified for developing new Townships by JRDA. NOC for transferring the land to JRDA has been given by MoC.

c) Diversion of Road from fire affected areas:

Repairing / widening of Mahuda-Topchanchi road as a short-term measure duly prepared by RITES, has been approved by Secretary, Road Construction Deptt. (RCD) Govt. of Jharkhand. RCD has finished 37% of job.

DPR for construction of road from Joraphatak to Dhokra, for connectivity of Belgoria Township was forwarded to RCD, Govt. of Jharkhand by JRDA for technical sanction. Work has been awarded by RCD, Dhanbad, which is likely to start shortly.

d) Diversion of Rail from fire affected areas:

RITES had submitted discussion plan on the above subject to JRDA. BCCL's observations had been sent to JRDA. In this regard, E.C. Railway, Hazipur and S.E. Railway, Kolkata had also forwarded the brief report along with their comments to Railway Board, New Delhi.

On the other hand, directions have been issued to RITES Ltd. by JRDA for traffic survey and data collection to initiate feasibility study regarding Diversion of Railway lines from fire affected and subsidence prone areas.

e) Utility Services from fire affected areas:

Feasibility Report for diversion of utility service of Jharia Coalfield has been submitted by RITES Limited on 30.03.2013.

f) Service Building & Welfare Programme:

Construction of service buildings like (Market Complex, Bank, Post Office, Computer and Sewing Training Centre, Masjid, Temple etc.) are in different stages.

g) Status of BCCL & Non-BCCL house schemes as per Master plan:

Construction of 344 houses at Bhuli, Bhimkanali, Nichitpur and Katras Coal Dump in triple storied blocks has been completed in non-coal bearing zone. 1152 triple storied quarters [96 Blocks each of 12 units] are under construction at various places in non-coal bearing zone of Kusunda, Katras, and Lodna.

BCCL Board has approved construction of 4080 triple storied quarters / houses [340 Blocks each of 12 units].

Non-BCCL houses [54159 nos]:

2352 houses have been constructed in Belgoria rehabilitation Township "Jharia Vihar"

1162 families have shifted till 31-03-2013.

1117 affected families were given ₹ 10000/- each as shifting allowance.

Status of Fire Schemes:

11 fire schemes have been approved by Board and implemented, out of which 4 schemes have been completed and rest are at different stages of execution.

Three more fire schemes are under preparation at CMPDIL.

BCCL approached NRSA for conducting fresh survey of fires and subsidence by remote sensing methods in January 2013. NRSA is preparing a proposal for the purpose and the work would be started soon.

Disbursement of fund by CIL

- BCCL till March, 2013 : ₹ 218.73 Crores.
- ECL till March' 2013 : ₹ 160.64 Crores.

16. ENVIRONMENTAL MANAGEMENT

16.1 Environmental Impact Assessment (EIA)/Environmental Management Plan (EMP)

EIA/EMPs for all the new and expansion projects as per EIA Notification SO 1533 dated 14th September, 2006 of MoEF are prepared for peak and normative capacities and environmental clearance is obtained. EIA/EMPs for mines requiring renewal of lease are also prepared for environmental clearance. EIA/EMPs on cluster basis for smaller mines of ECL and BCCL are also being prepared for environmental clearance. During the year, CMPDI has prepared 30 Form-I and formulated 29 Draft EIA/EMPs. Environmental clearances were also obtained for 30 projects from MoEF which includes 3 washeries.

16.2 Pollution Control Measures and their Efficacy

Measures are being undertaken to ensure that mining and coal beneficiation operations have minimum impact on the surrounding air quality, water quality, noise level and soil quality, hydro-geology, land use pattern and socio-economic profile of the nearby population. The mitigation measures include dust suppression in mines through fixed and mobile water sprinklers. Effluent treatment facilities for mine effluent, workshop effluent and CHP effluent like oil & grease traps, sedimentation ponds and facilities for storage of treated water and its reuse have been provided for all the major projects. Domestic wastewater treatment facilities have also been provided to deal with the domestic effluent. The level of pollutants is being monitored on routine basis to ascertain the efficacy of the pollution control measures being taken in the projects. Additional remedial measures are undertaken, if required, to keep the pollutant level within the limits prescribed by regulatory bodies.

Technical and biological reclamation of mined out areas and the external overburden dumps are being undertaken by planting native species of plants for restoring the ecology.

The level of pollutants is being monitored regularly as per the statutory guidelines to ascertain the efficacy of the pollution control measures and for taking corrective actions as required.



16.3 ISO:14001 System

Actions like implementation, certification and re-certification of different units of CIL against ISO 14001 is continuing. During the year 2012-13, 16 units (14 Opencast projects, 1 Washery and 1 Hospital) have got re-certification for ISO 14001 after successful completion of three years validity period. 81 units of CIL got certification which includes opencast projects, underground mines, washeries, workshops and hospitals till the year 2012-13. In addition, Northern Coalfields Limited (NCL), as a company, has also got ISO 14001 certification.

16.4 Monitoring of Mines through Remote Sensing

CMPDI, through, Coal India Limited has introduced Satellite Surveillance System for monitoring of backfilling & reclamation of land for all the opencast mines. Land reclamation monitoring of 50 nos. of opencast projects having more than 5 million cu.m. production capacity (coal+OB) and 40 opencast projects having less than 5 million cu.m. production capacity (coal+OB) based on high resolution satellite data has been completed during the year 2012-13.

Land use / vegetation cover mapping of 6 coalfields viz. Karanpura, West Bokaro, East Bokaro, Bander, Singrauli and Korba based on satellite data has been completed for creating Geo-Environmental database of the coalfields for assessing the regional impact of mining on land use / vegetation cover at a regular interval of three years.

The basic rate of wages of different categories of contractors' workers engaged in mining activities w.e.f 01/01/2013 is provided below:

Categories of employee	Basic rate (Per Day)
Unskilled	₹ 464.00
Semi-Skilled/Unskilled Supervisory	₹ 494.00
Skilled	₹ 524.00
Highly skilled	₹ 554.00

16.7 Mine Closure Plans

In terms of the guidelines issued by Ministry of Coal (MoC), CMPDI prepared 132 mine closure plans for CIL mines during the year. Quick comments on 44 mine closure plans for coal blocks sent by MoC were also prepared.

16.8 Research & Development

The R&D projects in the emerging areas are continuously undertaken. One research project viz. Fly ash characterization for mine void reclamation has been completed.

17. COAL BED METHANE (CBM) / COAL MINE METHANE (CMM)

17.1 Collaborative development of CBM prospects in Jharia & Raniganj coalfields by the consortium of CIL & ONGC

In terms of Govt. of India CBM Policy, consortium of CIL and ONGC has been allotted 2 blocks, one each in Jharia and Raniganj coalfields for commercial development of coalbed methane. These projects are being implemented by CMPDI on behalf of CIL.

17.1.1 Jharia CBM Block

The Govt. of Jharkhand granted Petroleum Exploration License (PEL) to the consortium of CIL-ONGC in August 2003 for Jharia

16.5 R&R Policy of CIL,2012

The Resettlement & Rehabilitation Policy, 2012 has been finalized based on the deliberations of Inter – Ministerial Committee, deliberations of CMDs meet and approved by CIL Board in its 279th meeting held on 12th and 13th March, 2012. The same has been released by the Hon'ble Minister of Coal, Govt. of India on 4th. April,2012 in a Press conference at New Delhi.

The revised R&R Policy of CIL, 2012 has provided multiple options to the land losers and more flexibility to the Board of Subsidiary Companies to meet unique R&R problems prevailing in the subsidiary companies. This will facilitate faster land acquisition.

16.6 Implementation of decision of the High Powered Committee

During this year, wages and social security of contractors' workers were jointly deliberated and finalized based on the recommendations of High Powered Committee consisting of the representatives of Central Trade Unions. This committee was constituted in accordance with the decision taken in the meeting with Central Trade Unions held on 16.04.2010 in presence of then Hon'ble Minister of State (I/C) & SPI and in pursuant of letter dated 28.03.2010 of Ministry of Coal.

CBM block after which the work as detailed in the Minimum Work Programme was taken up.

CMPDI has carried out deep slimhole drilling (depth range 1000 to 1400m) wherein, CBM related parametric data were generated. A report based on this drilling and other available drilling and gas related data has been prepared by CMPDI and submitted to ONGC which facilitated ONGC to drill exploratory and pilot wells.

Consequent to the completion of envisaged work in the exploratory and pilot phases, consortium of CIL & ONGC has submitted a Development Plan of the block having a budgetary outlay of ₹ 1137 crore for approval of the Government in August 2012. The development plan has been examined by a committee of CMPDI officials which found the project to be economically viable and the same was forwarded to CIL in March 2013 for taking a considered view regarding increasing stakes of CIL from 10 to 26% in terms of provisions of the Operating Agreement.

The consortium will undertake necessary developmental work after the approval of the development plan by the Government.

17.1.2 Raniganj CBM Block

The Govt. of West Bengal granted Petroleum Exploration License (PEL) for Raniganj CBM block in April 2004 after which the work as detailed in the Minimum Work Programme was taken up.

CMPDI has carried out deep slimhole drilling (depth range 800 to 1100m) wherein, CBM related parametric data were generated. A report based on this drilling and other available drilling and gas related data has been prepared by CMPDI and submitted to ONGC which facilitated ONGC to drill exploratory and pilot wells.

Consequent to the completion of envisaged work in the exploratory and pilot phases, consortium of CIL & ONGC has submitted a Development Plan of the block in October 2012 having a budgetary outlay of ₹ 957 crore for approval of the Government. The development plan has been examined by a committee of CMPDI officials which found the project to be economically viable and the same was forwarded to CIL in March 2013 for taking a considered view regarding retaining stakes of CIL upto 26% in terms of provisions of the Operating Agreement.

The consortium will undertake necessary developmental work after the approval of the Development Plan by the Government.

17.2 CBM and Shale gas related studies under Promotional Exploration during XII Plan

17.2.1 CBM related studies: CMPDI is carrying out studies related to "Assessment of Coalbed Methane Gas-in-Place Resource of Indian Coalfields/Lignite fields" through boreholes being drilled under promotional exploration (XII Plan period) under PRE funding of Ministry of Coal. This study will enlarge the CBM resource base of the country and facilitate delineation of more blocks for CBM development. A total of 60 boreholes (40 by CMPDI and 20 by GSI) are to be taken up for studies during the XII Plan Period with a total plan expenditure of ₹ 13.46 crore.

During 2012-13, 8 boreholes located in different coal/lignite fields were taken up for studies by CMPDI and samples collected for desorption and other tests.

Three reports based on CBM related studies carried out during XI Plan viz. "Assessment of CBM Gas-in-Place Resource in Sukli, Kapri block of Katol Coalfield and Mahanadi block of Talcher Coalfield" were submitted during 2012-13. Since April 2007, eleven reports have been submitted.

17.2.2 Shale gas related studies: CMPDI is carrying out studies related to "Assessment of Shale Gas-in-Place Resource of Indian Coalfields/Lignite fields" through boreholes being drilled under promotional exploration (XII Plan period) under PRE funding of Ministry of Coal. This study will create the data for assessment of shale gas potentiality and facilitate delineation of more blocks for Shale Gas development. A total of 25 boreholes are to be taken up for studies during the XII Plan Period with a total plan expenditure of ₹ 7.75 crore. During 2012-13, 4 boreholes were taken up for shale gas related studies.

17.3 Commercial development of Coal Mine Methane (CMM)

Commercial development of CMM is a priority area both at the Govt. and Coal Industry level. Successful implementation of the Demonstration Project at Moonidih mine of BCCL has already proved the efficacy of the process and five suitable areas within CIL mining leasehold areas were identified. Further, MoC has made CMPDI the Nodal Agency for development of CMM in India.

Under the aforesaid background, actions for commercial development were initiated and CMPDI, on behalf of CIL, had

floated Global Tender for selection of suitable developer for commercial development of CMM in 5 identified blocks (3 in BCCL and 2 in CCL) in April 2011. However, the tender was cancelled in view of observations of MoP&NG on certain issues. The matter was resolved in a meeting held between Adviser, MoC and Secretary, MoP&NG in August 2012 and a formal approval from the Govt. is awaited regarding operationalization of CMM development.

The matter was taken up with CCL and BCCL and consent of both the companies has been received.

17.4 Assessment of CMM potential related to large opencast mines

CMPDI carried out 'Assessment of CMM Potentiality in Dip-side area of Moher Sub-basin, NCL, Singrauli and CMM Potentiality in Dip-side area of Korba Coalfield, SECL' and further action for commercial development will be undertaken after the issue related to operationalization between MoC and MoP&NG is resolved.

17.5 Activities taken up by CBM Lab

CBM Lab has carried out the field desorption studies at the borehole sites in 8 boreholes during 2012-13 and has generated total gas content and gas composition data. In addition, studies have been carried out in 4 boreholes for assessment of shale gas potentiality.

CBM lab has also carried out Adsorption Isotherm (AI) test on 46 numbers of samples through in-house facility created in CMPDI in addition to carrying out Total Organic Carbon (TOC) analysis on 16 samples. Analysis of 928 mine air samples, received from different collieries of CCL, was also carried out and the results have been submitted.

17.6 CMM/CBM Clearinghouse in India

A CMM/CBM clearinghouse was established at CMPDI, Ranchi under the aegis of Ministry of Coal and US EPA on 17th Nov'08. The clearinghouse is functioning as the nodal agency for collection and sharing of information on CMM/CBM related data of the country and help in the commercial development of CMM Projects in India by public/private participation, technological collaboration and bringing financial investment opportunities.

The clearinghouse has been established with financial support from Coal India Ltd. on behalf of Ministry of Coal and US EPA. The website of India Clearinghouse, <http://www.cmmclearinghouse.cmpdi.co.in>, encompasses all the important information viz. EOI notifications, newsletters in addition to information regarding opportunities existing for development of CMM, VAM, etc.

The initial 3 years term for US EPA grant of clearinghouse had been completed in Nov.'11. Ministry of Coal has approved extension of term for further periods of 3 years on 31st August 2012 and US EPA has also given its consent for extension of terms of the clearinghouse.

17.6.1 Participation of CMPDI officials in GMI EXPO-13:

A high level CMPDI team comprising of CMD, CMPDI, Director (T/RD&T) and GM (CBM) along with Adviser (Projects), Ministry of Coal participated in the Expo-13 and other meetings of GMI as Government of India delegates from 12th to 15th March



2013. Government of India booth was also managed by CMPDI officials wherein posters highlighting the Government initiative in methane mitigation were showcased in addition to highlighting the opportunities of commercial development existing within CIL command areas. CMPDI team also presented the opportunities and challenges existing in the field of development of CMM.

18. Commercial development of Underground Coal Gasification (UCG) within CIL command area

CMPDI had floated tenders for commercial development of UCG in Kaitha Block (under CCL command area) and Thesgora 'C' Block (under WCL command area). The tenders received very good response and the offers were evaluated by a duly constituted Tender Committee of CMPDI having members from coal producing companies and recommendation sent to CIL. The matter was deliberated in the meeting of Functional Directors of CIL held in July/August, 2011 wherein, CMPDI was advised for re-tendering the same after revisiting the technical evaluation criteria.

Draft TSD was prepared and sent to CIL for approval. The draft TSD was deliberated in the meeting of FDs of CIL in January 2013 wherein it was desired that the representative of CMPDI would be invited in the meeting of FDs of CIL for discussion on the matter.

19. Delineation and preparation of Data-dossiers for DGH

19.1 Preparation of Data Dossiers for CBM Round V

DGH had awarded the consultancy work of 'delineation and preparation of Data Dossiers on prospective CBM blocks in Cambay basin, Singrauli and Johilla Coalfields for CBM Round V' to CMPDI in May 2011. Draft Data Dossiers on the identified 8 blocks were submitted to DGH in March, 2012.

The reports were initially deliberated between CMPDI and DGH officials and were finalized after the visit of a high level team of DGH to CMPDI in mid February 2013. The final reports on the blocks have been prepared by CMPDI and submitted in March 2013.

19.2 Delineation and preparation of Data-dossiers for six prospective Shale gas blocks within Gondwana Basin

DGH has assigned the consultancy work of 'delineation and preparation of Data Dossiers for six prospective Shale Gas blocks within Gondwana Basin' to CMPDI in May, 2011. Draft Data Dossiers on Raniganj, Jharia, Bokaro, South Karanpura, North Karanpura and Sohagpur basins were submitted in March 2012.

The reports were deliberated between CMPDI and DGH officials and the reports were finalized after the visit of a high level team of DGH in mid February 2013. The final reports have been submitted by CMPDI in March 2013.

20. R&D and S&T Projects

20.1 EU funded Research Project

CMPDI is one of the participating organizations along with IIT Kharagpur from India in the multi-national/multi-organization collaborative project titled "Greenhouse Gas Recovery from Coal Mines and unminable Coal beds and conservation of Energy(GHG2E)" which has been approved under the partial funding scheme of European Union Research Commission. The balance fund has been provided under CIL R&D scheme.

The CMPDI Project team attended the review meeting on progress of the work at Imperial College, London (UK) on 5th & 6th July, 2012 wherein UNECE observer was also present. The work carried out by CMPDI was appreciated in the meeting. The assigned CMPDI work packages were submitted to Imperial College of Mining in January 2013 as per schedule.

20.2 CIL R&D Project "Assessment of prospect of shale gas in Gondwana basin with specific reference to CIL areas"

Work on CIL R&D project "Assessment of prospects of shale gas in Gondwana basin with special reference to CIL areas" is in progress and collection of shale samples for qualitative analysis has been taken up and few shale samples have been sent to lab for Shale gas specific tests. In the meantime, facility for taking up Total Organic Carbon (TOC) Analysis has been created in the CMPDI lab under this project.

In addition, areas have been demarcated for assessing the prospectivity of shale gas within BCCL and CCL areas.

20.3 S&T Project on "Shale gas potentiality evaluation of Damodar basin of India"

A new S&T project regarding Shale gas potentiality of Damodar basin of India at an investment of ₹ 16.87 crore under S&T plan of Ministry of Coal (MoC) has been approved. The basic objective of the project is to evaluate Damodar basin for their shale gas potentiality through integrated geophysical, geological, geo-chemical and petro-physical investigations.

NGRI team visited CMPDI for discussion and collected shale samples from Kapuria, Singra and Mohuda blocks of Jharia Coalfield for studies of TOC, Rock Eval Pyrolysis, Carbon isotopic signatures and Biomarker. A team of NGRI visited CMPDI during March 2013 and explored the possibility of taking up 3D seismic survey in identified areas.

21. Geological Exploration & Drilling

CMPDI continued to carry out coal exploration activities in 2012-13 also, mainly in CIL and Non-CIL/Captive Mining blocks. Exploration in CIL blocks was taken up to cater to the needs of project planning/production support of subsidiaries of CIL whereas exploration in Non-CIL/Captive Mining blocks was undertaken to facilitate allotment of coal blocks to prospective entrepreneurs.

CMPDI has substantially improved the capacity of drilling during XI and XII plan periods. As against the achievement of 2.09 lakh metre in 2007-08, CMPDI has achieved 4.98 lakh metre in 2011-12 and 5.63 lakh metre in 2012-13, through departmental resources and outsourcing, registering a growth of 13% over previous year. For capacity expansion through modernization of departmental drills, 31 new Mechanical drills and 4 Hi-tech Hydrostatic drills have been procured, out of which 6 are deployed as additional drills and 29 as replacement drills. Supply order for 5 more Mechanical drills has been placed. CMPDI has also replaced 38 mud pumps and 46 trucks in the last four years. To meet the increasing work load, recruitment of Geologists/Mechanical Engineers was continued and 147 Geologist, 14 Geophysicist and 27 Mechanical Engineers were inducted through campus interview/open examination since 2008-09. Shortage of non-executive staff is being met through transfer of 246 employees from other subsidiaries of CIL.

Under outsourcing, the work of 36 blocks involving 13.66 lakh metre of drilling was awarded since 2008-09, out of which drilling has been concluded in 15 blocks. A long term MoU (5 Years), involving 1 lakh metre/annum of drilling, was also signed with MECL. The annual limit has further been enhanced to 1.5 lakh metres from 2012-13. To fulfill the enhanced requirement of coal core analysis due to increase in drilling, the capacity expansion of CMPDI & CIMFR labs has been taken up and MoU between CMPDI (on behalf of Coal India Ltd.) and CSIR for "Quality Evaluation of coal explored from different regions of India" was signed.

21.1 Drilling Performance in 2012-13

CMPDI deployed its departmental resources for exploration of CIL/ Non-CIL blocks whereas State Govts. of MP and Orissa deployed resources in CIL blocks only. Besides, five other contractual agencies have also deployed resources for detailed drilling/ exploration in CIL/Non-CIL blocks. 115 to 140 drills were deployed in 2012-13 out of which 53 were departmental drills. CMPDI continued the technical supervision of Promotional Exploration work undertaken by MECL in Coal Sector (CIL & SCCL areas)

and monitored the work of GSI for Promotional Exploration in Coal Sector (CIL area) on behalf of MoC.

In 2012-13, CMPDI and its contractual agencies took up exploratory drilling in 102 blocks/mines of 22 coalfields situated in 6 States. These coalfields are Raniganj (10 blocks/mines), Brahmani (1), Jharia (4), West Bokaro (2), East Bokaro (1), Ramgarh (2), South Karanpura (6), North Karanpura (4), Kamptee (7), Nand-Bander (3), Wardha Valley (5), Katol Basin (1), Sohagpur (7), Jhilla (1), Mand Raigarh (12), Korba (3), Bismampur (4), Sonhat (1), Tatapani-Ramakola (3), Singrauli (7), Talcher (12) and Ib Valley (6). Out of 102 blocks/mines, 35 were Non-CIL/Captive blocks and 67 CIL blocks/mines. Departmental drills of CMPDI took up exploratory drilling in 63 blocks/mines whereas contractual agencies drilled in 39 blocks/mines.

Under Promotional (Regional) Exploration Programme, MECL has undertaken Promotional drilling in 7 blocks (3 in Mand Raigarh, 1 in Wardha Valley and 3 in Godavari Valley), GSI has undertaken 12 blocks for Promotional drilling (4 in Talcher, 2 in Ib Valley, 3 in Sohagpur, 1 in Raniganj & 2 in Tatapani Ramakola) and DGM (Nagaland) has undertaken 1 block in Northern Khar for Promotional drilling in Coal Sector.

The overall performance of exploratory drilling in 2012-13 is given below:

Agency	Target 2012-13 (metre)	Performance of Exploratory Drilling in 2012-13			Achieved Prev. Year: 2011-12 (m)	Growth %
		Achieved (metre)	Achieved (%)	+/- (m)		
A. Detailed Drilling by CMPDI:						
i. Departmental	2,57,000	2,76,199	107%	+19,199	2,73,018	1%
ii. Outsourcing:						
State Govts.	8,000	7,397	92%	- 603	6,815	9%
MECL (MOU)	89,000	1,38,761	156%	+49,761	96,207	44%
Tendering (CIL blocks)	1,47,000	90,779	62%	-56,221	17,605	416%
Tendering (non-CIL blocks)	81,000	49,772	61%	-31,228	1,04,779	-52%
Total Outsourcing	3,25,000	2,86,709	88%	-38,291	2,25,406	27%
Total A:	5,82,000	5,62,908	97%	-19,092	4,98,424	13%
B. Promotional Drilling in Coal Sector:						
MECL	40,250	30,594	76%	-9,656	25,997	18%
GSI	13,750	14,702	107%	+952	17,872	-18%
DGM, Nagaland	500	328	66%	-172	289	14%
DGM, Assam	500	0	-	-500	0	-
CMPDI	3000	0	-	-3000	-	-
Total B:	58,000	45,624	79%	- 12,376	44,158	3%

*In 2012-13, a total of 3,35,342m drilling in CIL blocks and 2,27,699m in Non-CIL blocks were done

In 2012-13, CMPDI achieved its departmental and overall drilling targets by 107% and 97% respectively. The performance of departmental drilling was better than previous year with 1% growth and recorded average operational drills productivity of 434 m/drill/

month. Non-availability of permission to explore in forest areas and local problems (law & order) have affected the performance of outsourced drilling. MECL could not achieve the targets of Promotional drilling in coal sector due to forest problems.



21.2 Geological Reports:

In 2012-13, 15 Geological Reports (excluding GR for PR) were prepared on the basis of detailed exploration conducted in previous years. The prepared Geological Reports have brought about 3.3 Billion Tonnes of coal resources under 'Proved' category. Under Promotional Exploration Programme, CMPDI, GSI and MECL have submitted 9 Geological Reports on coal blocks, estimating about 3.7 Billion Tonnes of coal resources, in 'Indicated' category, above the specified thickness.

22. OUTSIDE – CIL CONSULTANCY SERVICES:

During the year 2012-13, 28 consultancy jobs were done for 20 organisations outside CIL. Some of the major clients/organisations for whom jobs were completed are Directorate General of Hydrocarbons, Manganese Ore (India) Ltd., National Thermal Power Corporation Ltd., Central Electricity Authority, Steel Authority of India Ltd., Mahaguj Collieries Ltd., Monnet Ispat & Energy Ltd, Jindal Steel & Power Ltd., etc.

Presently, 30 outside-CIL consultancy jobs are in hand for 18 organisations like Hindustan Copper Ltd., Manganese Ore (India) Ltd., National Thermal Power Corporation Ltd., Neyveli Lignite Corporation Ltd., Orissa Mining Corporation, Mahaguj Collieries Ltd., Baitarni West Coal Company Ltd., Jindal Steel & Power Ltd. Odisha Power Generation Corporation, Mahan Coal Ltd., etc.

During the year 2012-13, 32 outside-CIL consultancy jobs worth ₹ 35.08 crores from 20 organisations were received by CMPDI. This includes consultancy jobs worth ₹ 7.62 crores from M/s Odisha Industrial Infrastructure Development Corporation (IDCO) for preparation of "Comprehensive Master Plan for Talcher and Ib-Valley Coalfields".

23. RESEARCH & DEVELOPMENT PROJECTS

23.1 R&D Projects under S&T Grant of Ministry of Coal

The R&D activity in Coal sector is administered through an apex body namely, Standing Scientific Research Committee (SSRC) with Secretary (Coal) as its Chairman. The other members of this apex body include Chairman CIL, CMDs of CMPDI, SCCL and NLC, Directors of concerned CSIR laboratories, representatives of Department of S&T, Planning Commission and educational institutions, amongst others. The main functions of SSRC are to plan, programme, budget and oversee the implementations of research projects and seek application of the findings of the R&D work done.

The SSRC is assisted by a Technical sub-committee headed by CMD, CMPDI. The committee deals with research proposals related to coal exploration, mining, mine safety, coal beneficiation & utilisation and also the project proposals on mine environment and reclamation.

CMPDI acts as the Nodal Agency for co-ordination of research activities in the coal sector, which involves identification of 'Thrust Areas' for research activities, identification of agencies which can take up the research work in the identified fields, processing the proposals for Government approval, preparation of budget estimates, disbursement of fund, monitoring the progress of implementation of the projects, etc.

Total no. of S&T projects taken up (till 31.3.2013) - 378

Total no. of S&T projects completed (till 31.3.2013) - 305

23.2 Physical performance

During the first year of XII Plan period i.e. 2012-13, 3 projects have been completed by various agencies. The status of Coal S&T projects during 2012-13 is as under:

i)	Projects on-going as on 1.4.2012	14
ii)	Projects sanctioned during 2012-13	04
iii)	Projects completed during 2012-13	03
iv)	Projects on-going as on 1.4.2013	15

Following Coal S&T projects were completed during 2012-13:

- i) Development and optimization of coal bed recovery process for CO2 sequestration.
- ii) Treatment of acid mine water generated in Indian coal mines using low cost material.
- iii) Emission from coal based industries - development of predictive models.

23.3 Financial status

Budget provisions vis-à-vis actual fund disbursement during the period are given below:

(₹ in crores)

2011-12		2012-13	
RE	Actual	RE	Actual
10.62	9.64	11.40	11.53

23.4 CIL R&D Projects

For in-house R&D work of CIL, R&D Board headed by Chairman, CIL is also functioning. CMPDI acts as the Nodal Agency for processing the proposals for CIL approval, preparation of budget estimates, disbursement of fund, monitoring the progress of implementation of the projects, etc.

In order to enhance R&D base in command areas of CIL, CIL Board in its meeting held on 24th March 2008 has delegated substantial powers to CIL R&D Board and the Apex Committee of R&D Board. The Apex Committee is empowered to sanction individual R&D project upto ₹ 5.0 crore with a limit of ₹ 25.0 crore per annum considering all the projects together and CIL R&D Board is empowered to sanction individual R&D project upto ₹ 50.0 crore.

So far, 69 projects have been taken up under the funds of CIL R&D Board, out of which 41 projects have been completed till March, 2013.

The status of CIL R&D Board Projects during 2012-13 is as follows:

i)	Projects on-going as on 1.4.2012	-	24
ii)	Projects sanctioned during 2012-13	-	05
iii)	Projects completed during 2012-13	-	06
iv)	Projects on-going as on 1.4.2013	-	23

Following R&D projects were completed during 2012-13:

- i) GPS based production reporting system in OCP.
- ii) Development of CMPDIL capacity for delineation of viable coal mine methane (CMM) / Abandoned mine methane (AMM) blocks in the existing and would be mining areas having partly de-stressed coal in virgin coal seams.
- iii) Generation/analysis of coalfield wise database of physico-mechanical characteristics of rock/coal and representative numerical models for appropriate solution to strata control problems.
- iv) Development of guidelines for safe dragline dump profile under varying geo-engineering condition in opencast coal mines of Coal India.
- v) Eliminating the possibility of ignition of gas and incidences of explosion in underground coal mines due to electrical faults by application of innovative technology of fault diversion.
- vi) Development of indigenous tool for carrying out random sampling & testing of explosives and accessories used in mines of Coal India Limited.

The disbursement of fund for CIL R&D Projects during the year 2012-13 was ₹ 11.22 crore.

24. TELECOMMUNICATION SYSTEM

To fulfil the vision of Coal India Limited to become a Leading Global Player in energy Sector The Information & Communication Technology plays a crucial role. The Information & Telecommunication Technology has been identified as a core enabler in every aspect of Business. Aligning this function with IT strategy for overall business goal of CIL is of paramount importance. Continuous efforts are being made by CIL and its all subsidiary Companies in updating the Telecommunication & IT Solutions. In order to increase transparency, Process efficiency, optimization of operational cost along with increasing the Employee, Customer and Investor Satisfaction, the following major initiatives have been taken:-

1. CIL Board has approved implementation of Enterprise Resource Planning System along with Tele Communication Infrastructure at Coal India Limited and its Subsidiaries encompassing all areas ,Mines,Stores,Weighbridges,and Hospitals etc. to improve its operational and financial efficiencies. A committee has been constituted for implementation.
2. GPS based Operator Independent Truck Dispatch System (OITDS) with high speed data and voice communication along with GUI is in the final stage of commissioning in all eleven high production Opencast Projects to optimize the operation of Heavy Earth Moving Equipment and to enhance the production and productivity of the Mine.

An ambitious plan to commission GPS/GPRS based Vehicle Tracking System across all other major Mines of Coal India has been taken up .After a successful development trial at Viswakarma Mine of BCCL ,formal trial order has been placed for Kusunda Area for commissioning of Vehicle Tracking System.

3. E-Auction of Coal is in vogue through Service provider of CIL. Also E-Procurement of Goods & Services, E-Filing of grievances and E-Payments to Employees/Vendors are already in operation to embark upon the business processes through IT initiatives.

In order to improve Coal dispatch, actions are being taken to connect all weighbridges with Central Server of respective Subsidiaries. Connectivity to weighbridges of BCCL ,SECL mines are in place, while at other subsidiaries, viz,ECL,CCL,MCL etc is in different stages of completion.

4. The dedicated web portal of Coal India Limited has already been established in bilingual version with features viz Employees portal, Tender Publication, Online Grievance Registration, Posting, Investor Center, Customer Corner facility. The portal also facilitates online receipt of Career Applications for recruitment and Link to E-Procurement/E-Auction Service providers. Existing Corporate Mail Messaging System has been programmed to upgrade for 19500 Users i.e. all executives of Coal India & its Subsidiary Companies.
5. Considerable progress has been made in establishing network infrastructure for better Communication facility (Surface & Underground) for faster business process & quick refund of Coal value of unlifted quantities and earnest Money as per directive of MOC using State of Art Convergent Technology.
6. In order to meet the demanding business process, State of the Art IP base EPABX with support of convergent Technology (for voice and data), Radio Communication System and UG Communication System at different locations of Coal India & its Subsidiary companies are being installed

25. MINES SAFETY

Coal India Limited has always given the highest priority towards "Safety". Safety is considered as a part of its core production process and is embedded in the mission statement. CIL has framed well defined Safety Policy and formed multidisciplinary Internal Safety Organization (ISO) in every subsidiary company as well as at CIL (HQ) to monitor implementation of CIL's safety policy.

Accidents statistics is the relative indicator for safety status. Over the years, the safety performance in terms of accident rate has improved significantly.

- 25.1** This improvement in safety is attributed to the following factors:

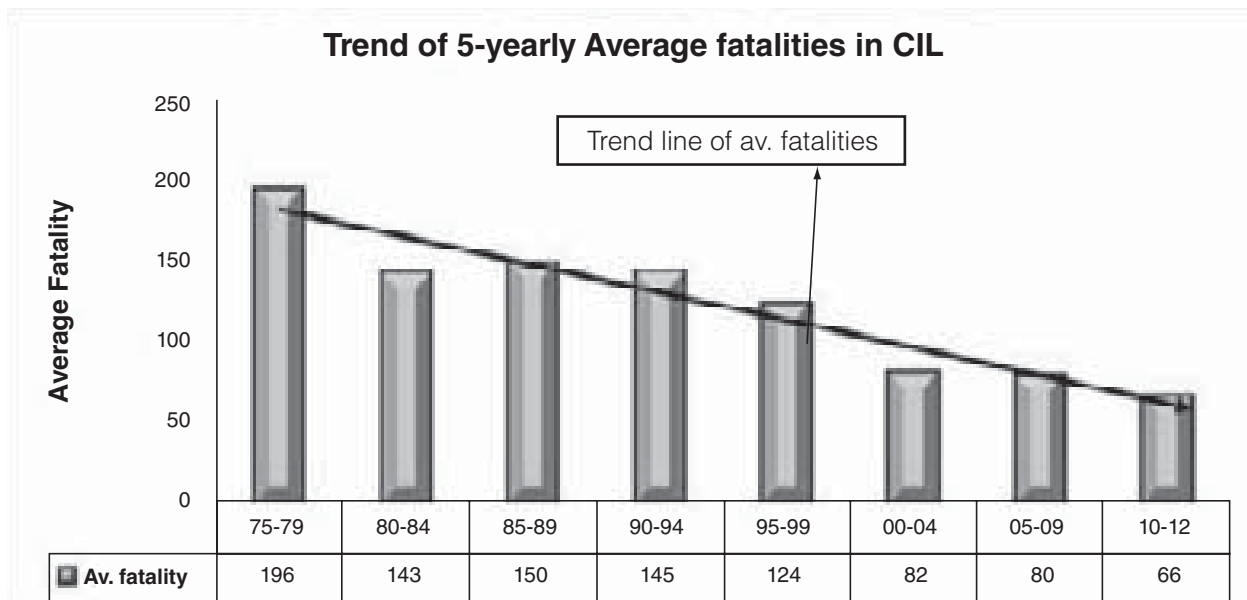
- Collective commitment and synergies shown by the management and workers
- Use of advanced and updated technology in the field of mining methods, machineries and safety monitoring mechanism.



- Continuous improvement in knowledge and skill of our workforce through imparting quality training and relentless safety awareness drives.
- Strong oversight and assistances from various quarters.

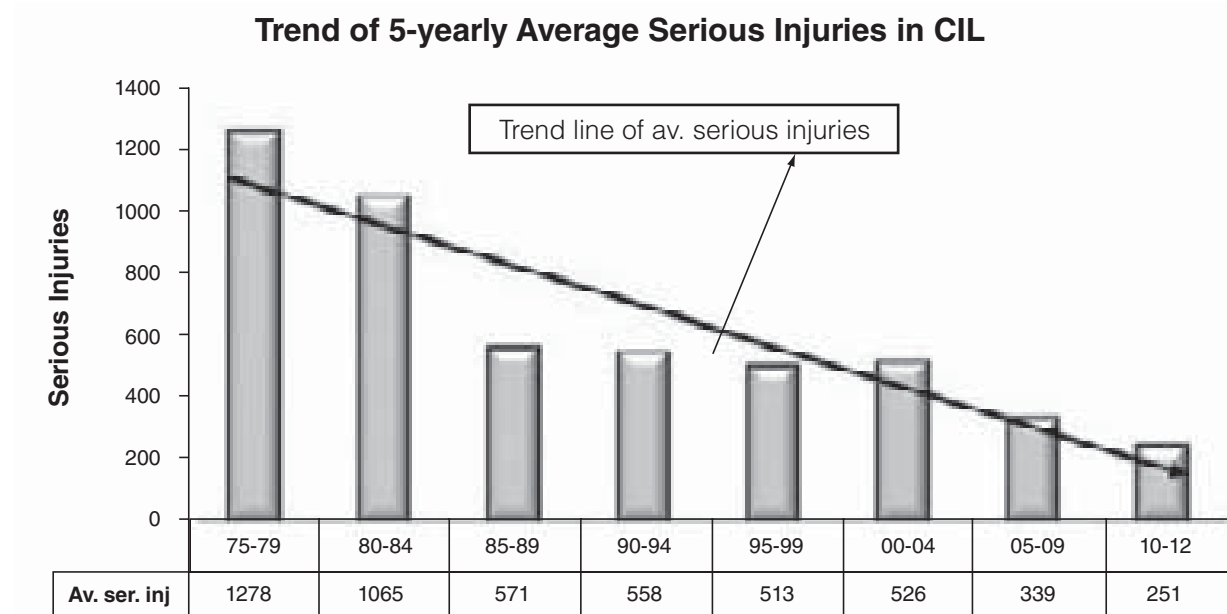
Salient features of continuous and sustained improvement in CIL's safety performance:

1. The average fatalities for every 5 years have shown a reducing trend since the inception of CIL in the year 1975 as is evident from the graph given below:



Note: Figures since 2010 are subject to reconciliation with DGMS

2. The average fatalities for the period 2010-12 has been reduced to 66 from the average 196 fatalities during the time period 1975-79.
3. The average serious injuries for 5 years time period in CIL since its inception upto 2012 has also shown a reducing trend as is evident from the graph below:

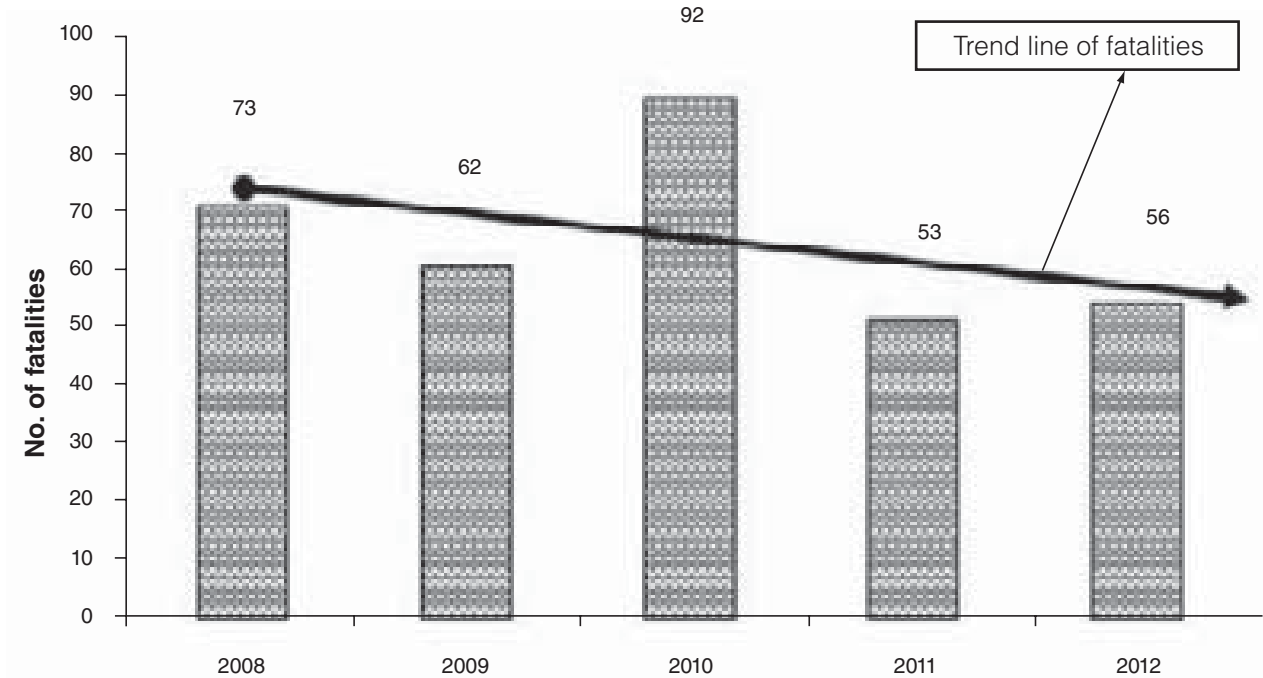


Note: Figures since 2010 are subject to reconciliation with DGMS

4. The average serious injuries have reduced more sharply than fatalities during the same period. As the figures of serious injuries are the precursor to fatal accidents and mine disaster, it indicates that there is considerable improvement in safety standards of our mines.

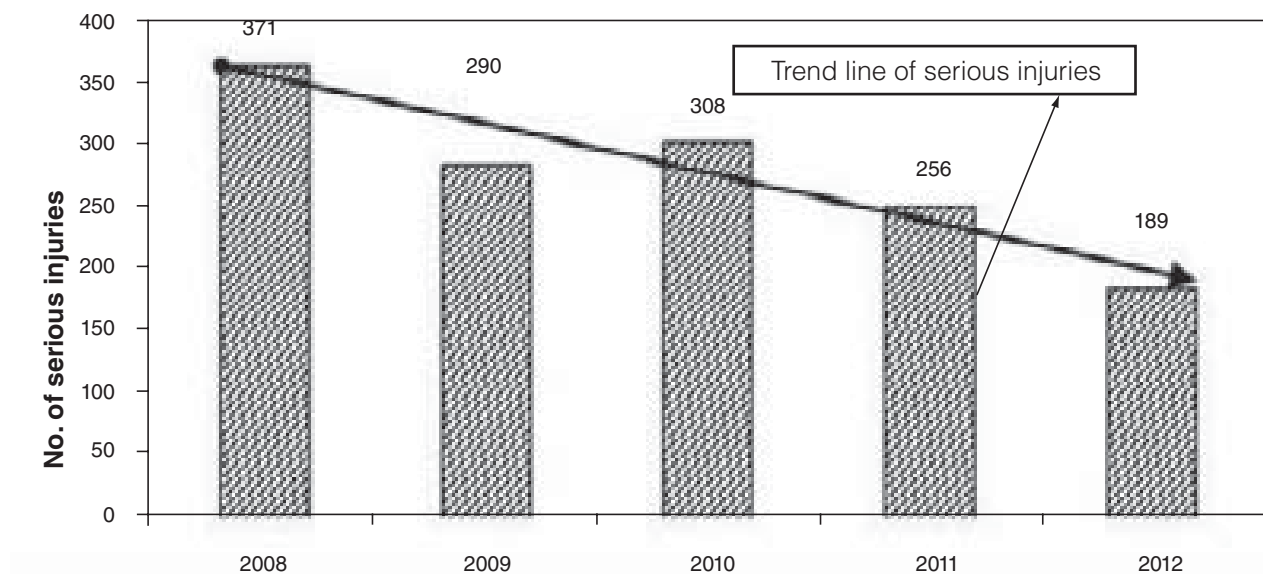
Analysis of trend of Accident Statistics of CIL for the last 5 years indicates overall improvement in safety performance in CIL.

- Reducing trend of Fatalities of CIL for the last 5 years.



Note: Figures since 2010 are subject to reconciliation with DGMS

- Reducing trend of Serious Injuries in CIL for the last 5 years.



Note: Figures since 2010 are subject to reconciliation with DGMS



Details of Accident Statistics in 2012 vis-à-vis 2011:

During the year 2012, there were 53 fatal accidents and 56 fatalities in CIL mines compared to 51 and 53 respectively in 2011. Thus, the number of fatal accidents and fatalities in 2012 compared to 2011 has marginally increased. However, serious accidents and serious injuries for the year 2012 compared to 2011 have reduced significantly to 183 & 189 respectively from 242 & 256 respectively. This is the lowest serious accidents and serious injuries since the inception of CIL.

A. Overall: - Accident Statistics for CIL in 2012 compared to 2011 are given below:

Sl. No.	Parameters	2011	2012
1	Numbers of fatal accidents	51	53
2	Numbers of fatalities	53	56
3	Numbers of serious accidents	242	183
4	Numbers of serious injuries	256	189
5	Fatality Rate per million ton of coal production	0.13	0.12
6	Fatality Rate per 3 lakhs manshift deployed	0.19	0.20
7	Serious injury Rate per million ton of coal production	0.60	0.42
8	Serious injury Rate per 3 lakhs man shift deployed	0.90	0.68

Note: 1. Accident Statistics are maintained calendar year-wise in conformity with DGMS practice

2. All figures are subject to reconciliation with DGMS

25.2: Major Activities of Safety & Rescue Division of CIL:

1. Inspection of mine to review safety status & follow up action thereby.
2. Prima-facie fact finding enquiry into major incidences such as mine fire, subsidence, in-rush of water, slope failure, explosion as well as major fatal accident.
3. Organizing meeting of CIL Safety Board and monitoring recommendations / suggestions made during the meeting.
4. Organizing meeting of National Dust Prevention Committee (NDPC) and monitoring recommendations / suggestions of NDPC.
5. Framing of internal technical circulars related to safety issues and monitoring implementation thereby.
6. Maintenance of accidents / major incidents statistics in Database.
7. Publication of Safety Bulletin for disseminating and sharing of knowledge in order to promote safety awareness and inculcate better safety culture.
8. Framing reply to coal mine safety related parliamentary questions including queries raised by different standing committees such as standing committee on energy, standing committee on labour, as well as questions raised by COPU, MOC, C&AG and VIPs.
9. Monitoring safety related R&D activities in CIL.

10. Imparting specialized training by SIMTARS accredited trainers to unit level and Area level executives who are directly engaged in ensuring safety in mine.

25.3 Actions taken for improvement in Safety in Mines undertaken in 2012

To improve the safety standard, CIL has vigorously pursued several measures in the year 2012 along with on-going safety related activities / initiatives apart from compliance of statutory requirements for safety, which are given below.

A. Mining Operation:

- Stress on introduction of Mass Production Technology in UG mines.
- More number of surface miner introduced to eliminate blasting operation in opencast mines to make mining operation more eco-friendly and safe.
- Introduction of High Wall Mining at Sharda Mine in Sohagpur Area of SECL
- Higher capacity HEMMs is being used.
- Mechanisation of drilling (for bolting) planned to be adopted in all mines in a phased manner.
- Phasing out of manual loading as per recommendation of 10th National Safety Conference in a phased manner

- Man Riding System (MRS) are being used in underground mines having long / arduous travel.
- Operator Independent Truck Dispatch System (OITDS) is being provided in large OCP.

B. Strata Management: Roof & Side fall is still one of the major causes of fatal accident and fatality in underground mines. Steps taken for better strata control monitoring are as follows:

- Use of more number of mechanised roof drilling machines.
- Switching over to use of resin capsules from cement capsules in a phased manner.
- Initiatives have been taken to develop device with appropriate audio-visual alarm to monitor the behaviour of overlying roof strata.
- Several roof-monitoring devices have been developed at Area / Mine level workshop and tried in underground mines.

C. Spontaneous heating, fire & explosion in mine:

- Expedite construction of sectionalisation stoppings.
- Fresh Pressure Quantity(PQ) Survey for checking efficacy of ventilation
- Initiated action to introduce more number of Gas Chromatographs in addition to conventional method of mine air sampling
- Use of Local Methane Detector (LMD) for early and accurate detection of methane.

D. Opencast Safety:

- Slope Stability Radar (SSR) are being installed in large OCP.
- Training Simulator for training of dumper operators.
- Installation of Proximity devices in dumpers
- Using rear view camera in tippers and dumpers

E. Safety R&D initiatives at CIL (HQ) level:

- Construction of quick setting stopping in case of fire in UG mines by using expansion foam agent.
- Development of notch cutting machine to facilitate speedy cutting of recess for construction of stopping in UG.
- Eliminating the possibility of ignition of gas and incidences of explosion in UG mines due to electric fault by application of innovating technology of fault diversion.

F. Occupational Health Services:

- Computerization of health records / Medical history of employees for effective medical care.
- Organizing Wellness Clinic at different subsidiary.
- Free health examination of all the contractual workers.

- Organizing Conference on Occupational Health to enhance awareness.

G. Safety Training & Others:

- Training programme was arranged by CIL with SIMTARS, Australia to develop trainer for imparting safety training. 20 executives were trained (10 each for UG and OC mines). These executives are being used for imparting the specialized training on "Preparation of Safety Management Plan (SMP) based on Risk Assessment". So far, 1412 executives from 446 mines of different subsidiary companies of CIL have already been trained and these trained unit / mine level executives are imparting further training to supervisor and workers of grass root level for disseminating the knowledge and skill. Risk assessment Safety Management Plan (SMP) based on training imparted by SIMTARS accredited trainers is under process in all mines of CIL and completed in 197 mines of CIL.
- Digitization of mine plan.
- Introduction of LED type light weight cap lamp

26 MINES RESCUE SERVICES

A well-equipped Rescue Service Organization staffed by rescue personnel trained in modern training galleries and equipped with modern rescue equipment is maintained by the subsidiary companies of CIL. At present there are 6 Rescue Stations, 15 Rescue Rooms-with-Refresher Training facilities and 18 Rescue Rooms in CIL.

27. HUMAN RESOURCE DEVELOPMENT

27.1 Overall Performance

HRD performance was more than MoU Target. CIL and its subsidiaries have trained 58541 employees during 2012-13, out of which 18560 were executives and 39981 were non-executives. These trainings include in- house training (training at subsidiary training centers and also at IICM), training in other reputed institutes outside the company and training abroad.

27.2

i) In-house Training

The In-house trainings were organized at subsidiary HQs., 27 Training Centers and also 102 VT Centers across Coal India and also at IICM. Respective HRD Division organized these trainings after assessing the training need of employees within the subsidiary. Special attention was given for improving skill of the employees keeping in mind the need of the Industry. Details of in-house Training are listed below:-

Category	Training	Short Training	Workshop/ Seminar	Total
Executive	6229	4654	5006	15889
Non-executive	28718	9409	660	38787
Total	34947	14063	5666	54676



ii) Training Outside Company (Within the Country)

Besides in-house training at our Training Institutes, VT centers and IICM, employees were trained within the country at reputed training institutes, in their respective field of operations and also for supplementing our in-house training efforts. The break-up is given below:-

Category	Training	Short Training	Workshop/ Seminar	Total
Executive	1390	847	402	2639
Non-executive	800	65	329	1194
Total	2190	912	731	3833

iii) Training Abroad

Coal India had sent 32 executives viz. 11 for training and 21 for Seminar\conference to different countries from subsidiary companies and CIL (HQ) during the year 2012-13.

27.3 Initiatives

- CIL has been recruiting fresh and dynamic young bloods in different disciplines for the last few years. This year, 1454 Management Trainees (Direct recruitment through examination 785 & through campus selection 669) have been recruited in all major disciplines. Special attention has been given in grooming these young and energetic persons in their respective fields throughout the year. In addition to the introductory concept on Coal Industry, they have been trained on basic Management Techniques (MAP) and also in their respective Technical fields (TAP) through regular courses organized at IICM with the reputed faculties. Special attention has also been given in tuning them in their respective specialized working areas by on-the-job training throughout the year. Their probation is closed after appearing for the examination at the end of first year successfully.
- As MTs of Excavation and E&M disciplines are posted in different Coal Mines, to provide them proper exposure to Mining Operations as well as Mining Equipments (both surface and underground) 5 weeks intensive training in different batches for a total of 289 MTs was organized at Indian School of Mines, Dhanbad, the premier Mining Institute of our country.
- 2 senior executives were sent to Japan to attend 8 days training programme on "Clean Coal Technology"
- 5 middle level executives were sent to China to attend 20 days training programme on "Fully Mechanized Coal Mining Technology 2012"
- 72 executives have been given certified training in Project Management at IICM and other renowned Institutes.
- 60 executives have been given certified training in Contract Management at IICM and other reputed Institutes.

- Six months Advanced Certificate Course on Business Valuation & Corporate Restructuring was organized in association with The Institute of Cost Accountants of India for 11 finance executives of CIL Hqrs.

28. MANPOWER

28.1 The total manpower of the Company including its subsidiaries as on 31.03.2013 is 3,57,926 against 3,71,546 as on 31.3.2012. Subsidiary company wise position of manpower is as below :-

Company	As on	Total
ECL	31.03.2013	74276
	31.03.2012	78009
BCCL	31.03.2013	61698
	31.03.2012	64884
CCL	31.03.2013	48126
	31.03.2012	50026
WCL	31.03.2013	54960
	31.03.2012	56989
SECL	31.03.2013	73718
	31.03.2012	76078
MCL	31.03.2013	22065
	31.03.2012	22023
NCL	31.03.2013	16073
	31.03.2012	16329
NEC	31.03.2013	2376
	31.03.2012	2538
CMPDIL	31.03.2013	3142
	31.03.2012	3129
DCC	31.03.2013	551
	31.03.2012	562
CIL(HQ)	31.03.2013	941
	31.03.2012	979
CIL as a whole	31.03.2013	357926
	31.03.2012	371546

28.2 The presidential directives for Scheduled Caste/Scheduled Tribes/OBC have been implemented in all the subsidiaries/units of Coal India Limited.

The representation of SC/ST employees in total manpower of CIL and its Subsidiary Companies as on 1.1.2012 and 1.1.2013 are given below :-

As on	Total Manpower	Scheduled Caste Nos.	Scheduled Caste Percentage	Scheduled Tribe Nos.	Scheduled Tribe Percentage
1.1.2012	374650	77885	20.79	45424	12.12
1.1.2013	361348	74780	20.69	43342	11.99

STRIKES AND BANDHS

Company	No. Of Strikes/Bandhs		No. of other incidents		Mandays lost		Production Lost	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
ECL	2+0	2+1	31	6	41462	27427	71000	24100
BCCL	2+0	2+1	5	7	6935	7557	9825	19700
CCL	2+0	2+1	110	61	30801	4165	118976	00
WCL	2+0	2+1	0	2	32937	40366	90976	201800
SECL	2+0	2+1	0	0	49563	56571	93362	239000
NCL	2+1	2+1	0	12	10843	1769	116000	73500
MCL	2+0	2+1	0	0	16758	1617	309300	00
NEC	2+0	2+1	0	0	1737	198	600	00
CMPDI	2+0	2+1	0	0	1347	677	503	00
CIL	2+0	2+1	0	0	00	60	00	00
Total	2+1*	2+1	146	88	192383	140407	810542	558100

Bandh- On 31.5.2012, All Political Parties called 24 hours Bharat Bandh on political issue/price hike.

Strike – 2 days All India General Strike on 20th & 21st Feb., 2013 called by INTUC, AITUC, CITU, HMS & BMS over the National issues

30. EMPLOYEES' WELFARE AND SOCIAL SECURITY SCHEMES

EMPLOYEES WELFARE

The focus of Welfare Activities is the well-being of employees and their families. The coal companies are paying greater attention to the welfare of their workers. Every effort is being made to improve the living conditions of the coal miners. In order to create a sense of belonging and involvement in work, top priority is given by the management to provide housing, medical, educational facilities, sports & cultural facilities etc.

- 1) Structured Sports Policy of CIL and its subsidiaries, Memorandum of Association and Regulation and Registration under West Bengal Societies Registration Act 1961 have been framed and approved by CIL Board.

During 2012-13 initiative was taken for preparation of structured Sports Policy of CIL and its subsidiaries, Memorandum of Association and Regulation and Registration under West Bengal Societies Registration

29 INDUSTRIAL RELATIONS AND EMPLOYEES' PARTICIPATION IN MANAGEMENT

The Industrial Relations scenario in CIL & its subsidiaries during the year remained cordial. JCCs and different Bipartite Committees at Unit/Area levels and Subsidiary (HQ) levels continued to function normally. Meetings of Standardisation Committee and Apex JCC were held at regular intervals at CIL.

Strikes and Bandhs

Company-wise details of strikes, mandays lost and production lost and other incidents are furnished in the following table :-

Act 1961 which was approved by CIL Board in its 296th meeting held on 25th March 2013.

The objective of the policy are as under:-

- a) To formulate the policy for promoting excellence in sports at State, National/International levels and use these efforts as a vehicle to enhance the image of the company through the sports persons as Brand Ambassador.
- b) To promote, develop and control the various Sports/Recreational/Cultural activities & to foster the spirit of sportsmanship and solidarity amongst the employees of Coal India and its subsidiaries.
- c) To advise and assist in the improvement and construction of sports Academy/grounds/ Clubs/Auditorium & to allocate funds for various Sports Activities within Coal India and its subsidiaries.
- d) To conduct and support various sports Meets & other sports activities within CIL and its subsidiaries as well as outside the Company, by either sponsoring such activities



or by inviting outstanding sports persons to participate in combined Coal India Teams.

- e) To affiliate itself to National Sports Federations/Associations and other appropriate institutions in sporting/recreational/cultural activities & to act as a Central Body.
 - f) To recommend to CIL Management, regarding recruitment of young, promising and outstanding sportspersons and promotion of existing reputed players associated with CIL and its subsidiary companies.
 - g) To raise national level teams in identified games through scientific coaching, providing state-of-the-art equipment and infrastructure.
 - h) To generate corporate goodwill and brand equity by sponsoring / co-sponsoring various sports/ games events at State, National and International level.
 - i) To liaise with National and State Association / Bodies/ Federations promoting sports, games and cultural activities within India with a view to further sports centric objectives of the Company.
- 2) Implementation of Revised Contributory Post Retirement Medicare Scheme for Executive (CPRMSE) of CIL and its subsidiaries.
- a) Board of Directors of CIL in its 289th Meeting held on 18.09.2012 has approved the modifications/additions in the Contributory Post Retirement Medicare Scheme for Executives of CIL and its Subsidiaries (CPRMSE).

The reimbursement charges for hospitalization (Indoor treatment) as per CPRMSE has been enhanced to ₹ 25 Lakhs or ₹ 12.5 Lakhs as the case may be with immediate effect. There will be no limit for specified diseases as mentioned in Clause 3.2.1 (d) of the Scheme, which will not be accounted against the amount of ₹ 25 lakhs or ₹ 12.5 Lakhs as the case may be.

Further, annual charges for domiciliary/Outdoor treatment expenses has also been raised from ₹ 7,500/-, ₹ 10,000/- to ₹ 15,000/- payable in two instalments.

The Contributory Post Retirement Medicare Scheme for Executives of CIL and its Subsidiaries (CPRMSE) as modified is published in website www.coalindia.in

- b) 1534 CPRMSE Registered Medical Card has been issued as on 31.03.2013, out of which 241 additional registered Medical Card issued to the retired executives for Outdoor/ domiciliary treatment as well as Indoor treatment.

3) HOUSING:

At the time of nationalisation, there were only 1,18,366 houses including sub-standard houses. The availability of these houses has increased to 3,99,329 (as on 31.03.2013). The percentage of housing satisfaction has now reached 100%.

4) WATER SUPPLY:

As against 2.27 Lakhs population having access to potable water at the time of Nationalisation, presently a populace of 21.17 Lakhs (as on 31.03.2013) has been covered under water supply scheme.

5) MEDICAL FACILITIES:

Coal India Ltd and its subsidiaries are extending medical facilities to its employees and their families through various medical establishments from the Dispensary level to the Central and Apex Hospitals in different parts of the coalfields.

There are 85 Hospitals with 5,806 Beds, 411 Dispensaries, 664 Ambulance and 1426 Doctors including Specialists in CIL and its subsidiaries to provide medical services to the employees. Besides 11 Ayurvedic Dispensaries are also being run in the Subsidiaries of Coal India Limited to provide indigenous system of treatment to workers.

In addition, subsidiary companies have also been organizing different medical camps for the benefit of the villagers/community. Special emphasis has also been given on Occupational Health, HIV/AIDS awareness programme for the employees and their families.

More over, medical facilities are provided to the peoples residing in and around mines premises of the subsidiary companies of CIL.

6) EDUCATIONAL FACILITIES:

The primary responsibility of providing educational facilities lies with the State Governments. However, the subsidiary companies of CIL have been providing financial assistance and infrastructure facilities to certain renowned schools like DAV Public Schools, Kendriya Vidyalaya, Delhi Public School etc to impart quality education.

Coal India Scholarship Scheme (Revised – 2001)

In order to encourage the wards of employees of Coal India Limited, two types of Scholarship namely Merit and General Scholarship, are being provided every year under the prescribed terms and conditions.

Scholarship:

No. of students, who have been getting Scholarship and No. of students of IIT, NIT and short listed Institutions, whose tuition fee and Hostel charges are reimbursed are as under:-

Company	No. of Scholarship Awardees	No. of students in IITs, NITs and others
ECL	1165	61
BCCL	1502	17
CCL	1520	16
WCL	4936	97
SECL	3196	198
MCL	1508	56
NCL	956	105
CMPDIL	327	24
Total	15110	574

Grant sanctioned for Schools:

Company	Amount (Figs. in Lakh ₹)
ECL	30.00
BCCL	85.50
CCL	1984.00
WCL	888.00
SECL	4238.00
MCL	1551.17
NCL	28.23
CMPDIL	1.00
Total	8805.90

7) Statutory Welfare Measures:

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

8) Non-statutory Welfare Measures:

Co-operative Stores and Credit Societies:

In order to supply essential commodities and Consumer goods at a cheaper rate in the Collieries, 24 Central Co-operatives and 128 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 181 Co-operative Credit Societies are also functioning in the Coal Companies.

9) Banking Facilities:

The Management of Coal Companies are providing infrastructure facilities to the various Nationalised Banks for opening their Branches and Extension Counters in the Coalfields for the benefit of their workers. Workers are educated to draw their salaries through 463 Bank branches/ Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

10) Welfare, Development and Empowerment of Women

In Coal India Limited there is a Forum for Women in Public Sector Cell at Company Headquarter- Kolkata and five subsidiary companies viz. ECL, BCCL, CCL, SECL & CMPDI. Each WIPS Cell is headed by a Coordinator who plans and executes various activities of the Forum with the help of a duly appointed Executive Committee. The company extends active support to various activities of WIPS comprising of welfare activities, training & development activities, seminars, cultural programmes, industrial awareness visits, health awareness programme etc for the WIPS members, women workers, their families and society at large.

Coal India Ltd and its subsidiary companies are extending full fledged support and patronage to the National Conference of

Forum of WIPS held every year in February at predetermined locations by sponsorship of the event, nomination of maximum number of delegates and also by competing for the BEST ENTERPRISE award. As a matter of fact, in previous years SECL, ECL & BCCL have won the coveted award for outstanding women oriented/gender friendly activities. In recent years, WIPS cell have done commendable work in reaching out to the grassroot level women employees, empowering them by suggesting gainful redeployment, training and uplifting their morale by recognizing outstanding achievement, recognizing and honouring the exceptional talent.

11) Corporate Social Responsibility (CSR):

Coal India Limited has a well-defined CSR policy based on the guidelines issued by Department of Public Enterprise for Central PSUs on CSR, which is also applicable in respect of subsidiary companies of CIL. The CSR policy is operational within the radius of 25 KM of the project site and areas including Head Qtrs. Further CSR activities are also undertaken beyond mining areas within the respective state with the approval as per norms. CIL being a holding company, execute CSR activities which are beyond the jurisdiction of subsidiary companies

The annual budget for CSR is allocated based on 5% of retained earnings of previous year subject to minimum of ₹ 5 per tonne of coal production of previous year. In respect of CIL 2.5% of retained profit of last year is allocated for execution of CSR activities. During 2012-13, an amount of ₹ 595.74 Crores (including spill over) has been allotted for undertaking CSR activities of Coal India Limited and its subsidiaries.

12) Special Cash Award:

During 2012-13, an amount of ₹ 1,64,000/- has been provided as Special Cash Award to 30 meritorious Sons and Daughters of employees of CIL(Hqrs.), Kolkata Desk Offices of subsidiary companies and Dankuni Coal Complex @₹ 7,000/- for seven(07) students who have secured 90% or above marks in Class-XII Board level examination and @₹ 5,000/- for twenty-three (23) students who have secured 90% or above marks in Class-X Board level examination.

13) Recreational facilities:

Apart from the existing Holiday Homes running at Puri, Digha, Goa, Manali, Katra, Ajmer, Nainital, Haridwar, Gangtok, Pelling and New Delhi, Darjeeling has also been included in the list during 2012-13 which are available to the employees of CIL and its subsidiaries at a subsidized rate.

14) CIL Welfare Board Meeting.

40th meeting of Coal India Welfare Board was held on 4th May 2012 at Bangalore with the Central Trade Union Representatives and the representatives of the Management to discuss and decide regarding welfare policies, implementation of different welfare scheme in CIL and its subsidiaries.

31. TREE PLANTATION/ AFFORESTATION.

In order to improve the environment, Coal India Limited and its subsidiaries have planted 15.86 lakhs tree saplings during 2012-13



in the Coalfields under plantation/ afforestation programme. In total, subsidiaries of Coal India limited have planted around 78 million of plant over a land area of over 33700 ha upto 31st March, 2013.

32. PROGRESSIVE USE OF HINDI.

Coal India Limited continued its efforts to propagate and spread the progressive use of Hindi during the period under review. The management of Coal India Limited is committed to implement the provisions of Official Languages Act, Rules and Regulations. For this, periodical meetings and reviews are being conducted regularly.

With a view to create working atmosphere in Hindi and to remove hesitation of officers and employees to work in Hindi, Hindi Workshops were organized regularly. During the year, substantial number of persons participated in such workshop, to refresh their knowledge in Hindi Words, Hindi noting & drafting in their regular official works.

As per directives of Govt. of India, Hindi Divas was celebrated on 14th September 2012 at Coal Bhawan. Starting from 14th September, Hindi Fortnight was observed in all offices of Coal India Ltd. During the fortnight Hindi competitions such as Hindi Noting-Drafting, Hindi Essay, Hindi Dictation, Hindi Translation & Hindi Computer Typing were organized where large no. of employees participated enthusiastically. The winners were honoured with Cash awards & certificates. This brought collective awareness towards use of Rajbhasha in Official Works. The Regional Sales Offices situated in different cities were granted sufficient fund to celebrate Hindi Divas & Hindi Week/Fortnight as per their practice. In order to promote Hindi HASYA KAVI SAMMELAN was organized on 07.12.2012 at Rohini Housing Complex, Ultadanga, Kolkata where large number of members were present.

With a view to promote Hindi knowledge among the employees, 10 sets of 09 reputed Hindi magazines are being distributed to different departments/sections. Each & every computer has a facility to work bilingually. "Smirity Puraskar Yojna" has been introduced in CIL HQ including subsidiaries/subordinate offices to promote the Official use of Hindi.

Inspection of offices is also a part of implementation. The 3rd sub committee of Committee of Parliament on Official Language inspected CIL Delhi office on 29.06.2012 to oversee the status of use of Hindi in Official work. In addition, the officials of Rajbhasha Vibhag, Coal India Ltd. have also inspected some subordinate offices with a view to oversee the status of the implementation of Official Language. The shortcomings seen during the inspection were corrected & concerned officials were advised to do more work in Hindi as per the instruction given in the Annual Programme.

Another feather in the cap during the period under review is that Coal India Ltd bagged second prize in the Corporate Offices Category for the best implementation of Official Language Policy of the Union by Town Official Language Implementation Committee (PSUs), Kolkata during its half yearly meeting-cum-Prize distribution ceremony held on 30.08.2012. Coal India Ltd has been awarded "Rajbhasha Shiromoni" shield Samman in the field of the best performance towards implementation of Rajbhasha in accordance with the Official Languages Act & Rules by Bhartiya Bhasha Awan Sanskriti Kendra, Delhi on 31.10.2012 at Guwahati.

33. VIGILANCE SET UP

During the year 2012-13, 29 Intensive Examination of Works/ Contracts were undertaken by CIL and its subsidiary companies. In addition, 226 Surprise Inspections were carried out and 460 investigation cases were completed. Besides, 86 Departmental Inquiries were disposed of which resulted in punitive action against 158 officials of CIL and subsidiary companies. Such examinations/investigations have resulted in initiation of various system improvement measures.

As per directives of Central Vigilance Commission, Vigilance Awareness Week – 2012 (VAW- 2012) has been observed at CIL Hqrs., Kolkata from 29.10.2012 to 03.11.2012. The pledge was read in the Board meeting held on 19.10.12. System Improvement Suggestions were invited from all employees and the suggestions received were analysed and examined. Banners and Posters were specially designed and published for Vigilance Awareness Week and displayed on important locations in all departments. On 31.10.12, Group discussion on "Promotion of transparency and objectivity in awarding contracts/ works /services/tenders etc" was organized at different departments of CIL, with an aim to enhance the transparency in procurement process in organisation. In house contest/ competition were organized and entries received from employees and their family members of different departments of CIL HQ, IICM, NEC and RSOs during the VAW-2012 for Creating a Slogan and Essay writing competition. On 02.11.12, an Open Interactive Session with special emphasis on this year theme "Transparency in Public Procurement" was held. During the session Chief Guest and others deliberated the importance to ensure transparency and strict adherence to laid down guidelines and procedures for public procurement of goods, works and services. During the session, a presentation on Salient features of Public Procurement Bill, 2012 tabled in Parliament, was made by CVO, CIL.

Whistle Blower Vigilance Complaint At Coal India limited :

The Whistle Blower Vigilance Complaint (WBVIG), a web based complaint/grievance handling system of Vigilance Division, Coal India Limited has been set up for disclosure on any allegation of corruption or misuse of office where identity of the complainant is kept secret. This is based on Gol resolution on Public Interest Disclosure and Protection of Informer (PIDPIR), popularly known as Whistle Blower policy. The introduction of this system strengthens the complaint handling mechanism of CIL, Vigilance Division without any additional infrastructure and also encourages the stake holders to participate in anti corruption efforts. This also supports the green initiatives and technology leveraging for achievement of organizational goals.

34. PARTICULARS OF EMPLOYEES.

No Employee had received remuneration during the year 2012-13, either equal to or in excess of the limits prescribed under Section 217(2A) of the Companies Act,1956 read with the Companies (Particulars of Employees)Rules,1975 as amended.

35. BOARD OF DIRECTORS

Shri S.Narsing Rao assumed the charge of Chairman cum Managing Director of the company from 24th April 2012. Ms. Zohra Chatterji, Additional Secretary, MoC was holding the additional charge of Chairman cum Managing Director, CIL from 01.02.2012 and continued till 23rd April 2012.

Shri R.Mohan Das, Director (P&IR), Shri N.Kumar Director (Technical) were on the Board throughout the year. Shri A.K.Sinha, Director (Finance) continued till 31st Oct' 12. Shri B.K.Saxena assumed the charge of Director (Marketing) with effect from 19th June 2012. Shri A.Chatterjee assumed the charge of Director (Finance) with effect from 1st November 2012.

Ms. Zohra Chatterjee, Additional Secretary, MoC continued as a part-time official Director on the Board till 1st February 2013 Ms. Anjali Anand Srivastava, Joint Secretary & Financial Advisor, continued as a Part Time Director throughout the year.

During the year Prof. S.K.Barua, Dr A.K.Rath, Shri Kamal R Gupta, Dr. (Smt) Sheela Bhide, Dr. R.N.Trivedi, Ms. Sachi Chaudhuri & Dr. Mohd. Anis Ansari continued as Independent Directors.

Shri D.C.Garg, CMD, WCL continued as a permanent invitee on the board throughout the year. Shri A.K.Singh, CMD, CMPDIL continued as a permanent invitee till 31st July 2012. Shri D.P.Pande has been appointed as a permanent invitee on the board with effect from 12th July 2012 and continued as a permanent invitee for the balance period of financial year.

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

The Board of Directors held 15 meetings during the year 2012-13.

36. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956, read with the Significant Accounting Policy at Note 33 and additional Notes on Accounts at Note 34 forming part of Accounts (CIL-Standalone 2012-13), it is confirmed:

- i) That in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that no material departures have been made from the same;
- ii) That such Accounting policies have been selected and applied consistently through judgments and estimates that are reasonable and prudent, to give a true and fair view of state of affairs of the company at the end of the financial year and profit & loss of the company for that period;
- iii) That proper and sufficient care have been taken for 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; and
- iv) That Annual Accounts have been prepared on a going concern basis.

37. ACCOUNTS OF THE SUBSIDIARIES.

In terms of General Circular No. 2/ 2011 dated 8th Feb 2011 from Ministry of Corporate Affairs that Annual Accounts of the subsidiary companies and the related information shall be made available to the shareholders seeking such information.

38. COST AUDIT

In pursuant to the directions of Central Govt. for conducting Cost Audit of Cost Records, the proposal for appointment of M/s S.P.

Bhattacharya & Co., Cost Accountants as Cost Auditor of your company for the year 2012-13 was approved by the Central Govt. and they have accordingly been appointed. The Cost Compliance Report for the year 2011-12 was filed by your company on 9th January' 2013.

39. B.I.F.R AND BRPSE STATUS

39.1 Eastern Coalfields Limited (ECL)

As on 31st March, 1997 accumulated losses of the company exceeded its networth by ₹ 251.20 crores. Hence company was referred to BIFR in October, 1997 in terms of Section 15(1) of SICA. Due to financial restructuring done by CIL on 31st May 1998 by converting unsecured loan of ₹ 1179.45 crore into equity, the net worth of the company became positive as on that date and company came out of BIFR. Since the company continued to incur losses year after year, the networth of the company again became negative as on 31st March, 1999 and the company was again referred to BIFR in November, 1999. Company's case was registered as case no. 501/2000.

In the 237th ECL board meeting held on 5th August, 2010 ECL board approved a Draft Modified/Revised Proposal (DMRP) – June, 2010 for revival of ECL. BRPSE reviewed the ECL's case on 27th August, 2010. Company presented the DMRP (June, 2010). BRPSE advised the company to revise the physical and financial projections by exploring the possibility of advancing the project completion to enable the company to come out of BIFR earlier. Hence the revised DMRP (November, 2010) was prepared with a cut-off date of 31st March, 2010. As per DMRP (November, 2010) the company was expected to come out of BIFR in 2014-15. The revised DMRP (November, 2010) was submitted to BIFR in its meeting held on 22nd November, 2010. As advised by BIFR, the Monitoring Agency got the TEV study conducted by a consultant.

In the hearing held on 08.06.2011, BIFR directed the company to serve a copy of DMRP and TEV Report to all the stake holders, advised MA to call a joint meeting of all the stakeholders within four weeks and submit a report if any on the DMRP and TEV Report vis-à-vis the suggestions of other stake holders within six weeks. The directions of BIFR were complied with.

As advised by BIFR in its hearing were held on 02.09.2011, DMRP, September, 2011 was submitted. As per the revised DMRP of ECL- September, 2011, the net-worth of the company is slated to become positive in 2015-16. Effective steps have been taken to implement the revival plan and it is expected that the company will come out of BIFR by 2015-16.

39.2 Bharat Coking Coal Limited (BCCL)

BCCL was referred to BIFR, consequent upon its net worth becoming negative and registered as a Sick Company vide case No. 504/95 dated 18.12.95. Subsequently, with a capital restructuring through conversion of CIL loan of ₹ 996 Cr. into Equity, the net worth of the company was made positive and the Company came out of BIFR in December 1997. However, after completion of accounts for the year 1999-2000, the net worth of the company again turned negative. The company was referred to BIFR and registered as a sick company as case no 502/2001.

As directed, BCCL submitted its Revival Plan to BIFR on 12.04.2004 for its consideration. Subsequently, after formation of BRPSE, BCCL submitted its Revival Plan to BRPSE in April'05 suitably modifying the Rehabilitation Plan submitted earlier to BIFR



on 12.04.2004. BRPSE recommended the Rehabilitation Plan of BCCL to BIFR for concurrence.

In its hearing held on 18.05.2009, BIFR directed BCCL to submit updated Revival Scheme/ Proposal for revival of BCCL. Accordingly an updated Draft Rehabilitation Scheme (DRS) was submitted to BIFR on 11.08.2009. The said Draft Rehabilitation Scheme was approved by BIFR on 28.10.2009 and the same has also been vetted by MOC. A review hearing was held on 28.09.2010 on the progress of implementation of the Revival Plan. In the said hearing, the BIFR directs the company to submit the compliance report(s) from time to time on quarterly basis.

Chronology of events leading to the exit from BIFR during 2012-13

In its hearing held on 3rd Jan'13 BIFR issued the following directives:

- (a) The Company M/s Bharat Coking Coal Ltd. (Case No.502/2001) ceases to be a sick industrial company, within the meaning of Section 3(1)(o) of the SICA as its net worth has turned positive, and Statutory auditor has also confirmed this, therefore, the Bench discharged the captioned company from the purview of SICA/BIFR.
- (b) Unimplemented provisions of the Sanctioned Scheme, if any would be implemented by all concerned.
- (c) All creditors, Statutory Authorities are at liberty to recover their dues, if any, according to Sanctioned Scheme.
- (d) The Special Director, if any, appointed by the Board on the Company's 'Board of Directors' (BOD) would stand discharged with immediate effect.
- (e) The Company would complete necessary formalities with the concerned 'Register of Companies' (ROC) as may be required.

After the above discharge by BIFR, the implementation was required for "Waiver of the loan of ₹ 1083 Crores and current account balance of ₹ 1456 crores as well as interest on other loans in the year in which BCCL shall be consequently enabled to report a positive net worth" as per the Sanctioned scheme and the directives of BIFR. BCCL Board at its meeting held on 19th March, 2013 approved conversion of ₹ 2539cr loan into 5% non-convertible, cumulative redeemable Preference shares along with amendment of Clauses no. 5 and 15, of the Articles of association and clause V of the Memorandum of Association of the Company.

CIL Board in its 296th meeting held on 25th Mar'13 approved issuance of 5% non-convertible, cumulative, redeemable Preference shares of the face value of ₹ 1000/- each with following conditions:

- (a) The preference shares are to be redeemed at the expiry of 7 years from the date of issue and allotment. However, CIL would have the option to redeem at any time after the expiry of 5 years from the date of issue and allotment of the shares.
- (b) Redemption of preference shares at the face value (no redemption premium) ; and
- (c) Annual cumulative dividend is 5%.

BCCL at its 15th EGM held on March 26, 2013 approved the amendment of the aforesaid clauses of the Article of

Association and Memorandum of Association. EGM also approved

- (a) Increase in Authorised Capital by ₹ 2600 crore by issue of Preference Shares ; and
- (b) Issue of ₹ 2539 crore preference shares in favour of CIL for an aggregate consideration equivalent to the amount of the funds (waiver) by BCCL to CIL.

BCCL Board at its meeting held on 26.03.2013 approved issue and allotment of 5% non convertible Cumulative Redeemable Preference Shares to CIL. Taking into effect allotment of issue of Preference Share, the net worth of the Company turns positive and the directive of Hon'ble Bench of BIFR is complied and an intimation in this regard was also sent to BIFR on 02.04.2013.

40. ACKNOWLEDGEMENT:

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

41. ADDENDA

The following are annexed.

- i) The comments and review of the Comptroller and Auditor General of India.
- ii) Replies to the observations made by the Statutory Auditors on the Accounts for the year ended 31st March, 2013.
- iii) Statement pursuant to Sec. 212(i) (e) of the Companies Act, 1956.
- iv) Foreign Exchange Earning and Outgo (**Annexure I**)
- v) Details about research and development of the Company (**Annexure II**).
- vi) Observations of Auditor and Management Explanation under Sec 217(3) of Companies Act 1956. (**Annexure III**).
- vii) Performance against MoU for the year 2012-13 (**Annexure IV**).

For and on behalf of the Board of Directors

S. Narsing Rao
Chairman

Kolkata, 1st July, 2013

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2013

The preparation of financial statements of Coal India Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 20.05.2013.

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 Coal India Limited for the year ended 31 March 2013. 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**

A handwritten signature in black ink, appearing to read "Yashodhara Ray Chaudhuri".

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

Place: Kolkata
Dated: 24.05.2013



AUDITORS' REPORT

TO THE MEMBERS OF COAL INDIA LIMITED

MANAGEMENT REPLY

1. Report on the Financial Statements

We have audited the accompanying financial statements of COAL INDIA LIMITED which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements include figures in respect of HQ Kolkata, North Eastern Coalfields (NEC), CGM's office at Delhi and Kolkata Marketing Office.

2. 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 flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks 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. An audit also includes evaluating the appropriateness of accounting policies used and the 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.

4. Without qualifying our report, attention is drawn to :

- a) Notes No.11(1), 12(2) and 18 dealing with investments in and loans and advances (Short term/Long term, Current Account debit balances) to sick subsidiary of the company, that is, Eastern Coalfields Limited (ECL) which is under the Board of Industrial & Financial Reconstruction (BIFR). Revival plans have been approved by BIFR and vetted by the concerned ministry. On implementation of revival schemes the subsidiary is turning around and has started earning profits. In view of the changing circumstances, the management is of the opinion that no writing down or provisioning is required.
- b) Note No. 21(1) dealing with non-recognition of income of apex charges and interest from ECL, a sick subsidiary company and also Apex Charges of BCCL (subsidiary of CIL) has been waived off by CIL Board. BCCL is still having accumulated losses, interest on other loans and advances has been deferred.
- c) Note No. 10A(2) regarding non-provision against fixed assets in Dankuni Coal Complex leased to South Eastern Coalfields Limited (SECL) for lease rent of ₹ 1 per annum. In the opinion of the management the nominal income earning is a temporary policy matter and actual worth of the assets including land is much higher than the book value and as such no provision is called for.

This is a statement of fact referring to the notes on accounts only.

Eastern Coalfields Ltd is a 100% subsidiary of Coal India Limited. The revival scheme of BIFR is under implementation and ECL is earning substantial profit since 2009-10, by which its negative net worth is getting reduced. Hence, the diminution in value of investment is not considered as permanent in nature and therefore following the provisions of AS 13 (Accounting Standard on Investments), no writing down or provisions is required. The Loans & Advances and Current Account debit balances etc are also on the same analogy considered to be recoverable and hence no provision is required.

This is a statement of fact referring to the notes on accounts no 21 (1) only.

The recognition of income in these cases were only deferred, due to uncertainties involved cases, in these incomes from the two sick subsidiaries viz ECL & BCCL, following the provisions of Accounting Standard – 9 on revenue recognition issued by Institute of Chartered Accountants of India.

This is a statement of fact referring to the notes on accounts no 10 A (2) only.

As mentioned by the audit, referring to the relevant note, the recoverable value (actual worth) of the assets of Dankuni Coal Complex {given on operating lease to SECL, a 100% subsidiary of CIL on a nominal rent} is considered much higher than its WDV. Hence no provision as per AS – 28 (Accounting Standard on Impairment) or otherwise is required.

5. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and Additional Notes to Accounts as referred in Notes 33 and 34 respectively give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case the Statement of Profit & Loss, of the profit for the year ended on that date; and
- (c) in the Cash Flow Statement, of the Cash Flows for the year ended on that date.

6. Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2003, 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 paragraph 4 and 5 of the Order.



- (2) As required by section 227(3) of the Act, we report that:
- 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;
 - In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956; and
 - In terms of Government of India, Department of Company Affairs Notification No.GSR 829(E) Dated 21st October,2003, Government Companies are exempted from the applicability of provisions of section 274(1)(g) of the Companies Act, 1956.
 - Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor had it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For **De Chakraborty & Sen**

Chartered Accountants

F.R. No.303029E

Raktim Kumar Chattopadhyay

(Partner)

Membership No. 052225

Place: Kolkata

Date: 20th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 6.1 of our report of even date).

On the basis of checks carried out during the course of audit and as per information and explanations furnished to us and to the best of our knowledge and belief we report that:

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| <p>i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. However, certain details as regards purchase order reference; date of commissioning and locations, identification marks are absent there in some cases of old items.</p> | <p>Few old items of fixed assets as mentioned by the audit are fully depreciated.</p> |
| <p>(b) Fixed Assets located at North Eastern Coalfields, the production unit of the company, has been physically verified by the management periodically in a phased manner and no material discrepancies have been noticed as confirmed by the Management. Verification of fixed assets located elsewhere was inadequate.</p> | <p>Efforts for verification of such fixed assets as mentioned by the auditor are being taken. Such verification will further be strengthened during 2013-14.</p> |
| <p>(c) No substantial part of fixed assets has been disposed of during the year, which has bearing on the going concern assumption.</p> | <p>This being a statement of fact calls for no comments separately.</p> |
| <p>ii. (a) Physical verification of inventory at North Eastern Coalfields has been conducted at reasonable intervals during the year by the management.</p> <p>However, inventory at Stock-yard of West Bengal Regional Sales Office has not been physically verified. The inventories being very old have been provided for.</p> <p>The inventories have been measured on the basis of volumetric system.</p> | <p>The said Stockyards of West Bengal Regional Sales Office are not operative since long. The book stock is not significant and their value has been fully provided for since long.</p> |
| <p>(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.</p> | <p>This being a statement of fact calls for no comments separately.</p> |
| <p>(c) The company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.</p> | <p>This being a statement of fact calls for no comments separately.</p> |



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|----------|--|---|
| iii. (a) | The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except advances to its subsidiaries BCCL and ECL where interest has been deferred / waived. In other cases, clause 4 (iii) (b) to (d) of the Order are not applicable. | These are 100% subsidiaries of CIL. ECL is sick and referred to BIFR and BCCL has recently come out of BIFR. Certain interest from advances to these companies were deferred due to uncertainties involved in realization which is in line with the provisions of Accounting Standard – 9 (AS 9) issued by The Institute of Chartered Accountants of India. |
| (b) | The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except some surplus funds of the subsidiaries parked with this holding company where reasonable interest has been paid except two cases of Northern Coalfields Limited and Mahanadi Coalfields Limited where no interest has been paid as these funds were transferred to Eastern Coalfields Limited and Bharat Coking Coal Limited for specific purposes as interest free advance. The terms and conditions of these advances are not prejudicial to the interest of the company. | This being a statement of fact calls for no comments separately. |
| iv. | There is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness in internal control has been noticed except for certain old advances / receivable accounts where detail schedules are absent for a long time and the adjustments made there-against are basically effected on adhoc basis leading to the emergence of credit balances in some cases. | Noted, action is being taken to adjust / reconcile the differences. |
| v. | There are no contracts and arrangements as referred to in section 301 of the Companies Act, 1956, particulars of which needs to be entered into a register maintained under section 301 of the said Act. Accordingly, clause 4 (v) (b) of the Order is not applicable. | This being a statement of fact calls for no comments separately. |
| vi. | The company has not accepted any deposits from the public within the meaning of the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act , 1956 and rules made there under. | This being a statement of fact calls for no comments separately. |
| vii. | The Company has an Internal Audit system commensurate with the size and nature of its business. But it requires substantial revamping in respect of timeliness and teeth of reporting together with risk based analysis of the inadequacies. | Noted. Efforts will be taken to improve in the areas of inadequacies mentioned by the audit. |
| viii. | The maintenance of cost records has been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 vide Notification dated 3rd June, 2011 in respect of mining activities of the company. We have checked the records and are prima facie of the opinion that the same are properly maintained. | This being a statement of fact calls for no comments separately. |
| ix. (a) | The company is regular in depositing undisputed statutory dues including Provident Fund, Investor's Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as on 31.03.2013 for a period of more than six months from the date they became payable. | This being a statement of fact calls for no comments separately. |

(b) There are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Cess and Other Statutory dues which have not been deposited on account of any dispute.	This being a statement of fact calls for no comments separately.
x. The company does not have any accumulated losses at the end of financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.	This being a statement of fact calls for no comments separately.
xi. The company has not defaulted in repayment of dues to Financial Institutions or Banks.	This being a statement of fact calls for no comments separately.
xii. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.	This being a statement of fact calls for no comments separately.
xiii. The company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society.	This being a statement of fact calls for no comments separately.
xiv. The company is not in the business of dealing or trading in shares. The company has investments in shares of its wholly owned subsidiaries, SPV Joint Venture and in Mutual Funds only and has maintained proper records of transactions and contracts in respect thereof and timely entries have been made therein. The company, in its own name, has held all these shares.	This being a statement of fact calls for no comments separately.
xv. The terms and conditions on which the company has given guarantees for loans taken by its subsidiaries from banks and financial institutions are not prima facie prejudicial to the interest of the company.	This being a statement of fact calls for no comments separately.
xvi. No term loan has been availed during the year. However, the term loans availed by the company in earlier years had been utilized for the purposes for which the said loan had been taken.	This being a statement of fact calls for no comments separately.
xvii. The funds raised on short-term basis have not been used for long-term investments.	This being a statement of fact calls for no comments separately.
xviii. During the year under audit the company has not made any preferential allotment of shares.	This being a statement of fact calls for no comments separately.
xix. The company has not issued any debentures during current or earlier year (s).	This being a statement of fact calls for no comments separately.
xx. The company has not made any Initial Public offering (IPO) of shares during the year as the same was carried out during the year 2010-11.	This being a statement of fact calls for no comments separately.
xxi. No fraud, on or by the company has been noticed or reported during the year.	This being a statement of fact calls for no comments separately.

For **De Chakraborty & Sen**
Chartered Accountants
F.R. No.303029E

Raktim Kumar Chattopadhyay
(Partner)
Membership No. 052225
Place: Kolkata
Date: 20th May, 2013



Statement pursuant to Section 212(1) (e) of the Companies Act, 1956 as at 31st March, 2013.

Subsidiary (Fully Owned)	No. of Preference Shares held by Coal India Limited	No. of Equity Shares held by Coal India Limited	No. of Equity Shares held by CIL in nominees name	Total paid-up value ₹ in Crores	Pre-Tax Profit for the year ended 31.03.2013 ₹ in Crores	Profit (+) Loss (-) cumulative balance as on 31.03.2013 (after all appropriations) ₹ in Crores
Eastern Coalfields Limited	-	22,184,500	3	2218.45	1,897.18	(-)5,509.76
Bharat Coking Coal Limited	25,390,000	21,180,000	3	4657.00	1,709.06	(-) 4,106.03
Central Coalfields Limited	-	94,00,000	3	940.00	2,683.56	1,761.04
Western Coalfields Limited	-	29,71,000	3	297.10	428.87	2,039.50
Northern Coalfields Limited	-	17,76,728	3	177.67	4,420.58	6,600.17
South Eastern Coalfields Limited	-	35,97,000	3	359.70	6,290.37	5,566.24
Mahanadi Coalfields Limited	-	18,64,009	3	186.40	6,202.48	6,063.86
Central Mine Planning & Design Institute Limited	-	1,90,400	3	19.04	29.77	100.28
Coal India Ltd.					10,338.03	8,308.73
Sub-Total					33,999.90	20,824.03
Less: Income from dividend received from subsidiaries included in the profit of CIL					9038.08	
Total					24961.82	
Adjustment for Deferred Revenue Income etc.					18.34	
Adjustment for Exchange rate variance on Current Account of overseas Subsidiary					(-) 1.12	
Overall profit as per Consolidation of Accounts					24979.04	
Profit/(Loss) from discontinuing operations					(0.01)	

[Further Coal India Ltd. has a 100% owned subsidiary in Republic of Mozambique, named "Coal India Africana Limitada". The paid up capital as on 31st March 2013 which was contributed since formation (known as "Quota Capital") was ₹ 0.01 crore (US\$ 1000)]

Summary of Financial Information of Subsidiary Companies

Figures in crores except entry in Sr. No 9

Sl.No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Profit After Taxation Proposed Dividend e.t.c.
1	Eastern Coalfields Limited	INR	2218.45	(4677.05)	8614.15	8614.15	0.03	0.15	12162.59	1897.18	241.64	-	1655.54
2	Bharat Coking Coal Limited	INR	4657.00	(4106.03)	7090.28	7090.28	13.86	27.71	10176.62	1709.06	210.26	-	1498.80
3	Central Coalfields Limited	INR	940.00	3068.08	10005.61	10005.61	109.42	18.85	10580.10	2683.56	797.95	-	1885.61
4	Northern Coalfields Limited	INR	177.67	9568.40	17284.91	17284.91	11.46	22.91	11616.11	4420.58	1,738.45	-	2682.13
5	Western Coalfields Limited	INR	297.10	3162.92	9931.33	9931.33	450.14	80.23	8703.97	428.87	104.56	(0.01)	324.30
6	South Eastern Coalfields Limited	INR	359.70	8265.99	20610.96	20610.96	183.16	246.32	21408.13	6290.37	1,991.34	-	4299.03
7	Mahanadi Coalfields Limited	INR	186.40	8751.19	22388.60	22388.60	58.71	1004.10	13190.42	6202.48	1,990.04	-	4212.44
8	Central Mine Planning & Design Institute Limited	INR	19.04	115.85	763.06	763.06	-	-	675.11	29.77	4.72	-	25.05
9	Coal India Africana Limitada (Mozambique) (MZN & INR in Lacs)	INR MZN	0.49 0.25	(588.89) (352.52)	590.82 353.72	590.82 353.72	- -	- -	- -	- -	- -	- -	- -

MCL, a subsidiary of CIL has further three Subsidiaries, details of which are given below

₹ in crores

Sl.No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Profit After Taxation Proposed Dividend e.t.c.
1	MNH Shakti Limited	INR	65.10	(0.52)	87.12	87.12	-	-	-	-	-	-	-
2	MUSJ Limited	INR	95.10	(1.01)	95.60	95.60	-	-	-	-	-	-	-
3	Mahanadi Basin Power Limited	INR	0.05	-	8.12	8.12	-	-	-	-	-	-	-

Note

MCL holds 70% stake in MNH Shakti Ltd, 60% stake in MUSJ Ltd & 100% stake in Mahanadi Basin Power Ltd.

As on 31.03.2013: 1 MZN = ₹ 1.6703





COAL INDIA LIMITED (STANDALONE)
Expenditure / Earning in foreign exchange – 2012-13

Expenditure incurred in Foreign Currency on account of:

(₹ in crores)

	Current Year	Previous Year
(i) Interest & commitment charges	20.24	20.04
(ii) Commission to Foreign Agents	0.12	0.09
(iii) Travelling / Training Expenses	0.82	0.63
(iv) Advertisement	NIL	0.20
(v) Legal	3.68	NIL
(vi) Subscription	0.01	NIL
(vii) Exchange Variation	93.16	35.89
Total	118.03	56.85

Earning in Foreign Exchange on account of:

(₹ in crores)

	Current Year	Previous Year
(i) Export of Goods (Calculated on FOB basis)	NIL	NIL
(ii) Exchange Variation	0.03	0.09
(iii) Miscellaneous	NIL	NIL
Total	0.03	0.09

RESEARCH & DEVELOPMENT (R&D)

1. Specific area in which R&D carried out

The Government of India through its Coal Science & Technology (S&T) Plan and Coal India Limited through its R&D Board have been promoting R&D activities in Coal & Lignite Sectors for improvement in production, productivity, safety, quality, coal beneficiation and utilization, protection of environment and ecology and allied fields. Substantial funds are being earmarked annually by the Ministry of Coal and CIL R&D Board to carry out research work on the above subjects in above sectors.

2. Benefits derived as a result of the above R&D

Notable advances have been made through R&D efforts in coal exploration techniques, introduction of mining methods like “blasting gallery and cable bolting” for recovery of coal in thick seams and shortwall mining at SECL with an output of more than 1000T per day being replicated now in more panels. “Controlled blasting” has also been introduced through R&D and is being used now for removal of overburden rocks and coal in opencast mines as close as to 50m from surface structures successfully. More than 150 Mt of coal so far has been extracted in more than 116 mines by introduction of “Controlled Blasting” which otherwise would have remained sterilized.

A quantified assessment of roof strata called Rock Mass Rating (RMR) developed under R&D is now being used for designing support in underground mines. So far, over 835 districts in about 273 underground coal mines have been covered.

A number of research projects have yielded considerable gains in the area of land reclamation after mining and utilization of fly ash. Humic acid from lignite as a fertilizer in agriculture has shown 35% increase of yield in case of capsicum, tomato crops and also substantial increase in other crops. This product has been commercialized and is being used by the farmers in Tamil Nadu, Andhra Pradesh, Karnataka and Kerala.

A multi institutional funded (UNDP/GEF, CIL and MoC) demonstration research project on “Coal Bed Methane Recovery and Commercial Utilization” has successfully concluded at Moonidih underground project, BCCL with encouraging results. The gas recovered under this project is almost 98% pure methane, which is being utilized to run gas based generators to supply electricity to Moonidih mine residential colony.

Significant improvement has been achieved in both “coking and non-coking coal washing” and “recovery of fine coals”. Encouraging results have also been obtained from research related to “combustion techniques” for effective utilization of high-ash coals. Major R&D projects

on fine coal beneficiation are under implementation through CIL R&D funding.

While some research projects have produced tangible impact on the industry directly, there are others, which have strengthened mine planning, design and technical services required by both operating mines and future mining projects.

A number of research projects have been taken up in the area of environment and ecology to integrate coal mining activities with ecological conservation and hazards due to mining. The findings of these research projects have made a significant impact on the industry resulting in adoption of proper environment control. Efforts to delineate unstable working below Howrah Dhanbad Railway line (Eastern Railway Main Line), stability analysis by numerical modeling and possible remedial measures for stabilization of railway line have been made successfully with CIL R&D funds. Programmable Logic Control (PLC) based monitoring & control system has been successfully designed, developed and introduced in an underground mine of CIL duly approved by DGMS through another research project funded by CIL R&D Board.

New areas, like application of robotics and latest two-way communication systems for rescuing miners trapped in underground mines, Coal Bed Methane (CBM)/Coal Mine Methane(CMM)/Abandoned Mine Methane(AMM) recovery and utilization, utilization of low rank low volatile high rank Indian coking coals, numerical models to address strata control problems for appropriate solution, safe dragline dump profiles for varying geo-mining conditions, Green House Gas(GHG) emissions in mine fire areas, treatment of acid mine water generated in Indian coal mines, roof fall prediction in underground coal mines, dry coal beneficiation, development of integrated dumper collision avoidance system for opencast mines, assessment of shale gas in Gondwana basin with special reference to CIL areas are being addressed through on-going research projects with CIL R&D fund.

An indigenous tool for carrying out the job of random sampling and testing of explosives and accessories for mines of CIL has been developed by CMPDI in association with IIT, Kharagpur through CIL R&D project.

A research project under S&T grant of Ministry of Coal regarding delineation of barrier thickness against waterlogged workings in underground mines has been completed. In this project, a Ground Penetrating Radar (GPR) was developed. After making field trials it was observed that GPR developed is capable of detecting anomaly in barrier thickness up to a distance of 60m.

3. Future Plan of Action:

For enhancing the quantum of research work needed to address the complexity of operations of the coal industry and wider involvement of research organizations including private organizations with adequate infrastructure and



expertise, CMPDI on behalf of Ministry of Coal has invited Expression of Interest (EoI) for areas related to mining methods, strata control, and mine safety, Coal Bed Methane (CBM), etc., for funding under S&T Grant of Ministry of Coal.

Future R&D efforts will address areas like liquidation of developed pillar in underground mines, pit and dump slope stability in opencast mines, hydraulic mining, high wall mining, Early warning systems for roof prediction and dump & highwall failures, assessment of shale gas potentiality in Indian coal fields, CBM reserves estimation, CBM from fugitive emissions from opencast mines, in-situ coal gasification, coal liquefaction, and development of predictive models for air quality and pollution etc.

A research project related to mine communication is under implementation at one of the underground mine of CCL. This consists of Through-The-Earth (TTE) one way messaging system and two way voice communication and tracking system. The integrated system is now being used with digital wireless telephones in Bhurkunda mine of CCL. Now one can make and receive a telephone call from underground.

In another research project, self advancing goaf edge (mobile) chock type supports of 2x240 Tonne have been developed and field trial is under progress at Bastacola mine of BCCL.

Another important research project, Shale gas potentiality evaluation of Damodar basin of India has started recently.

Emphasis has been put on "coal to oil" conversion technology. The prevailing high prices level of crude and petroleum products warrants a fresh look at coal liquefaction process. The rising costs and issues related to adequate and assured supply of oil from overseas have a significant bearing on both the national economy and energy security. One important project for development of indigenous catalyst for Coal – To - Liquid (CTL) is under implementation with an objective to eliminate the dependency on technology provider for supply of catalysts for future CTL plants likely to be established in India.

4. Expenditure on R&D:

Total Expenditure on research projects from 2008–09 to 2012–13 is as follows:

(₹ in Crore)

Year	Expenditure
2008-09	22.21
2009-10	37.42
2010-11	40.08
2011-12	26.29
2012-13	22.75
Total	148.75

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- Efforts, in brief, made towards technology absorption, adaptation and innovation.

The main R&D in coal sector is mainly for improvement of efficiency parameters in mining operations including mine safety and related activities like coal beneficiation/ utilization and also on control of mine environment.

- Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.

Reply given as above (under Point no. 2).

- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished.

- Technology Imported
- Year of Import
- Has technology been fully absorbed?
- If fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

Not related to the CIL R&D project

Annexure III

Observation of Auditor and Management Explanation under section 217(3) of Companies Act, 1956

Observation of Auditor	Management Explanation
<p>1. Notes No.11(1), 12(2) and 18 dealing with investments in and loans and advances (Short term/Long term, Current Account debit balances) to sick subsidiary of the company, that is, Eastern Coalfields Limited (ECL) which is under the Board of Industrial & Financial Reconstruction (BIFR). Revival plans have been approved by BIFR and vetted by the concerned ministry. On implementation of revival schemes the subsidiary is turning around and has started earning profits. In view of the changing circumstances, the management is of the opinion that no writing down or provisioning is required.</p>	<p>This is a statement of fact referring to the notes on accounts only.</p> <p>Eastern Coalfields Ltd is a 100% subsidiary of Coal India Limited. The revival scheme of BIFR is under implementation and ECL is earning substantial profit since 2009-10, by which its negative net worth is getting reduced. Hence, the diminution in value of investment is not considered as permanent in nature and therefore following the provisions of AS 13 (Accounting Standard on Investments), no writing down or provisions is required. The Loans & Advances and Current Account debit balances etc are also on the same analogy considered to be recoverable and hence no provision is required.</p>
<p>2. Note No. 21(1) dealing with non-recognition of income of apex charges and interest from ECL, a sick subsidiary company and also Apex Charges of BCCL (subsidiary of CIL) has been waived off by CIL Board. BCCL is still having accumulated losses, interest on other loans and advances has been deferred.</p>	<p>This is a statement of fact referring to the notes on accounts no 21 (1) only.</p> <p>The recognition of income in these cases were only deferred, due to uncertainties involved, in these incomes from the two sick subsidiaries viz ECL & BCCL, following the provisions of Accounting Standard – 9 on revenue recognition issued by Institute of Chartered Accountants of India.</p>
<p>3. Note No. 10A(2) regarding non-provision against fixed assets in Dankuni Coal Complex leased to South Eastern Coalfields Limited (SECL) for lease rent of ₹ 1 per annum. In the opinion of the management the nominal income earning is a temporary policy matter and actual worth of the assets including land is much higher than the book value and as such no provision is called for.</p>	<p>This is a statement of fact referring to the notes on accounts no 10 A (2) only.</p> <p>As mentioned by the audit, referring to the relevant note, the recoverable value (actual worth) of the assets of Dankuni Coal Complex { given on operating lease to SECL, a 100% subsidiary of CIL on a nominal rent} is considered much higher than its WDV. Hence no provision as per AS – 28 (Accounting Standard on Impairment) or otherwise is required.</p>



Observation of Auditor	Management Explanation
<p>4. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. However, certain details as regards purchase order reference; date of commissioning and locations, identification marks are absent there in some cases of old items.</p> <p>(b) Fixed Assets located at North Eastern Coalfields, the production unit of the company, has been physically verified by the management periodically in a phased manner and no material discrepancies have been noticed as confirmed by the Management. Verification of fixed assets located elsewhere was inadequate.</p>	<p>Few old items of fixed assets mentioned by the audit are fully depreciated.</p> <p>Efforts for verification of such fixed assets as mentioned by the auditors are being taken. Such verification will further be strengthened during 2013-14.</p>
<p>5. Physical verification of inventory at North Eastern Coalfields has been conducted at reasonable intervals during the year by the management.</p> <p>However, inventory at Stock-yard of West Bengal Regional Sales Office has not been physically verified. The inventories being very old have been provided for.</p> <p>The inventories have been measured on the basis of volumetric system.</p>	<p>The said Stockyards of West Bengal Regional Sales Office are not operative since long. The book stock is not significant and their value has been fully provided for since long.</p>
<p>6. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except advances to its subsidiaries BCCL and ECL where interest has been deferred / waived. In other cases, clause 4 (iii) (b) to (d) of the Order are not applicable.</p>	<p>These are 100% subsidiaries of CIL. ECL is sick and referred to BIFR and BCCL has recently come out of BIFR. Certain interest from advances to these companies were deferred due to uncertainties involved in realization which is in line with the provisions of Accounting Standard – 9 (AS 9) issued by The Institute of Chartered Accountants of India.</p>
<p>7. There is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness in internal control has been noticed except for certain old advances / receivable accounts where detail schedules are absent for a long time and the adjustments made there-against are basically effected on adhoc basis leading to the emergence of credit balances in some cases.</p>	<p>Noted, action is being taken to adjust / reconcile the differences.</p>
<p>8. The Company has an Internal Audit system commensurate with the size and nature of its business. But it requires substantial revamping in respect of timeliness and teeth of reporting together with risk based analysis of the inadequacies.</p>	<p>Noted. Efforts will be taken to improve in the areas of inadequacies mentioned by the audit.</p>

Performance Against MoU for the Year 2012-13

ANNEXURE IV

Sl. No.	Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12-Mar.13)
1	Static / Financial Parameters				
(a)	Financial Indicators - Profit related ratios				
	(i) Gross Margin / Gross Block	%	2	0.4428	0.6170
	(ii) Net Profit / Net Worth	%	10	0.2732	0.3193
	(iii) Gross Profit / Capital Employed	%	10	0.2385	0.3060
(b)	Financial Indicators - Size related				
	(i) Gross Margin	₹ Crs	8	19321.82	24067.77
	(ii) Net Sales	₹ Crs	4	62985.72	68046.63
(c)	Financial Returns - Productivity related				
	(i) PBDIT / Total Employment	%	7	0.0534	0.0672
	(ii) Added Value / Net Sales	%	9	0.1932	0.2468
	Sub Total		50		
2	Dynamic Parameters				
(d & e)	Quality & Customer Satisfaction		2.5		
	(i) Despatch covered under agreed sampling to power sector	%	0.5	97.00	99.87
	(ii) Sized coal Despatch to power sector by Rail	%	0.5	96.00	99.51
	(iii) Establishing mechanism through a publicized website for handling of consumers complaint and no compliant should be kept pending for more than six months.	%	0.5	80.00	93.20
	(iv) Circulation of Model FSA for power Plant having PPA as per the latest Govt. direction.	%	1	07.05.2012	19.04.2012
(f)	Human Resource Management-HRM		5		
	(i) Human Resource Management-HRM		3	As per Annexure XIV (Encl.-01) given below	
	(ii) Certified training in project management	No of Executive	1	30	72
	(iii) Certified training in contract management	-do-	1	30	60
(g & h)	R & D / Adoption of Innovative Practices		5	As per Annexure XII (Encl.- 02) given below	



SI. No.		Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12-Mar.13)
(i & j)		Project Implementation		8.5		
i1	(i)	Final approval of project by Board	No	1	2	3
	(ii)	Commissioning/completion of projects	No	2	4	7
i2		Acquisition of Land	Ha			
	(i)	Notification u/s Sec 9 of CBA		0.5	2095	3579
	(ii)	Notification u/s Sec 11 of CBA		0.5	1524	6930
	(iii)	Possession of Land		1	860	1779
i3		Capital Investment AP 12-13				
	(i)	Domestic Activities	₹ in Cr	0.5	3848	2915.23
	(ii)	Overseas Activities	₹ in Cr	0.5	5400	5.00
i4		Major Project Activities / Milestones				
	(i)	Placement of orders of 60% of total indent value of high capacity HEMM with MARC received till March 12	Month	1	Feb 13	Nil
	(ii)	Placement of orders of 60% of total indent value of OTR tyres for indents received till March 12	Month	1	Feb 13	Jan 13
	(iii)	Conclusion of Rate Contracts for explosives for requirement received till Mar 12	Month	0.5	By Oct. 12	August 12
(k)		Extent of Globalization		1		
	(i)	Setting up of a wholly owned subsidiary of Coal India in South Africa	Month	0.25	Feb 13	Mar 13
	(ii)	Signing of MoU with Govt of Mozambique for setting up of Apex Planning Organization (APO) and Apex Training Organization (ATO)	Month	0.25	Dec 12	May 12
	(iii)	Setting up of office of Coal India Africana Limitada (CIAL) in Mozambique	Month	0.25	Feb 13	Jan 13
	(iv)	Starting of exploration and drilling activities in the lease hold area under prospecting license no 3450 L & 3451 L in Moatize district, Tete Province, Mozambique	Month	0.25	Feb 13	Nov 12
(l)	(i)	Corporate Social Responsibility (CSR)		4	As per Annexure XI (Encl. -03) given below	
	(ii)	Expenditure on CSR (0.5% of PAT of 11-12)	%	1	90	189.52

Sl. No.	Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12-Mar.13)
(m)	Sustainable Development		5	As per Annexure XII (Encl.- 04)	
(n)	Corporate Governance		5		
(i)	Grading on the basis of compliance with Governance on Corporate Governance issued by DPE (Enclosure-5)	%	4	75-84	96.5
(ii)	Date of submission to DPE of completed data-sheet for PE Survey	Date	1	01.10.2012	13.09.2012
3	Sector Specific Parameters:		6		
(i)	Off-take (Commensurate with requirement in line with AAP target 12-13)	Mt	3	470.00	465.18
(ii)	Coal Production (assuming liquidation as per programme without increasing stock)	Mt	2	464.10	452.21
(iii)	Underground Production	Mt	1	43.90	37.78
4	Enterprise - Specific Parameters		3		
4-a	E-Auction of Coal	% of Production	0.5	6	10.9
4-b	Man productivity (Output /Manshift) (commensurate to corresponding production target)	Te/Manshift	1	5.22	5.32
4-c	System Capacity Utilization (Commensurate to corresponding production target)	%	0.5	86.24	82.99
4-d	Safety		1		
	FATALITY RATE				
(i)	Reduction in fatality rate (fatalities/ Mcum. of total material excavated from UG) w. r. t previous FY.	%	0.25	3	(-)11.736
(ii)	Reduction in fatality rate (fatalities/ Mcum. of total material excavated from OC) w. r. t previous FY.	%	0.25	3	9.091
(iii)	Reduction in serious injury rate (serious injuries/ Mcum. of total material excavated from UG) w. r. t previous FY.	%	0.25	3	12.044
(iv)	Reduction in serious injury rate (serious injuries/ Mcum. of total material excavated from OC) w. r. t previous FY.	%	0.25	3	7.293
5	Compliance of DPE Guidelines in respect of:		4		
(i)	Issue of Bonus Share			NA as per Guideline	
(ii)	Reservation for SC, ST, OBC in appointment		1	Yes for excellent	Yes
(iii)	Posting of Deputationist		0.5	Yes for excellent	Yes
(iv)	Implementation of 2007 pay revision (Proforma I)		1	9	10
(v)	Switching over from CDA to IDA (Proforma II)		1	3	4
(vi)	Submission of Report on Compliance of DPE Guidelines		0.5	31 Aug 2012	27.05.2013
	Sub Total		50		
	Grand Total		100		



HRM Performance Evaluation Under Memorandum of Understanding (ENCLOSURE - 1)

ANNEXURE-XIV

Sl. No.		Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12-Mar.13)
		Executives-464/Non-Executives-3058 (As on 1.03.12)				
2.A)		Dynamic Parameters				
A-1.		Competency & Leadership Development		20		
	1	% Actualization of Training Plan & Training Days per employee per year	% Fulfillment & Days/ per emp./ year	5	Ex. 22% (92 Nos.) Non-Ex.- 10% (305 Nos.) 0.32	Exe: 218 Non-Exe : 371
	2	Developing critical mass of leaders through a system of career planning & development	% Fulfillment of planned leadership dev. Prog.	5	12% (24 Nos)	30
	3	Training budget as % of employee cost (Since CIL is highly labour intensive industry, training cost at National Training Policy level cannot be considered)	₹ Cr.	5	2.5	3.22
	4	% fulfillment of training plan for Multi-skilling / Skill Up-gradation of non-executives	%	5	5% (152 Nos)	292
A2.		Optional (Out of five)				
	7	Adv. Technology - % fulfillment of Trg. Plan		5	25% of Trg. Plan 3 pog. On Ad. Tech (100%)	4
B.		Performance Management		10		
	11	Linkage of Developmental Plan of Executives with Performance Management System	Yes/No	5		Yes
	12	Implementation of PRP linked to PMS	Yes/No	5		Yes

Sl. No.	Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12- Mar.13)
C.	Recruitment, Retention & Talent Management		20		
13	Manpower Rationalization through		5	25(Out of 55 employees)	
	- Voluntary retirements		2.5		37
	- Redeployment		2.5		116
	- Any other				
14	Attrition as % of total employees		5	15	2.50
15	Presence of Mentorship Dev. Prog. - Nos. of Mentors & Mentees		5	2	5 Programmes (999 nos of mentor & mentees)
16	Formulation / Implementation of systems for management of Talent such as - Job rotation system, reward system, sponsoring sr. executives for Advanced Management Programme, growth opportunities etc for senior level executives		5	2	3
D.	Enabling Creativity & Innovation		15		
17	Nos. of Nominations/entries submitted for National Awards (PM Shram Awards, Vishwakarma Rashtriya Puraskar)	No	7.5	1	2
18	Number of suggestions generated per employee per year	No	7.5	50	55
E.	Employee Relations & Welfare		20		
20	Effectiveness of Grievance Redressal system - % of grievances settled vis-à-vis received during the year	% of settlement	4	20	93.75
21	Yoga classes to reduce stress where the job is stressful	No	4	2	3
22	Employee satisfaction survey - External Agency will ESI measure in %		4	Jan 13	Not Done
23	Formulation & Implementation of social security scheme	Yes/No	4		Yes
24	Number of structured meetings with employees' representatives	No.	4	4	9
F.	HR Branding & Excellence				
25	Review/ Revisit/ Re-engineer HR Policy for meeting changing business priorities.	Month	10	Mar.'13	Feb.'13



R & D / Adoption of Innovative Practices (ENCLOSURE - 02)

ANNEXURE XII

Sl. No.	Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12-Mar.13)
A.	R&D Expenditure				
1	Total R&D Expenditure (% of PAT of 2011-12)	%	2.5	1.00	0.15
B.	R&D Project chosen by CMPDI/CIL				
	Activity for preparation of representatives of numerical models is completed by:				
1	Generation/analysis of coalfield-wise database of physico-mechanical characteristics of rock/coal and representative numerical models for appropriate solution to strata control problems	Month	0.5	15th Dec.'12	Nov.'12
	Report Preparation is completed by:				
2	Development of guidelines for safe dragline dump profile under varying geo-engineering condition in opencast coal mines of Coal India.	Month	0.5	15th Feb.'13	Jan.'13
	Completion of 25 numerical models for different rock bolt assembly is done by:				
3	Investigations of Bolt Behaviour in Development and Depillaring Panels under Blast Induced Dynamic Loading	Month	0.5	9th Mar.'13	Jan.'13
	Field trail in ug is completed by:				
4	Development of a notch-cutting matching to facilitate construction of stoppings in underground coal mines	Month	0.6	15th Oct.'12	Not achieved
	Performance testing in mines is completed by:				
5	Construction of quick setting stopping in case of fire in underground mines using expansion foam agent	Month	0.4	9th Mar.'13	Not achieved
	Total		5		

Corporate Social Responsibility (CSR)

ANNEXURE XI (ENCL. -03)

Sl. No.	Evaluation Criteria	Unit	Weightage (%)	MoU Target (V. Good)	Performance (April 12- Mar.13)
Details of 5 Chosen Projects					
1	Establishment of a Trauma Center in Leh-Ladakh by Hindustan Prefab Limited in association with State Govt. of J&K for the victims of the Cloud Burst.		0.8	Nov.'12 (₹ 4 Cr)	Proposal recommended for approval by CSR Committee on 18.06.2012
Remarks for Sl. No. 1: On receipt of the proposal, the same was deliberated and recommended in the 23rd CSR Committee Meeting held on 18.06.2012. Subsequently forwarded to TISS (A National CSR HUB) and there after based on the recommendation of TISS, the entire amount of ₹ 16.50 Crores has been approved by a Board Level Committee on CSR & SD. It is a long term and sustainable project.					
2	Organizing nine Medical camps for Eye, Orthopedic, Medical Awareness, Free Consultation for under privileged Slum dwellers in association with local Club/ NGO if required during 12-13		0.8	8	Total 10 (Ten) Camps have been conducted
Remarks for Sl. No. 2: Total 9 Camps are required for Excellent rating whereas all together 10 Camps have been conducted.					
3	Achieving millennium development goals of education protection, health and nutrition by creating children and women friendly communities, a Project to be completed in five years.		0.8	Jan '13 (₹ 20 lk)	05.06.2012
Remarks for Sl. No. 3: The project proposal was deliberated in the 18th CSR Committee Meeting held on 26.12.11 and recommended for its approval. The same was vetted by Dir. (P & IR), CIL and subsequently been approved.					
4	Repair and maintenance of existing Holy Child Home and provision for Water filtering systems for the welfare home for Children of Life Term prisoners and sex workers		0.8	Dec '12 (₹ 14.87 lk)	26.04.2012
Remarks for Sl. No. 4: The project proposal was deliberated in the 20th meeting of CSR Committee held on 26.04.2012 and the concerned NGO was requested to submit certain documents to CIL Civil Department & subsequently on examination of the document the project proposal has been approved.					
5	* Financial assistance for creating employment opportunities to the visually impaired in IT Sector * By 2nd quarter no of employment opportunities to be created, will be mentioned		0.8	Feb '13 (₹ 60 Lk)	Proposal initiated in June'12 and got sanctioned in March'13
Remarks for Sl. No. 5: On receipt of the proposal, the same was recommended in the 23rd CSR Committee Meeting, subsequently forwarded to TISS (A National CSR HUB) and there after based on the recommendation of TISS, the entire amount of ₹ 267.53 lakhs has been approved by a Board Level Committee on CSR & SD, as per DPE's guidelines. The MOU with National Association for Blind is under process. It is a long term and sustainable.					



SD Performance

ANNEXURE– XIII (ENCLOSURE 04)

S.No.	Activity	
1	Whether Specific SD Plan and Budget passed by Board or its Designated Committee	Yes / No <i>No, CIL is holding company & execution is done by its subsidiaries, Since, all the activities & budget allocation are done by the subsidiaries, SD activities & plan are approved by the subsidiaries designated committee</i>

Table 1. SD Committee details

Board level Designated Committee Name	Chairman of Board level Designated Committee	Number of regular meetings held	Key decisions during the year
<i>Committee on Sustainable Development</i>	<i>Dr. Md. Anis Ansari, Independent Director, Chairman</i>	3	<i>Copy of the minutes given</i>

Table 2. Total SD Expenditure as a percentage of PAT

Company	*Target Value as % of PAT (on a five-point scale: Para 6.5.2 of Guidelines)	Total expenditure (Current FY) (₹ lakhs)	Profit after tax (Previous FY) (₹ lakhs)	Actual Expenditure as % of PAT
	Target (VG)			
CIL Target	0.1% of (PAT-₹ 100 Cr.) + ₹ 50 lakhs			
	15.19	ECL 37.00 BCCL 64.36 CCL 200.74 WCL 82.43 SECL 555.13 MCL 49.68 NCL 83.00 CIL 1072.34	₹ 14788.20 Crores	0.0725%

Table 3. Projects Chosen by CPSE

Sr. No.	Schedule A / B	Project / activity (Please refer Annex-I)	Performance Indicator (Please Refer Annex- II and Para 6.5.3 of Guidelines)	Total expenditure on Project / Activity (₹ lakhs)	Duration S / M / L	Target Set (on a five-point scale: Para 6.5.3 of Guidelines)	Target Achieved
1	2	3	4	5	6	7	8
						Target (VG)	
1	A	Afforestation	No.of trees planted (In lakhs)	490	M	2.8	8.23
2	A	Recycling of sewage water / mine water discharge	No. Of projects undertaken	320	S	12	22
3	B	Training / Workshop on sustainable development	No. Of programme conducted	24	S	12	19
4	A	Rainwater harvesting	No. Of schemes completed	150	S	14	24
5	B	SD reporting of 2011-12	Completion date	60	S	March,'13	January.'13

Table 4. – Evaluation of Projects

No. of projects evaluation by an Independent External Agency/Expert/Consultant, etc.
<i>Projects were evaluated by Independent External Agency/ Expert/ Consultant engaged by the subsidiaries.</i>

Table 5. – Publication of SD Performance Report

Activity	Yes/No	Mode of SD Report
SD Performance Report	Yes	<i>SD report of CIL for 2012-13 has been prepared and approved by CIL Board.</i>



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy :

Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. CIL is committed to observe Corporate Governance practices at different levels to achieve its objectives.

2. Board of Directors:

2.1 Size of the Board

Coal India Ltd is a Government Company within the meaning of section of 617 of the Companies Act, 1956. As per Articles of Association, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. However, in addition to Chairman, the President shall also appoint Vice Chairman, Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall not be liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government.

In terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen. These directors may be either whole time functional Directors or part time Directors.

2.2 Composition of Board

As on 31st March, 2013, the Board of Directors comprised Chairman, 4 Functional Directors and 8 Non-Executive Directors (1 Government Nominee and 7 Independent Directors). In addition, there are 2 Permanent Invitees in the Board.

2.3 Age limit and tenure of Directors

The age limit of Chairman & Managing Director and other whole –time functional Directors is 60 Years.

The Chairman cum Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of taking charge or till the date of superannuation of the incumbent or till further instructions from the Government of India, whichever event occurs earlier.

Government Nominee Directors representing Ministry of Coal, Government of India retire normally from the Board on ceasing to be officials of the Ministry of Coal.

Independent Directors are appointed by the Government of India usually for tenure of three years.

2.4 Board Meetings

During the year, 15 Board meetings were held on 16-04-2012,18-05-2012,28-05-2012,31-07-2012,7-08-2012,13-08-2012,31-08-2012,18-09-2012,19-10-12,9-11-2012,12-12-2012,16-01-2013,13-02-2013,14-03-2013 and 25-03-2013.

Details of number of Board Meetings attended by Directors, attendance at the last Annual General Meeting , number of other Directorship etc. during the year 2012-13 were as follows :-

Sl.No.	Name of the Director.	Category of Directorship	No. of Board meetings attended during 2012-13.	Attended at the last AGM	No. of other Director-ship as on 31.3.2013.
1*	Shri S. Narsing Rao	Chairman	14	Yes	1
2(a)#	Ms. Zohra Chatterji	Chairman	1		
(b)#	Ms. Zohra Chatterji	(Additional Charge) Additional Secretary	7	NO	1
3	Ms. Anjali Anand Srivastava	Official Part Time Director	12	Yes	3
4	Shri R.Mohan Das	Director(P&IR)	13	Yes	2
5	Shri N Kumar	Director(Technical)	15	Yes	5
6*	Shri B.K.Saxena	Director(Marketing)	11	Yes	2
7*	Shri A.Chatterjee	Director (Finance)	6	—	2
8*	Shri A.K. Sinha	Director (Finance)	9	Yes	—
9	Prof. S.K.Barua	Non Official Part Time Director	9	Yes	5
10	Dr. R. N. Trivedi	Non Official Part Time Director	15	Yes	2
11	Dr. A.K. Rath	Non Official Part Time Director	14	Yes	2
12	Dr. (Smt). Sheela Bhide	Non Official Part Time Director	13	Yes	3
13	Dr. Md. Anis Ansari	Non Official Part Time Director	14	Yes	—
14	Shri Kamal R. Gupta	Non Official Part Time Director	14	Yes	2
15	Ms. Sachi Chaudhuri	Non Official Part Time Director	14	Yes	—

Sl. 1* was appointed on 24-04-2012, Sl. 2 ceased to be on board from 01-02-2013 on assuming the charge of Secretary (Textiles), Sl 6(*) was appointed on 19-06-2012, Sl.7(*)was appointed on 01-11-2012 and Sl.8(*) Ceased to be on the Board from 01-11-2012 on superannuation.



2.5 Information placed before the Board of Directors:

The Board has complete access to any information within the Company. The information regularly supplied to the Board, inter-alia, includes the following:

- Annual operating Plans, Budget and updates.
- Capital Budget and updates.
- Annual Accounts.
- Review of progress of ongoing projects including critical issues and areas needing management attention.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- Quarterly financial results of the company.
- Minutes of the Meetings of Board of Directors of subsidiary companies together with Significant Transactions and arrangements entered into by the subsidiary companies.
- Fatal or serious accidents, dangerous occurrences, etc.
- Operational activities of the Company.
- Major investments, formation of subsidiaries and Joint Ventures, etc.
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations like Revision of pay/ wage agreement, etc.
- Short term investment of surplus funds.
- Highlights of important events from last meeting to the current meeting.

3. Committees of the Board of Directors

The Board has constituted the following Committees of the Board:-

- i) Audit Committee.
- ii) Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects.
- iii) Remuneration Committee.
- iv) Shareholders' / Investors' Grievance Committee.
- v) Share Transfer Committee.
- vi) Foreign Acquisition Committee.
- vii) Review of Treasury Management.
- viii) Convergence to IFRS.
- ix) Human Resource Management.
- x) Corporate Governance including Risk Assessment and Minimization Procedures.
- xi) Corporate Social Responsibility and Sustainable Development Committee

3.1 Audit Committee

(a) Composition:

CIL in pursuance of excellence in corporate governance formed an Audit Committee of its Board of Directors w.e.f. 20-07-2001 and the present Audit Committee was re-constituted by the Board in its 279th Meeting held on 12.03.2012, consists of Six Independent Directors, two Functional Directors and one Government Nominee Director. One of the Independent Directors, a Practicing Chartered Accountant is the Chairman of the Committee. They are:-

1.	Shri Kamal R. Gupta	Chairman	Independent Director
2	Ms. Anjali Anand Srivastava	Member	JS & F.A , Ministry of Coal
3	Prof. S. K. Barua	Member	Independent Director
4	Dr. R. N. Trivedi	Member	Independent Director
5	Dr. Md. Anis Ansari	Member	Independent Director
6	Dr. A. K. Rath	Member	Independent Director
7	Ms. Sachi Chaudhuri	Member	Independent Director
8	Shri R. Mohan Das	Member	Director (P&IR) , CIL
9	Shri N. Kumar	Member	Director (Tech) , CIL

Director (Finance), Executive Director (Internal Audit) and Statutory Auditors are invited to the Audit Committee Meetings. Company Secretary is the Secretary to the Committee. Senior Functional executives are also invited as and when required to provide necessary clarifications to the committee. Internal Audit Department provides necessary support for holding and conducting the Audit Committee meeting.

(b) Meetings and Attendance of the Audit Committee.

Nine Meetings were held during the Financial Year 2012-13 on 18-05-2012, 28-05-2012, 30-07-2012, 13-08-2012, 09-11-2012, 11-12-2012, 13-02-2013, 14-03-2013 & 25-03-2013. The details of the Meetings of Audit Committee attended by the members were as under:-



SI No	Name of the Director	Status	No. of meetings attended
1.	Shri Kamal R. Gupta	Chairman (w.e.f. 25-09-2010)	8
2	Ms. Anjali Anand Srivastava	Member (w.e.f 01-02-2011)	9
3	Prof. S. K. Barua	Member (w.e.f 24-11-2007)	5
4	Dr. R. N. Trivedi	Member (w.e.f 25-09-2010)	9
5	Dr. Md. Anis Ansari	Member (w.e.f 25-09-2010)	8
6	Dr. A. K. Rath	Member (w.e.f 12-03.2012)	9
7	Ms. Sachi Chaudhuri	Member (w.e.f 25-09-2010)	9
8	Shri R. Mohan Das	Member (w.e.f 25-09-2010)	8
9	Shri N. Kumar	Member (w.e.f 13-02-2012)	9

(c) Powers:

The Audit Committee shall have powers commensurate with its role including the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary. and
5. To protect whistle blowers.

(d) Scope of Audit Committee :

The Scope of Audit Committee is as follows:-

1. Overseeing company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to Board about fixation of audit fees.
3. Recommendation to Board for payment to Statutory Auditors for any other service rendered by them.
4. Reviewing with the management, the annual financial statements before submission to Board for its consideration, with particular reference to :
 - a) Matters required to be included in the Directors Responsibility Statement in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.

5. Reviewing with the management, the quarterly financial statements before submission to the Board for its consideration.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with the internal auditor and / or auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors/ auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
10. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of Whistle Blower Mechanism.
13. Reviewing the follow up action on the audit observations of C & A G audit.
14. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
15. Providing an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
16. Reviewing and pre-approve all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.
17. Reviewing with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
18. Considering and reviewing the following with the independent auditor and the management :
The adequacy of internal controls including computerized Information System Controls and security, and Related findings and recommendations of the independent auditor and internal Auditor, together with management responses.
19. Considering and reviewing the following with management, internal auditor and the independent auditor.
Significant findings during the year, including the status of previous audit recommendations. and Any difficulties encountered during the audit work including any restrictions on the scope of activities or access to required information. and
20. Reviewing the financial statements of the subsidiary companies.

3.2 Empowered Sub-Committee for Evaluation Appraisal and Approval of Projects

An Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects was re-constituted by CIL Board in its 291st Board meeting held on 09-11-2012. During the year 2012-13, three Sub-Committee Meetings were held on 30-07-2012, 11-12-2012 & 12-02-2013. The Committee consists of following Directors and their attendance was as follows:



SI No	Name of the Director	Status	No. of Meeting attended
1	Chairman, CIL.	Chairman	3
2	Director (Technical), CIL.	Member	3
3	Director(Finance), CIL	Member	3
4	Jt. Secretary & FA, MOC.	Member	3
5	Dr. (Smt.) Sheela Bhide.	Member	2
6	Dr Mohd. Anis Ansari.	Member	3
7	Ms. Sachi Chaudhuri.	Member	3
8	CMD, CMPDIL.	Permanent Invitee.	0

3.3 Remuneration Committee

CIL being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are fixed by the President of India. Hence, the Board does not decide the remuneration of functional Directors.

A Remuneration Committee was constituted by CIL Board of Directors in its 249th meeting held on 10-04-2009. It was re-constituted by the Board in its 264th Board meeting held on 01-02-2011. During the year 2012-13, two Sub-Committee Meetings were held on 30-08-2012 & 18-09-2012. The Committee consists of following Directors and their attendance was as follows:

SI No	Name of the Director	Status	No. of Meeting attended
1	Prof S.K. Barua	Chairman	2
2	Ms Anjali Anand Srivastava	Member	1
3	Shri Kamal R Gupta	Member	2
4	Dr. R. N. Trivedi	Member	2
5	Ms. Sachi Chaudhuri	Member	2
6	Shri R. Mohan Das	Permanent Invitee	2

3.4 Shareholders' / Investors' Grievance Committee.

A Shareholders' / Investors' Grievance Committee was constituted by CIL Board of Directors in pursuance of Listing Agreement in its 258th meeting held on 05-08-2010. This committee was further re-constituted by the Board in its 291st Board Meeting held on 9th November'2012. The Shareholders'/Investors Grievance Committee shall be responsible for:

- Redressal of investors' complaints;
- Non-receipt of declared dividends, balance sheet of the Company etc; and
- Carrying out any other function contained in the Listing Agreement as and when amended from time to time.

During the year 2012-13, four meetings were held on 28-05-2012, 13-08-2012, 11-12-2012 & 13-02-2013. .

The Shareholders' / Investors' Grievance Committee consists of following Directors and their attendance was as follows:

SI No	Name of the Director	Status		No. of Meeting attended
1	Shri A. K. Rath	Independent Director	Chairman	4
2	Shri Kamal R Gupta	Independent Director	Member	4
3	Shri R. Mohan Das	Director(P&IR)	Member	4
4	Shri A.Chatterjee	Director(Finance)	Member (w.e.f 9-11-2012)	2
5	Shri A. K. Sinha	Director(Finance)	Member (superannuated w.e.f 1-11-2012)	2

3.5 Share Transfer Committee.

A Share Transfer Committee was constituted by CIL Board of Directors in its 262nd meeting held on 22-11-2010 and was lastly re-constituted by the CIL Board of Directors in its 291st meeting held on 09-11-2012. The Share Transfer Committee looks into the following:

- Transfer or Transmission of Shares.and
- Issue Duplicate Certificates and new Certificates on split /consolidation/renewal etc.

During year 2012-13 ,twenty-five meetings of the committee were held on 9-04-12,3-05-12,18-05-12,28-05-12,15-06-12,5-07-12,23-07-12,30-7-12,10-8-12,30-8-12,17-09-12,12-10-12,19-10-12,9-11-12,29-11-12,10-12-12,24-12-12,5-01-13,16-01-13,24-01-13,11-02-13,21-02-13,28-02-13,07-03-13 & 25-03-13. The Share Transfer Committee consists of following Directors and their attendance was as follows:



SI No	Name of the Director	Status		No. of Meeting attended
1	Shri R. Mohan Das	Director(P&IR)	Chairman (w.e.f 1-11-12)	22
2	Shri A. K. Sinha	Director(Finance)	Chairman (superannuated w.e.f 1-11-12)	13
3	Shri N. Kumar	Director(Technical)	Member (ceased to be a member w.e.f 9-11-13)	13
4	Shri B.K.Saxena	Director(Marketing)	Member(w.e.f 9-11-12)	9
4	Shri A.Chatterjee	Director(Finance)	Member (w.e.f 9-11-12)	12

3.6 Foreign Acquisition Committee.

A Foreign Acquisition Committee was constituted by CIL Board of Directors in its 260th meeting held on 25-09-2010 and lastly re-constituted by the CIL Board in its 296th meeting held on 25-03-2013. During the year 2012-13, four Committee meetings were held on 7-05-12, 31-08-12, 15-01-13 & 6-03-13. The Committee has been constituted to:

- Review proposals put up by the management including interalia risk return profile related to acquisition of coal projects/getting coal from abroad ,suggest changes if any and recommend or otherwise to the Board of Directors of CIL.
- Review matters related to "Long – term Off – take Contract " put up by the management and suggest changes if any, and recommend or otherwise such proposals to the Board of Directors of CIL and
- Any other matter from Coal Videsh Division, which CIL Management decides to refer for Committee's advice.

The Foreign Acquisition Committee consists of following Directors and their attendance was as follows:

SI No	Name of the Director	Status		No. of Meeting attended
1	Dr. R. N. Trivedi	Independent Director	Chairman	4
2	Dr. (Smt.) Sheela Bhide	Independent Director	Member	4
3	Dr. Mohd. Anis Ansari	Independent Director	Member	4
4	Shri N. Kumar	Director(Technical)	Member	4
5	Shri A. K. Sinha	Director (Finance),	Member (superannuated w.e.f 01-11-2012)	1
6	Shri A.Chatterjee	Director(Finance)	Member (w.e.f 09-11-12)	2
7.	Shri Kamal R Gupta	Independent Director	Member (w.e.f25-03-2013)	0

3.7 Review of Treasury Management Committee.

A Review of Treasury Management Committee was constituted by CIL Board of Directors in its 265th meeting held on 14-02-2011 and was re-constituted by the Board in its 291st Board meeting held on 9-11-12. The Committee has been constituted to review the Treasury Management Policy of CIL in view of Government guidelines to invest upto 30% of surplus funds of PSUs in Mutual Funds owned by Public Sectors Banks. During the year 2012-13, 2 meetings were held on 30-07-12 & 15-01-2013 The Treasury Management Committee consists of following members and their attendance was as follows:-

SI No	Name of the Director	Status		No. of Meeting attended
1	Shri Kamal R Gupta	Independent Director	Chairman	2
2	Ms. Anjali Anand Srivastava	JS & FA , MOC	Member	1
3	Dr. R. N. Trivedi	Independent Director	Member	2
4	Dr. Mohd. Anis Ansari	Independent Director	Member	2
5	Ms. Sachi Chaudhuri	Independent Director	Member	2
6	Shri A. K. Sinha	Director(Finance)	Member (superannuated w.e.f 01-11-12)	1
7	Shri A.Chatterjee	Director(Finance)	Member (w.e.f 9-11-12)	1

3.8 Convergence to IFRS Committee

The convergence to IFRS committee was constituted by CIL Board of Directors in its 270th meeting held on 25-05-2011 and re-constituted by the Board in its 291st Board meeting held on 09-11-12. During the year, one meeting of Convergence to IFRS Sub- Committee was held i.e. on 16-04-2012. The Convergence to IFRS Sub- Committee consists of following Members and their attendance was as follows:

SI No	Name of the Director	Status		No. of Meeting attended
1	Shri Kamal R Gupta	Independent Director	Chairman	1
2	Dr. (Smt.) Sheela Bhide	Independent Director	Member	1
3	Shri A. K. Sinha	Director(Finance)	Member (superannuated w.e.f. 01-11-12)	1
4	Shri A.Chatterjee	Director(Finance)	Member (w.e.f. 09-11-12)	0



3.9 Human Resource Management Committee

Human Resource Management Committee was constituted by CIL Board of Directors in its 270th meeting held on 25-05-2011. During the year, four meetings were held i.e. on 04-07-12, 18-10-12, 10-12-12 and 23-02-2013.

The Human Resource Management Sub- Committee consists of following members and their attendance was as follows:

SI No	Name of the Director	Status		No. of Meeting attended
1	Prof S.K. Barua	Independent Director	Chairman	4
2	Dr. R. N. Trivedi	Independent Director	Member	4
3	Shri R. Mohan Das	Director(P&IR)	Member	3

3.10 Corporate Governance including Risk Assessment and Minimization Procedures Committee.

Corporate Governance including Risk Assessment and Minimization Procedures Committee was constituted by CIL Board of Directors in its 273rd meeting held on 20-09-2011 and reconstituted by the Board in its 286th CIL Board meeting held on 7th Aug' 12. During the year, four meetings of Corporate Governance including Risk Assessment and Minimization Procedures were held i.e. on 29-05-12, 31-08-12, 17-09-12, and 12-12-2012. The Corporate Governance including Risk Assessment and Minimization Procedures Sub- Committee consists of following members and their attendance was as follows:

SI No	Name of the Director	Status		No. of Meeting attended
1	Dr. A. K. Rath	Independent Director	Chairman	4
2	Shri Kamal R Gupta	Independent Director	Member	4
3	Dr. Md. Anis Ansari	Independent Director	Member	4
4	Ms. Sachi Chaudhuri	Independent Director	Member	4
5	Shri R. Mohan Das	Director(P&IR)	Member	2
6	Shri N.Kumar	Director(Technical)	Member	2

3.11 Corporate Social Responsibility and Sustainable Development Committee.

Sustainable Development Committee was constituted by the CIL Board of Directors in its 282nd meeting held on 16th April' 2012. This committee was renamed as Corporate Social Responsibility and Sustainable Development and reconstituted by the Board in its 294th CIL Board meeting held on 13th Feb' 13. During the year, three meetings of committee were held i.e. on 30-08-12, 15-01-13, and 06-03-2013. The Corporate Social Responsibility and Sustainable Development Committee consists of following members and their attendance was as follows

SI No	Name of the Director	Status		No. of Meeting attended
1	Dr. Md. Anis Ansari	Independent Director	Chairman	3
2	Dr (Smt.) Sheela Bhide	Independent Director	Member (w.e.f 13-02-13)	1
3	Shri Kamal R Gupta	Independent Director	Member (w.e.f 13-02-13)	1
4	Shri R. Mohan Das	Director(P&IR)	Member	2
5	Shri N.Kumar	Director(Technical)	Member	2

4. Remuneration of Directors.

Remuneration of Functional Directors is decided by the Government of India. Sitting fee payable to Independent Directors is fixed by the Board of Directors of CIL in pursuance of DPE guidelines and the Companies Act, 1956. Accordingly, the Board has decided payment of sitting fees for each meeting of the Board and Committees of the Board ₹ 20,000/- to each Independent Director for attending each meeting in its 263rd meeting held on 14th December, 2010.

Details of remuneration paid to Functional Directors of the Company during the financial Year 2012-13 were as under:

(in Rupees)

SI	Name of the Director	Salary	Benefits	Total
1.	Shri S Narsing Rao	14,80,690.67	6,21,083.65	21,01,774.32
2.	Shri R. Mohan Das	17,05,760.04	10,97,416.76	28,03,176.80
3.	Shri N Kumar	15,09,740.38	12,48,373.42	27,58,113.80
4.	Shri B.K.Saxena	11,28,825.00	7,89,186.67	19,18,011.67
5	Shri A.Chatterjee	7,49,325.00	2,15,475.00	9,64,800.00
6	Shri A.K.Sinha	10,62,455.25	2,53,422.47	13,15,877.72



Details of sitting fee paid to Independent Directors during the Year 2012-13 are given below:

(in Rupees)

Name of the Independent Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Total
Prof S.K. Barua	1,80,000	2,20,000	4,00,000
Dr. R.N. Trivedi	3,00,000	5,20,000	8,20,000
Dr (Smt). Sheela Bhide	2,60,000	1,80,000	4,40,000
Dr. A.K. Rath	2,80,000	3,40,000	6,20,000
Dr.Md. Anis Ansari	2,80,000	4,80,000	7,60,000
Shri Kamal Raj Gupta	2,80,000	5,40,000	8,20,000
Ms. Sachi Chaudhuri	2,80,000	4,00,000	6,80,000

5. Accountability of Directors.

Memorandum of Understanding (MoU), a mutually negotiated agreement and contract between the *Management* of CIL (CPSE) and MoC (Administrative Ministry/Government of India) is signed before the commencement of the financial year as laid down in the DPE Guidelines. Under this agreement, CIL undertakes to achieve the targets set in the agreement at the beginning of the year and it is intended to evaluate performance of CIL at the end of the year vis-à-vis the targets fixed in the beginning of the year. In line with this MoU between CIL and MoC, CIL further signs MoU with all its Subsidiaries in its fold.

It is done by adopting a system of "five point scale" and "criteria weight" which ultimately result in calculation of "composite score" or an index of the audited performance of the enterprise. The composite score is forwarded to DPE through the administrative ministry viz. MoC by August of the succeeding financial year in line with the guidelines prescribed by DPE for its ratification.

The MoU system enables CIL to perform efficiently as there are a variety of parameters both financial and non-financial in nature. The non-financial parameters comprises of an appropriate mix of Dynamic, Sector Specific and Enterprises specific parameters. CIL has been vigorously pursuing this system since 1988-89, which has helped immensely in fulfillment of its long ranging objectives, aspirations and overall growth over the period. The entire process also ensures transparency as well as accountability towards stakeholders.

6. General Body Meetings

Date, time and venue of the last 3 Annual General Meetings held are as under:-

Financial Year.	Date.	Time.	Location.
2011-12	18-09-2012	10.30AM	Kala Mandir, 48 Shakespeare sarani Kolkata-700017
2010-2011	20-09-2011	11.00 A.M.	Science City, Main Auditorium, JBA Haldane Avenue, Kolkata – 700 046.
2009-2010	25-05-2010	11.00 A.M.	Coal Bhawan 10, N.S. Road Kolkata –1

7. Disclosures

There was no transaction by the company of material nature with Promoters, Directors or the Management, their relatives, etc. that may have potential conflict with the interests of company at large. The Non-Executive Directors had no pecuniary relationships or transactions with the company during the year except receipt of sitting fees for attending meetings of the Board/Board Sub-committees. None of the Directors held any share of the Company as on 31st March, 2013.

CEO/CFO Certification

As required by Clause 49 of the Listing Agreement(s) the Certificate duly signed by Shri S. Narsing Rao, (Chairman) and Shri A. Chatterjee, Director (Finance) was placed before the Board of Directors in its 298th Meeting held on 27th May, 2013 and is annexed to the Corporate Governance Report.

8. Means of Communication.

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through website.

The Company also communicates with its institutional shareholders through a combination of Analysts briefing, individual discussions and also participation at investor conferences from time to time. Financial results are discussed by way of conference calls regularly after the end of each quarter.

Information and latest updates and announcement regarding the company can be accessed at company's website www.coalindia.in .

Official Releases and Presentations

In order to make the general public aware of the achievements of the company, press conference is held after finalisation of results of each quarter where highlights of the company for each quarter are briefed to the Press for information of the stakeholders after an intimation to the Stock Exchanges.

9. Shareholding Pattern of CIL

As on 31st March, 2013 , 90% Shares of Coal India Ltd. is held by the President of India and balance 10% are held by FII (5.44%), Indian Public(1.23%) , Banks & FI (1.28%), Private Corporate Bodies (1.22%), Mutual Funds (0.71%), NRI/OCBs(0.03%) and Others (0.09%) .

10. Details of Subsidiaries of Coal India Ltd and its Location

Coal India Ltd. is at present having nine wholly owned Subsidiaries. (Seven Coal Producing Companies, One Service Oriented Company and One Foreign Subsidiary Company). The Company's Subsidiaries are located at:

(A) Coal Producing Companies:

Name of the Subsidiary Company	Location
(i) Eastern Coalfields Ltd.	Sanctoria , Disergarh, West Bengal
(ii) Bharat Coking Coal Ltd.	Dhanbad, Jharkhand.
(iii) Central Coalfields Ltd.	Ranchi, Jharkhand.
(iv) Western Coalfields Ltd.	Nagpur, Maharashtra.
(v) South Eastern Coalfields Ltd.	Bilaspur, Chhatisgarh.
(vi) Northern Coalfields Ltd.	Singurali, Madhya Pradesh.
(vii) Mahanadi Coalfields Ltd.	Sambalpur, Orissa



(B) Service Oriented Company:

Name of the Subsidiary Company	Location
(viii) C.M.P.D.I. L.	Ranchi, Jharkhand.

(C) Foreign Subsidiary Company:

Name of the Subsidiary Company	Location
(ix) Coal India Africana Limitada.	Mozambique

11. Code of Conduct.

The Company has in place a Code of Conduct applicable to Board Members as well as to Senior Management and the same has been hosted on the Company's website.

Further, all the Board Members of Coal India Limited and Senior Management Personnel have affirmed compliance to the code of conduct as on 31st March, 2013.

Declaration as required under clause 49 of the Listing Agreement.

All the members of the Board and Senior Management Personnel have affirmed compliance to the Code of Conduct for the financial year ended on March, 31, 2013.

Kolkata

(S. Narsing Rao)

Chairman & Managing Director

12. Code of Internal procedures and conduct for Prevention of Insider Trading.

In pursuance to Regulation 12(1) of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 , CIL has adopted **"CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING AND DEALING WITH SECURITIES OF COAL INDIA LIMITED"** with the objective of preventing purchase and/or sale of the shares of the CIL by an insider on the basis of unpublished price sensitive information . Under this code, Insiders (Officers , Designated Employees) are prevented to deal with the company's shares during the closure of Trading Window. To deal in Securities beyond limits specified, permission of Compliance Officer is required. All Directors / Officers/Designated Employees are also required to disclose related information periodically as defined in the Code. Company Secretary has been designated as Compliance Officer for this Code.

13. SHAREHOLDERS' INFORMATION.

i) Annual General Meeting.

Date: 18th September, 2013

Time : 10:30 A.M.

Venue: Science City, Main Auditorium, JBS Haldane Avenue, Kolkata - 700 046.

ii) **Financial Calendar for FY 2013-14**

Particulars	Date
Accounting period	April 1 , 2013 to March 31 , 2014
Un audited Financial Results for the first three quarters	Announcement within 45 days from the end of each quarter.
Fourth Quarter Results	Announcement of Audited Accounts on or before May, 30, 2014.
AGM (Next Year)	September 2014 (Tentative)

(iii) Book Closure.

The Register of Members and Share transfer Books of the Company will remain closed from 11th September, 2013 to 18th September, 2013 (both days inclusive).

(iv) Payment of Dividend.

The Board of Directors of CIL has recommended payment of final Dividend of ₹ 4.30 per share (43% on the Paid - Up Share Capital) for the Financial Year Ended March, 31, 2013 in addition to Interim Dividend of ₹ 9.70 per share (97% on the paid up share capital) paid on and from 25-03-2013. The date for the payment of Final Dividend is on and from 26th September, 2013.

(v) Dividend History.

Year	Total Paid up Share Capital (₹ in crore)	Total amount of dividend paid (₹ in crore)	Date of AGM in which dividend was declared	Rate of Dividend.
2005-06	6316.3644	1263.27	13-09-2006	20%
2006-07	6316.3644	1500.00	18-09-2007	23.748%
2007-08	6316.3644	1705.42	29-07-2008	27%
2008-09	6316.3644	1705.42	28-07-2009	27%
2009-10	6316.3644	2210.00	25-05-2010	35%
2010-11	6316.3644	2463.38	20-09-2011	39%
2011-12	6316.3644	6316.36	18-09-2012	100%
2012-13	6316.3644		Including Interim Dividend declared and paid earlier @ 97% & Final Dividend (*) @43% (proposed)	

(*) Subject to the approval of Shareholders at AGM.

(vi) Listing on Stock Exchanges.

CIL equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited.

Scrip Code: COAL INDIA,
Stock Code: ISIN: INE522FO1014.

Bombay Stock Exchange Limited.

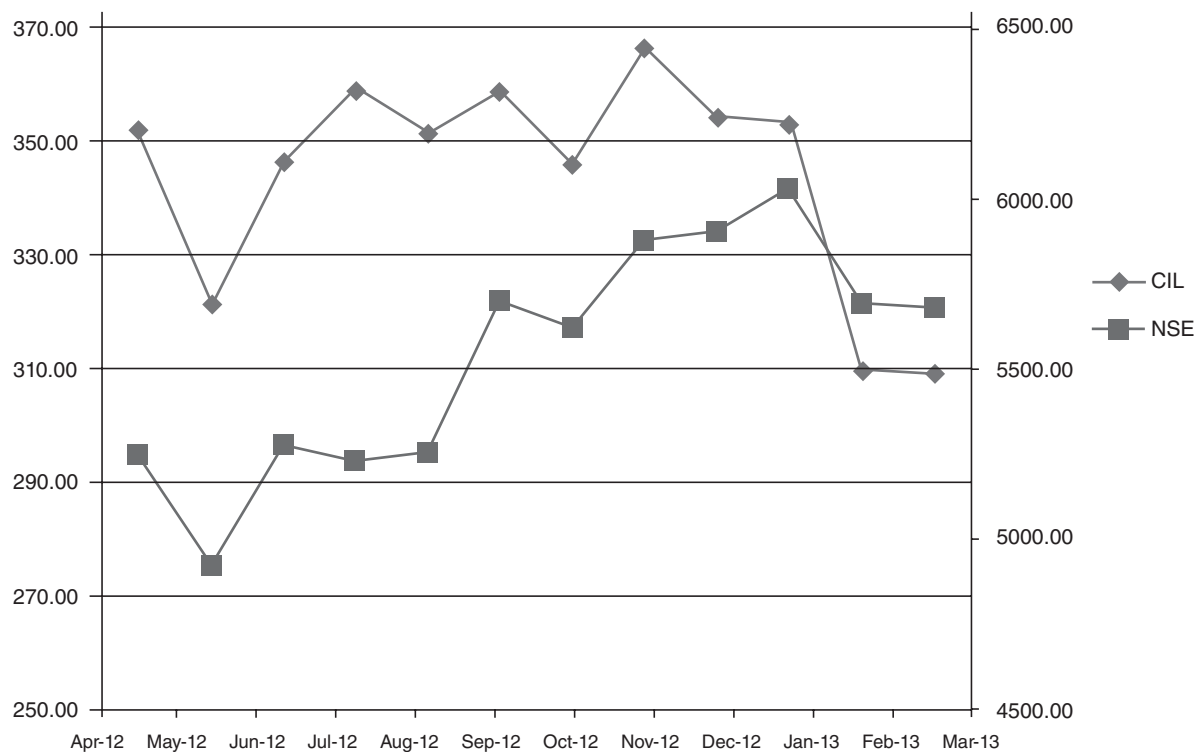
Scrip Code: 533278.

Annual Listing fees for the year 2013-14 have already been paid to both the Stock Exchanges.



(vii) Market Price Data- NSE:

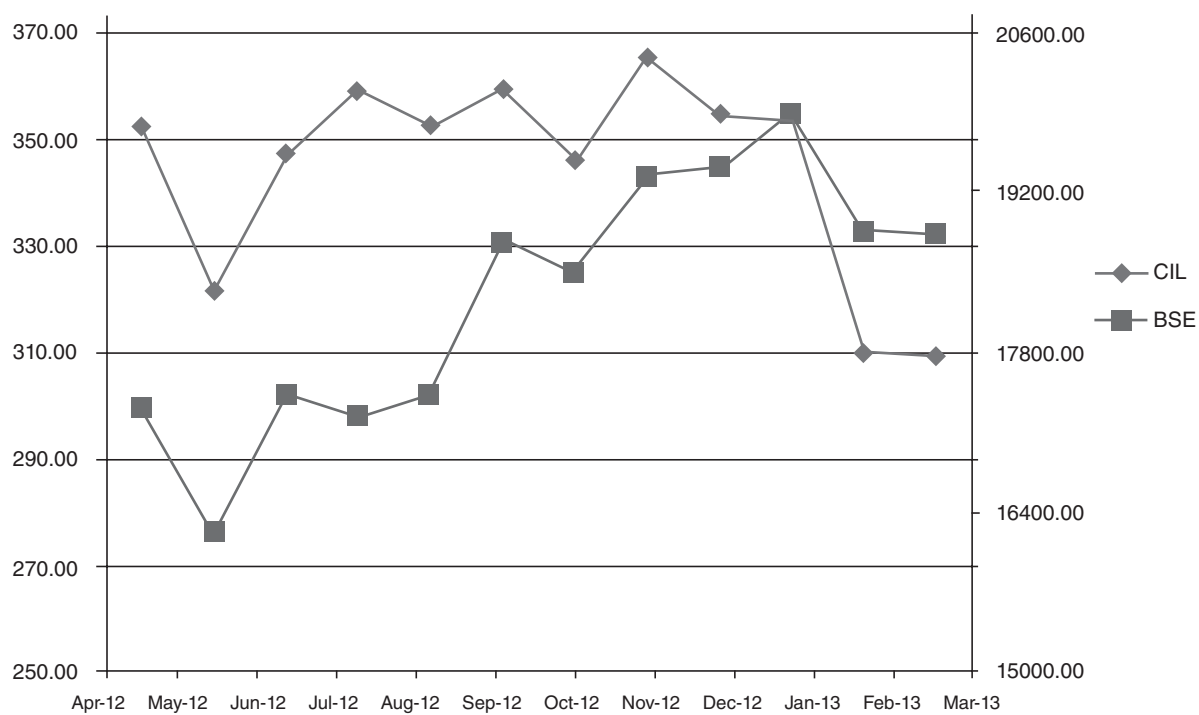
Month	High (₹)	Low (₹)	Closing (₹)
April-12	367.45	328.50	352.35
May-12	355.45	301.10	321.60
June-12	354.00	314.80	346.80
July-12	363.60	344.75	359.35
August-12	371.75	335.05	351.45
September-12	386.25	349.35	358.95
October-12	370.20	289.40	346.30
November-12	373.50	342.25	366.55
December-12	374.85	348.70	354.80
January-13	372.40	337.00	353.35
February-13	359.10	305.10	309.80
March-13	327.50	291.00	309.10



Stock Performance of Coal India vis-a-vis Nifty (Based on closing Price)

(viii) Market Price Data- BSE:

Month	High (₹)	Low (₹)	Closing (₹)
April-12	367.10	328.55	352.55
May-12	355.20	301.20	321.70
June-12	353.60	315.15	347.40
July-12	363.30	344.75	359.30
August-12	371.65	335.05	352.75
September-12	386.00	349.35	359.45
October-12	369.90	343.15	346.25
November-12	373.30	342.25	365.95
December-12	374.05	348.50	355.05
January-13	372.10	337.05	353.55
February-13	359.00	305.10	310.30
March-13	327.30	291.20	309.15



Stock performance of Coal India vis a vis Sensex (based on closing price)



(ix) Registrar and Share transfer Agent(W.e.f 1st Feb 2013)

M/s. Karvy Computershare Pvt. Ltd.

17-24 Vithal Rao Nagar

Madhapur

Hyderabad-500081

E-mail id: einward.ris@karvy.com

Ph. no.: 040-44655000

Toll Free No.: 18003454001

Fax: 040 23420814

Local Address

M/s. Karvy Computershare Pvt. Ltd.

49 Jatin Das Road

1st Floor

Kolkata 700 029

E-mail id: einward.ris@karvy.com

Ph. no.: 033 2464 7231/7232/4891

Fax: 033 2464 4866

(x) Share Transfer System

The share transfer activities under physical segment are being carried out by M/s. Karvy Computershare Pvt. Ltd. The share transfer system consists of activities like receipt of shares along with transfer deed from transferors, its verification, preparation of Memorandum of transfers, etc. Shares transfers are approved by Sub- Committee of the Board.

(xi) Distribution of Shareholding

Shares held by different categories of shareholders and size of holdings as on 31st March, 2013 is given below:

a. Shareholding pattern as on March, 31 , 2013

Category	Total no. of shares	% of Equity
GOI	5684727960	90.00
FII's	343348109	5.44
Indian Public	77359621	1.23
Banks, Insurance & FI	81137248	1.28
Private Corporate Bodies	77128694	1.22
Mutual Funds	45135023	0.71
NRI/ QFI/FRN's	1696762	0.03
Others	5830983	0.09
TOTAL	6316364400	100.00

b. Distribution of shareholding according to size , % of holding as on March, 31 , 2013:

Number of Shares	Number of Shareholders	% of Shareholders	Total No of shares	% of shares
1-5000	635669	98.58	67436444	1.07
5001-10000	4851	0.75	3622338	0.06
10001-20000	1839	0.29	2745774	0.04
20001-30000	526	0.08	1330806	0.02
30001-40000	256	0.04	910642	0.01
40001-50000	227	0.04	1062770	0.02
50001-100000	397	0.06	2927101	0.05
100001 and above	1066	0.16	6236328525	98.73
Total	644831	100.00	6316364400	100.00

c. Major Shareholders

Details of shareholders holding more than 10% of the paid up capital of the Company as on March 31, 2013 are given below:

Name of Shareholder	No of Shares	% to Paid – up Capital	Category
Government of India	5684727960	90%	Promoter

(xii) Dematerialization of Shares and Liquidity

10% of the Shares of the Company issued to the Public are in dematerialized segment and are available for trading system of National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL)

Secretarial Audit Report for reconciliation of the share capital of the Company obtained from practicing Company Secretary at the end of each quarter has been submitted to Stock Exchanges within the stipulated time.

No of shares held in dematerialized and physical mode as on 31st March' 13

Mode of holding	No. of shares	% of total capital issued
Held in dematerialized form in CDSL	23032758	0.36
Held in dematerialized form in NSDL	6293327999	99.64
Physical	3643	00.00
Total	6316364400	100.00



The names and address of the Depositories are as under:

1. National Securities Depository Ltd.

Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai-400 013.

2. Central Depository Services (India) Limited.

Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street Fort, Mumbai – 400 001.

Custodial Fees for the year 2013-14 have been paid to NSDL and CDSL.

(xiii) Joint Venture Companies of CIL:

- a) CIL NTPC Urja Pvt Ltd.
- b) MAMC Industries Limited.
- c) International Coal Ventures Private Limited.

(xiv) Address for Correspondence.

Coal India Limited,
10, N.S. Road,
Kolkata- 700 001.
Phone: 033-22485123,
Fax: 033- 2231 5060.
E –mail: complianceofficer @coalindia.in.

ANNEX – I

Non- Mandatory Requirements.

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement are produced below:

- 1. The Board :** The Company is headed by an Executive Chairman. No independent Director has been appointed for the period exceeding, in the aggregate, a period of nine years, on the Board of the Company.
- 2. Remuneration Committee :** Please refer to Para 3.3 of this Report.
- 3. Shareholder Rights :** The quarterly Financial Results of the Company are published in leading newspapers. Financial Results are discussed by way of conference calls regularly after the close of each quarter and also hosted on the website of the Company. These results are not separately circulated.
- 4. Audit Qualification :** It is always Company's endeavour to present unqualified financial statements.
- 5. Training to Board Members :** The Board of Directors are fully briefed on all business related matters, associated risk, new initiatives etc of the Company. The Independent Directors are sponsored for Training on Corporate Governance from time to time.
- 6. Whistle Blower Policy :** The Board of Directors of CIL in its 272nd Board Meeting held on 12th August, 2011 has approved "COAL INDIA WHISTLE BLOWER POLICY 2011" at CIL and its subsidiary companies and same is implemented.



CEO AND CFO CERTIFICATION

To
The Board of Directors
Coal India Limited.

The Financial Statements of CIL (consolidated) for the year ended 31st March, 2013 are placed herewith before the Board of Directors for their consideration and approval.

The Financial Statements for the above mentioned period for the subsidiaries of Coal India Ltd. have been prepared by the respective subsidiaries and have been approved by their respective Boards. The respective CEO/CFO certification on the Financial Statements of the subsidiaries for the said period as submitted to the respective Board are also placed for kind perusal.

The Standalone Financial Statements for the above period also forms a part of the above Consolidated Financial Statements.

In the light of above, We, S. Narsing Rao, Chairman cum Managing Director and A. Chatterjee, Director (Finance), of Coal India Ltd. responsible for the finance function certify that:

- a. We have reviewed Financial Statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2013 are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant changes in Accounting Policies during the year; and
 - iii. We are not aware of any instance of significant fraud with involvement therein of the Management or an employee having a significant role in the company's internal control system over financial reporting.

Director (Finance)

Chairman cum Managing Director

Date : 27.05.2013
Kolkata



Maheshwari R & Associates

Company Secretaries

“Delta House”

1st Floor, Room 1 D

4 Government Place (North),

Kolkata-700001

Ph: 26389129 (R)

Mobile: 9432232757

E-mail: rashmi3309@rediffmail.com

CORPORATE GOVERNANCE CERTIFICATE

CIN NO: L23109WB1973GOI028844

Nominal capital: 89,041,800,000/-

To
The Members,
M/s. Coal India Limited

We have examined the compliance of conditions of Corporate Governance by M/s Coal India Limited (the “company”) for the year ended 31st March 2013 as required under clause 49 of the Listing Agreement and as stipulated in the Guidelines on Corporate Governance (the “guidelines”) for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprise, Govt. of India, vide OM No. 18(8)/2005-GM dated 14th May, 2010.

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, carried out is in accordance with the Corporate Governance (Modules of Best Practices) issued by the Institute of Company Secretaries of India, was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents certifications, etc as had been required by us.
2. The Company has taken steps for reviewing of compliance of laws. An elaborate system is in place for management of currency as well as interest rate risk relating to foreign loan and steps have been taken in other areas of integration and alignment of risk management with corporate and operational objectives.
3. In our opinion and to the best of our information and according to the explanations given to us, subject to our observation in paragraph 2 above, we certify that the Company has complied with the conditions of Corporate Governance as required under clause 49 and stipulated in the guidelines as mentioned above.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Dated : 21st June, 2013

For Maheshwari R & Associates
Company Secretaries

Rashmi Maheshwari
C.P.No.:3309 of ICSI
Membership No.: FCS-5126



VINOD KOTHARI & COMPANY

Practising Company Secretaries

1012 Krishna Building, 224 A.J.C. Bose Road

Kolkata - 700 017, India

Phone: +91-33-2281 7715 | 1276 | 3742

email: vinod@vinodkothari.com

Web: www.vinodkothari.com

www.india-financing.com

PAN No - AFMPK8774Q

Service Tax Registration No. AFMPK8774QST002

Secretarial Audit Report

To
The Board of Directors
Coal India Limited
10 Netaji Subhas Road
Kolkata - 700001,
India

We have examined the registers, records, books and papers of M/s Coal India Limited ("The Company") for the Financial Year ended on 31st March, 2013 according to the provisions of:

- a. The Companies Act, 1956 and the rules made thereunder;
 - b. Securities and Exchange Board of India (Acquisition of Shares & Takeovers) Regulations, 2011;
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d. The Equity Listing Agreement;
 - e. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2007.
- I.** In our opinion, based on test check carried out by us, verification of records produced to us and according to the information furnished to us by the Company, its Company Secretary and Officers, the Company has complied with the provisions of the Companies Act, 1956 ("the Act") and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard to:
- a. Maintenance of various Statutory Registers and documents and making necessary entries therein;
 - b. Filing of the requisite forms and returns with the Registrar of Companies and Central Government within the time prescribed under the Act and rules made there under;

- c. Closure of Register of Members and Share Transfer Books of the Company from September 10, 2012 to September 14, 2012 (both days inclusive);
- d. Convening and holding of the meetings of Directors and Committees of the Directors including passing of the resolutions by Circulation;
- e. Convening and holding of 38th Annual General Meeting on 18th September, 2012;
- f. Minutes of the proceedings of General Meeting and meetings of the Board and its committees were properly recorded in loose leaf form which are being bound in book form at regular intervals;
- g. Appointment and remuneration of Auditors and Cost Auditors;
- h. Transfers and transmission of shares
- i. Dematerialization / rematerialization of shares;
- j. Composition and terms of reference of Audit Committee;
- k. Declaration and payment of dividend;
- l. Investment of Company's funds etc. as required under the provisions of section 372A of the Act;
- m. Service of documents by the Company on its Members and Auditors;
- n. Borrowings and registration, modification and satisfaction of charges, except that two charges continue to show on the index of charges maintained by the Registrar of Companies, though the same are satisfied as per the records of the Company;
- o. Deposit of both the employees and employers contribution relating to Provident Fund with the Trusts created for the purpose;
- p. Form of Balance Sheet, statement of Profit & Loss Account and disclosures to be made therein as per the revised Schedule VI to the Act issued by the Ministry of Corporate Affairs;
- q. Contracts, Common Seal, Registered Office, and publication of name of the company, and
- r. Generally all other applicable provisions of the Act and the Rules made there under that Act.

II. We further state that:

- a. The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board;
- b. The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct for Directors and Senior Management Personnel;
- c. The Company has obtained all necessary approvals under the various provisions of the Act; and
- d. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 1956, Securities Exchange Board of India Act, 1992, Listing



Agreement, Foreign Exchange Management Act, 1992 and Rules, Regulation and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.

III. We further report that:

- a. The Company has complied with the applicable provisions of the Companies Act, 1956 and the Rules made thereunder;
- b. The Company has complied with all the requirements under the Equity Listing Agreement;
- c. The Company has complied with the provisions of the Securities Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
- d. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including provisions with regard to disclosures and maintenance of records required under the Regulations;
- e. The Company has complied with Guidelines on Corporate Governance for Central Public Sector Enterprises, 2007.

**For Vinod Kothari & Company
Practising Company Secretaries**



Vinod Kumar Kothari
C. P. No. 1391

Place: Kolkata
Date: May 15, 2013

SUSTAINABILITY REPORT 2012–13

In terms of Clause 55 of the Listing Agreement requirement, company had prepared Sustainability Report under GRI framework for the year 2012-13 and the same is posted in the Company's website www.coalindia.in. Any shareholder desirous to get the report in physical form can apply to Chief General Manager (Environment), Coal India Limited, Annex Building, 10, Netaji Subhas Road, Kolkata 700 001, India or send an e-mail to cgmenv@coalindia.in

A handwritten signature in black ink, appearing to read "M. Viswanathan".

(M. Viswanathan)
Company Secretary



MANAGEMENT DISCUSSION AND ANALYSIS

1.0 INDUSTRY STRUCTURE AND DEVELOPMENT

Overview of the Indian economy

With an estimated GDP of approximately US \$4.78 trillion in 2012, on a purchasing power parity basis, India is one of the largest economy in the world (*Source: CIA World Fact book*). India is also one of the fastest growing economies in the world. Coal is the one of the prime fuels in India and in terms of power generation, over 70% of the electricity generated is from coal based power plants and coal will continue to be crucial to India's future energy needs. (*Source: India Energy Book 2012*).

Global coal industry and reserves

The world coal reserves as per the rate of production in 2012 are estimated to suffice for the next 100 years (*Source: BP Statistical Review of World Energy June 2013*). Although proved coal reserves are widely distributed across the world, 85.1% of the world's recoverable reserves are located in five regions: the United States (27.6%), Russian Federation (18.2%), China (13.3%), Total Europe and Eurasia (other than Russian Federation) (17.1%), and Australia (8.9%) (*Source: BP Statistical Review of World Energy June 2013*). According to the BP Statistical Review of World Energy June 2013, India accounted for 7.0% of the world's Proved reserves.

Global coal production and consumption

China is the largest producer of coal 3,650.0 million tons (47.5% of the total worldwide production in 2012), followed by the United States 922.1 million tons (13.4% of the total worldwide production in 2012). (*Source: BP Statistical Review World Energy June 2013*) whereas India's coal production was approximately 605.8 million tons, in fiscal 2012 (*Source: BP Statistical Review World Energy June 2013*). Asia is the biggest market for coal and currently accounts for 69.9% of global coal consumption, owing to China and India, who are the primary consumers.

Indian coal industry and reserves

As on 01.04.2012, the estimated geological resource of Indian coal was 293.50 billion tons (*Source: MOC, GoI*). In India, coal is the prime fuel used to fire thermal power plants due to its availability and affordability. Coal is the dominant source of energy and met a substantial part of the total primary energy requirement of India. The coal sector in India is primarily dominated by the PSUs under the central and the state governments.

Domestic coal availability trends

Million metric tonnes	FY13	FY12	FY11	FY10	FY09	FY08	FY07
CIL	452	436	432	431	404	379	361
Singareni Collieries Company Ltd (SCCL)	53	51	51	50	45	41	38
Other sources	53	52	47	50	45	37	32
Total domestic availability	558	539	531	532	493	457	431

2.0 OPPORTUNITIES AND THREATS

Opportunities

- Strong economic growth in India and resultant demand for energy.
- Cheapest source of energy and would ensure continuous demand vis-à-vis other energy sources.
- Increased business opportunity through the use of imported coal by blending the same with domestic coal to remove mismatch in quantity and quality.

Threats

- Difficulty in obtaining clearances in respect of coal resources under forest cover & tribal lands.

- Large tract of coal bearing zones being situated in populated areas & thus prone to operational disruptions.
- Change in policies/ regulations governing the sector
- Possibility of negative impact of climate change initiatives on the use of coal.
- Near total dependence on Indian Railways for evacuation of coal.

STRENGTH AND WEAKNESS

Our Competitive Strengths

- The largest coal producer and reserve holder in the world
- Well positioned to capitalize on the high demand for coal in India
- Track record of growth and cost efficient operations
- Strong track record of financial performance
- Strong capabilities for exploration, mine planning, research and development
- Experienced senior management team and large pool of skilled employees

Weakness

- High cost of production in underground (legacy) mines resulting into losses in such mines
- Evacuation of coal largely dependent on external agencies which is often a constraint.
- Dominance of low grade coal in available resources

3.0 SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

Off take of Coal India Limited

	April-March'13	April-March'12
Off take (Mill Te)	465.18	433.08
Growth (over previous year)	7.41%	2.02%

Statement of Breakup of offtake (in Million Te)

Particulars	April'12 to March '13	%	April'11 to March '12	%	Growth %
Off-take	465.18	100.00%	433.08	100.00%	7.41%
Less : Own Consumption	0.81	0.17%	0.88	0.20%	(7.95%)
Less : Feed to Washeries	18.03	3.88%	19.24	4.44%	(6.29%)
Less : E-auction	49.14	10.56%	50.89	11.75%	(3.44%)
Despatch to Outsiders under FSA	397.20	85.39%	362.07	83.60%	9.70%

Statement of Breakup of Sales (₹ in crores):

Particulars	April'12 to March '13	%	April'11 to March '12	%	Growth %
Sales	68303	100.00%	62415	100.00%	9.43%



less: E-auction Sales	12503	18.31%	13228	21.19%	(5.48%)
less: Washed Coal & Washery Products	4229	6.19%	4478	7.17%	(5.56%)
Sales to FSA (incl. NLW coal)	51571	75.50%	44709	71.63%	15.35%

Sector-wise dispatch of coal & coal products

Our customers include large companies, including thermal power generating companies, steel producers, fertilizer producers and industrial companies both in public and the private sector with whom we have long-standing relationships. A significant majority of our coal is used in the thermal power sector in India.

The following table sets forth, Sector-wise break-up of dispatch of coal & coal products for 2012-13 against target and last year's actual:-

(Figs. in million tonnes)						
Year	2012-13			2011-12	Growth over Last Year	
Sector	Target	Dispatch	% Satn.	Actual	Abs.	%
Power (Util)	342.31	345.43	100.91	312.07	33.36	10.69
Steel *	4.54	4.74	104.41	4.12	0.62	15.05
Cement **	7.70	6.47	84.03	6.69	-0.22	-3.29
Fertilizer	2.70	2.50	92.59	2.79	-0.29	-10.39
Others	109.30	107.07	97.96	107.28	-0.21	-0.20
Dispatch	466.55	466.21	99.93	432.95	33.26	7.68

* dispatch of washed coal, direct feed & blendable coal to steel plants,

** dispatch to cement plants excluding cement cpp.

Transportation, Infrastructure and Logistics

Following the extraction of coal from a mine/working face, coal is transported to dispatch points primarily through tipping trucks and conveyor belts. In case of certain pit head customers coal is transported directly from the mine face through conveyor belts or ropeways. Coal is delivered to the customers from the dispatch points primarily through rail, road or dedicated rail MGR systems owned and operated by the customers. We also transport coal from the mine/working face and/or from the dispatch points to different internal consumption centers such as our beneficiation facilities etc.

For long distance transportation, coal is loaded onto rail wagons at our sidings connecting our mines with main railway lines. All consignments dispatched are weighed at weighbridges available at our dispatch points.

Our sales are either "free on rail" or "free on road" from the designated dispatch point, and transportation is arranged by the customers at their cost. Customers may choose the mode of transport between rail and road. In India, rail transportation is generally less expensive than road transportation. The cost of transportation of coal from the mines to designated dispatch points (either at rail-head or at road-head) is borne by us provided such dispatch points are located within three kilometers from the mines. If the dispatch point from our mines is more than three kilometers but within 20 kilometers, the customers bear such transportation cost at specified rates as notified by us from time to time. In circumstances where the distance from the dispatch point is greater than 20 kilometers from our mines, the customer bears the actual cost of transportation.

Dispatches of coal and coal products during 2012-13 were 466.21 million tonnes against 432.95 million tonnes in 2011-12, thus registering a growth of 7.7 %. Overall dispatch by non-rail mode was 101% of the target. Growth in dispatches via rail mode was 9.6 % whereas in overall non-rail mode was 5.5 %.

Dispatch of coal and coal products by various modes for the years 2012-13 and 2011-12 are given below:

(Figs. in million tonnes)						
Year	2012-13			2011-12	Growth over Last Year	
Mode	AAP Target	Dispatch	% Satn.	Actual	Abs.	%
Rail	253.62	251.11	99.01	229.07	22.04	9.62
Road	108.51	115.68	106.61	113.39	2.29	2.02
MGR	92.15	88.77	96.33	79.32	9.45	11.91
Other Modes	12.27	10.65	86.80	11.17	-0.52	-4.66
Overall	466.55	466.21	99.93	432.95	33.26	7.68

Our dispatch is dependent on the availability of adequate coal transportation capacities and the efficiency of coal handling and loading infrastructure at our mines. The success of our expansion projects will also depend on our ability to access or develop adequate additional coal transportation and coal handling and loading infrastructure.

We are also dependent on third party road transportation providers, including truckers, for supply of materials, supply of coal from our stockpiles and coal crushing and handling plants to the dispatch points and for supply of our coal to customers.

Production from underground and opencast mines.

Coal production from underground mines in 2012-13 was 37.78 Million Tonnes compared to 38.39 Million Tonnes in 2011-12. Production from Open cast mines during 2012-13 was 91.65 % of total raw coal production. Company-wise production was as under:

(Figure in Million Tonnes)

Company	Underground Production				Opencast Production				Total Production	
	2012-13		2011-12		2012-13		2011-12		2012-13	2011-12
		% of total production		% of total production		% of total production		% of total production		
ECL	6.849	20.20	6.83	22.35	27.062	79.80	23.73	77.65	33.911	30.56
BCCL	3.153	10.10	3.48	11.52	28.06	89.90	26.73	88.48	31.213	30.21
CCL	1.024	2.13	1.09	2.27	47.037	97.87	46.91	97.73	48.061	48.00
NCL	0.00	0.00	0.00	0.00	70.021	100.00	66.40	100.00	70.021	66.40
WCL	8.2	19.39	8.39	19.46	34.087	80.61	34.72	80.54	42.287	43.11
SECL	16.869	14.27	16.41	14.41	101.35	85.73	97.43	85.59	118.219	113.84
MCL	1.678	1.56	2.19	2.12	106.216	98.44	100.93	97.88	107.894	103.12
NEC	0.003	0.50	0.00	0.00	0.602	99.50	0.60	100.00	0.605	0.60
CIL	37.776	8.35	38.39	8.81	414.435	91.65	397.45	91.19	452.211	435.84



Washed Coal (Coking) Production

Subsidiary-wise production of Washed coal (coking) was as under:

Company	(Figure in Lakh Tonnes)	
	Washed Coal	
	(Coking)	
	2012-13	2011-12
BCCL	13.29	14.21
CCL	12.39	13.34
WCL	1.44	1.37
CIL	27.12	28.92

Overburden Removal

Overburden Removal during 2012-13 was 746.7 Million Cubic Meters against 735.14 Million Cubic Meters achieved in 2011-12 recording a modest growth of 1.57%. Company-wise details of overburden removal was shown below:

(Figure in Million Cubic Meters)

Company	2012-13	2011-12
ECL	76.448	60.31
BCCL	84.259	81.36
CCL	63.308	65.68
NCL	195.706	201.66
WCL	113.685	122.49
SECL	118.202	113.49
MCL	90.361	85.67
NEC	4.733	4.48
CIL	746.702	735.14

4.0 OUTLOOK

In the terminal year (2016-17), as per XII Plan document, all India Coal demand growth rate has been envisaged at 7.09 % (980.50 Mt). Estimated coal demand for 2013-14 is 769.69 Mt against 695 Mt of 2012-13.

In the terminal year of XII Plan (2016-17), the envisaged indigenous coal production is 795.00 Mt. Out of this, CIL's projection is 615 Mt (envisaged growth rate of 7.12 %), 77 % share of total production. Out of this, 30.20% is to come from existing mines, 54.2 % from projects under implementation and 15.6 % from new projects to be taken up. On date, 148 projects are under various stages of implementation. Further 126 new projects are identified to be taken up in XII Plan, of which 58 are spill-over projects of X & XI Plans. Coal production target of CIL in 2013-14 is 482 Mt (growth of 6.59 %).

CIL has proposed a capital outlay of ₹ 25,400 Cr in XII Plan plus an ad-hoc provision of ₹ 35,000 Cr for acquisition of coal assets abroad and development of the acquired coal blocks in Mozambique. The capital expenditure for the year

2013–14 has been envisaged at ₹ 5000 Cr plus additional ad-hoc provision of ₹ 4000 Cr for acquisition of coal assets abroad and development of coal block in Mozambique.

Business Strategies

- Continue to increase production and capitalize on the significant demand-supply gap for coal in India
- Improve realizations through E-Auction sales.
- Pricing mechanisms
- Enhance our profitability and maintain our competitiveness by improving operating and cost efficiencies
- Continue to increase our reserve base in India
- Acquire strategic international resources or mining rights and identify joint development opportunities
- Continue to focus on developing environmentally and socially sustainable operations

Status of implementation of different provisions under New Coal Distribution Policy (NCDP) is as under:-

- (i) For power stations, commissioned on or before 31.03.2009, 306 million tonnes had been considered to be supplied through bilateral legally enforceable Fuel Supply Agreements (FSA) with a trigger level of 90%. The total quantity covered under FSA against the allocation as on March'13 was 303.7 million tonnes.

Apart from the above, 176 Letter of Assurances have been issued to power plants by subsidiary companies of CIL, as per recommendations of various SLC (LT) Meetings for a quantity of about 421 Million tonne. In terms of MOC letter dated 17.02.2012, referred under Presidential Directives, out of the above power plants, plants aggregating capacity of about 60,000 MW and covering a quantity of about 250 Million tonnes commissioned/ likely to be commissioned during the year 2009-10 to 2014-15, FSAs for 61 units/plants have been executed till 31st March covering a quantity of 88.8 Million tonne per annum. Out of the total 61 FSAs signed, 25 FSAs are signed by the Government TPPs which includes UPRVUNL, APGENCO, TANGEDCO, RRVUNL, DVC, MAHAGENCO, MPPGCL and KPCL, involving 9955 MW capacity and ACQ of 42.4 MT. However signing of FSA with NTPC for their new power plants is yet to be materialised.

- (ii) In addition, 6 power plants having Pre-NCDP Long Term Linkage (commissioned & appearing in the MOC letter dated 17.02.2012 not having LOA) are drawing coal under FSA/MOU.
- (iii) Out of 1210 valid linked units other than power and steel plants with eligible FSA quantity of 65.75 mill tonne, 1194 units executed FSAs for 64.78 mill tonne
- (iv) For supply of coal to SME sector, 8 mill tonnes was earmarked for allocation to agencies nominated by the State Govt's/ Union Territories. 19 states / UT's sent their nomination for 30 state agencies for the year 2012-13. State agencies have signed 24 FSAs for 4.14 mill tonnes and drew coal accordingly.
- (v) After implementation of NCDP, 417 LOAs were issued to consumers of sponge iron, CPP and cement sectors against 519 notices issued to consumers of these sectors as per recommendations of various SLC (LT) meetings for a quantity of 65 Million tonnes per annum. Out of these, 305 FSAs have been concluded till date for 40.2 Million tonnes per annum.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the MoC.

Under Forward E Auction scheme during the year ended Mar13, quantity allocated was 4.96 mill tonnes as against 7.55 mill tonnes allocated during the last year. During the period under review, 44.26 mill. Tonnes of coal were allocated under spot e- auction to the successful bidders as against 49.72 mills. tonnes of coal allocated during the last year. The notional gain through Spot E-auction over & above the notified price was 49.9% as against 66.6% during the last year.



Research and Development

Our wholly owned subsidiary CMPDIL is an established coal mine designed and planning Institute in India and provides comprehensive technical and consultancy services for our operations as well as 3rd party clients for geological exploration and drilling, mine planning and design, coal beneficiation and utilization, allied engineering services, human resource development, environmental engineering, information and communication technology, research and development and laboratory and field services.

The Standing Scientific Research Committee (SSRC) administers the research and development activities in the coal sector, which includes planning, programming and supervising the implementation of research projects for the overall development of the coal sector. A technical sub-committee headed by the Chairman- cum- Managing Director of CMPDIL assists SSRC amongst other things, for scrutiny of the research proposals, in processing Government approvals for these proposals and monitoring progress of the implementation of the projects.

The Research and Development (R&D) Board of our company has been established to promote research and development efforts funded by our Company. The projects are formulated and implemented by educational institutes, research/ technical organizations, other PSEs, international technical service providers/ research organizations. CMPDIL acts as a nodal agency for coordination of research activities, disbursement of funds as well as monitoring of progress of our research and development activities.

The R&D projects in the emerging areas are continuously undertaken. One research project viz. Fly ash characterization for mine void reclamation has been completed.

Some of the CMPDIL's mine sites are ISO-9001:2000 certified by Certification International (UK Limited) for activities such as consultancy in mineral exploration and environmental management and planning and design in mining.

5.0 RISKS AND CONCERNS

The major risk and concerns of CIL are outlined below: -

- Coal mining by its inherent nature is subject to multiple operational risks like difficult geo-mining conditions, weather, natural disasters and poor mining conditions.
- CIL being a public sector company is further constrained by stringent labour regulations. The company also has an ageing workforce.
- CIL may face difficulties in the acquisition of land in a timely manner, particularly in respect of land owned by private parties and forest land, resulting in delays in some of their projects.
- Success of expansion projects depends on various factors including obtaining government permits, licenses and approvals to proceed with its expansion programmes.
- Rail transportation, operated by the Indian Railways, is the main transportation mode utilized by CIL for coal transportation, particularly for long distance supply arrangements. CIL's sales volumes have in the past been constrained by inadequate transportation capacities, including non-availability of adequate railway infrastructure.

Apart from the above the following risks are also identified:-

Commodity risk

The price of our raw coal and coal products sold at a price pursuant to our memoranda of understanding with customers and the price of raw coal sold under our E-Auction schemes, and consequently our revenues, are subject to the risk of fluctuation in prices of coal and coal products in the international markets. In addition, we use significant quantities of petroleum-based fuel and lubricants, tyres, steel and other raw materials and consumables in our mining operations and are exposed to fluctuations in the prices of these materials. We do not enter into any derivative transactions to hedge against these exposure to movements in such commodity prices.

Operating risk

Our operations are subject to various operating risks that may materially increase our cost of mining operations and delay or disrupt production at particular mines either permanently or for varying lengths of time, which could have a material adverse effect on our business, results of operations and financial condition. We currently only maintain insurance for our

business premises and cash-in-transit insurance. We also do not maintain insurance coverage for loss of our assets such as our equipment, plant and machinery nor do we maintain third party insurance.

Currency exchange risk

Changes in currency exchange rates may affect our results of operations. 100% of our debt is denominated in foreign currencies (which however is not significant), most significantly the U.S. dollar and the Japanese Yen. Depreciation of the Indian rupee against the foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency or any proposed capital expenditure in foreign currencies. Infact the board of directors has already decided to prepay loan of JPY to avoid future loss on exchange fluctuations due to constant devaluation of rupee vis-à-vis Japanese yen.

The possibility of prepaying the dollar denominated loan is also under consideration.

We also expect our future capital expenditure in connection with our proposed expansion plans to include expenditure in foreign currencies for imported equipment and machinery.

Interest rate risk

Our foreign currency exposure is not significant. Approximately 44.74 % of our total indebtedness were at floating rates of interest. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase.

Effect of Inflation

Inflation has a direct impact on our cost as employees' remuneration cost forms around 50% of the total cost of the company and major part of which i.e. Dearness Allowance is directly linked to inflation. Apart from this power & fuel, stores etc. also have an impact of inflation.

6.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Coal India Limited (CIL) has robust internal systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exists for smooth decision-making. Elaborate guidelines for preparation of accounts are followed consistently for uniform compliance. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of accountants in close co-ordination with company's Internal Audit Department. Besides, the company has Audit Committee to keep a close watch on compliance with Internal Control Systems. A well-defined Internal Control Framework has been developed identifying key controls and supervision of operational efficiency of designed key control by internal audit

7.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

FINANCIAL DISCUSSION AND ANALYSIS

Income :-

(₹ in crores)

Particulars	FY 2012-13	FY 2011-12	Growth %
Gross Sales	88281.32	78410.38	12.59%
Less: Levies	19978.58	15994.95	24.91%
Net Sales	68302.74	62415.43	9.43%
Other Income	8746.69	7536.90	16.05%
Total Income	77049.43	69952.33	10.15%

The total income of the Company primarily comprises of income from sale of Coal, other incomes, and interest earned. The total income for fiscal 2013 is ₹ 77049.43 crores as against ₹ 69952.33 crores in the previous year registering an increase of 10.15 %. Major elements of income are discussed below:

Income from Sale of Coal

Sales is presented as gross sales net of (i) various statutory levies comprising royalty, cess on coal, central excise duty and stowing excise duty; and (ii) sales tax etc. The Income from sale of coal is mainly dependent on the pricing and production of coal and distribution thereof.



Other Income

Other income primarily includes (i) interest income from banks, employees and others, (ii) interest on our investments in the 8.5% Tax Free RBI Power Bonds (which resulted from the securitization of our sundry debtors), (iii) Dividend from mutual funds, (iv) recovery of transportation and loading charges that we charge from our customers, (v) any income from our workshops and press jobs, (vi) any liquidated damages or penalty payments by our suppliers and third party contractors, and (vii) any profit on sale of coal block/geological reports on third party blocks relating to coal blocks renounced by us pursuant to direction of MoC, GoI. Other income also includes stowing subsidies granted by the Coal Controller of India, rental income, any income from sale of scrap, and any profit on sale of assets.

Other income also includes any write back of provisions and liabilities made in previous years and gain on foreign exchange variations relating to our operations.

Expenditure

Break up of Major Heads: -

(₹ in crores)

Particulars	FY 2012-13	FY 2011-12	Growth	Growth %
Cost of Materials Consumed	6062.11	5504.07	558.04	10.14%
Change in inventories	493.92	(381.04)	874.96	(229.62%)
Employee benefit expenses	27320.78	26387.42	933.36	3.54%
Power & Fuel	2333.48	2012.52	320.96	15.95%
Welfare Expenses	622.43	317.60	304.83	95.98%
Contractual Exp/Repairs	6624.37	5546.68	1,077.69	19.43%
Finance Costs	45.17	53.98	(8.81)	(16.32%)
OBR Adjustment	3201.74	3693.89	(492.15)	(13.32%)
Depreciation/Impairment	1812.97	1969.22	(156.25)	(7.93%)
Provision	927.10	1469.84	(542.74)	(36.93%)
Other Expenditure/PPA	2626.32	2105.49	520.83	24.74%
Total Expenditure	52070.39	48679.67	3,390.72	6.97%

Cost of Material Consumed

Cost of material consumed relate to materials used in our coal mining and processing operations, primarily petrol oil and lubricant (including diesel), explosives, and timber. Other consumables used in our coal mining operations include tyres, spares for heavy earthmoving machineries, other plant and machinery relating to our coal handling plants and beneficiation facilities, vehicles, and other miscellaneous stores and spares.

Consumption of stores and spares increased by ₹ 558.04 crores or 10.14%, from ₹ 5504.07 crores in fiscal 2012 to ₹ 6062.11 crores in fiscal 2013, mainly due to increase in prices of diesel, general inflation during the year.

Employee Benefit Expenses

Employee benefit expenses include salary, wages and allowances, any provisions relating to Employee benefit, contributions to provident fund and gratuity, overtime payments, leave encashment, attendance bonus, productivity and performance linked bonus and other incentives and other employee benefits.

Employees remuneration and benefits, which represents the largest component of our expenditure, increased by ₹ 933.36 crores, or 3.54%, from ₹ 26387.42 crores in fiscal 2012 to ₹ 27320.78 crores in fiscal 2013.

Increase in salary is due to the normal increment in salary and DA reduced to some extent by decrease in employees due to retirement.

Output per manshift (OMS) during 2012-13 improved to 5.32 Tonnes per manshift from 4.89 Tonnes per manshift of previous year

Power and Fuel

Power and fuel represents cost of electricity consumed in our operations, including electricity purchased from external sources and cost of internal power generation relating to diesel generator sets.

Power and fuel expenses increased by ₹ 320.96 crores, or 15.95%, from ₹ 2012.52 crores in fiscal 2012 to ₹ 2333.48 crores in fiscal 2013.

Welfare Expenses

Welfare expenses represents various expenses associated with social welfare activities, CSR activities and expenses associated with medical expenses for retired employees. Expenses towards community development and environmental expenditure are also reflected under welfare expenses.

Welfare expenses increased by ₹ 304.83 crores, or 95.98 %, from ₹ 317.60 crores in fiscal 2012 to ₹ 622.43 crores in fiscal 2013 primarily on account of an increase in medical expenses for retired employees due to one time actuarial impact of enhanced benefits for employees post their retirement.

Contractual Expenses/ Repairs

Contractual charges primarily consist of transportation charges for coal, sand and materials carried out through third party contractors, contractor expenses relating to wagon loading operations, hiring charges for plant and machinery and heavy earthmoving machinery representing cost of coal extraction and overburden removal activities outsourced to third party contractors and other miscellaneous works carried out through third party contractors such as for road maintenance and temporary lighting. Repairs consist of cost of repair and maintenance of plant and machinery relating to our operations, rehabilitation of heavy earthmoving machinery, office equipment, vehicles and other miscellaneous assets.

Contractual Expenses/Repairs increased by ₹ 1077.69 crores, or 19.43 %, from ₹ 5546.68 crores in fiscal 2012 to ₹ 6624.37 crores in fiscal 2013. Contractual Expenses/Repairs has increased mainly because of increased volume contractual operations and also due to rise in diesel prices etc recovered through escalation clause.

Finance Costs

Finance Costs include interest paid on our financing arrangements with IBRD and JBIC, interest on bank overdrafts and cash credit, interest on deferred credit arrangements with the Export Development Corporation of Canada and Liebherr France S.A. of France, and other interest expenses such as pension fund interest. Other Finance Cost include fees paid to the Gol for guarantees issued by the Gol in connection with the IBRD and JBIC loans, and other bank expenses and charges.

Finance costs decreased by ₹ 8.81 crores, or 16.32% , from ₹ 53.98 crores in fiscal 2012 to ₹ 45.17 crores in fiscal 2013.

Overburden Removal Adjustment

In opencast mines, with rated capacity of one million tons per annum and above, the cost of overburden removal expenses is charged on technically evaluated average ratio (coal: overburden) at each mine with due adjustment for advance stripping and ratio variance account after the mines are brought to revenue. The net of balances of advance stripping and ratio variance at the end of the relevant period is shown as cost of removal of overburden under the head current assets or current liabilities, as applicable.

Overburden Removal Adjustment decreased by ₹ 492.15crores, or 13.32%, from ₹ 3693.89 crores in fiscal 2012 to ₹ 3201.74 crores in fiscal 2013

Depreciation/ Impairment

Depreciation on our fixed assets is provided on straight line method at the rates and manner specified in Schedule XIV of the Companies Act except otherwise for those assets for which technically evaluated higher rate of depreciation has been considered as a policy. Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized 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 recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

Depreciation/ Impairment decreased by ₹ 156.25 crores, or 7.93 %, from ₹ 1969.22 crores in fiscal 2012 to ₹ 1812.97 crores in fiscal 2013.



Provision/write-off

Provisions/write-off include any provisions for doubtful debts and advances, provisions for stores and spares inventory, provisions relating to impairment of assets and any other miscellaneous provisions.

Provisions made are presented net of any write back of provisions. Write-offs include write-offs for doubtful debts, doubtful advances and other write-offs.

Provisions/write-off decreased by ₹ 542.74 crores, or 36.93%, from ₹ 1469.84 crores in fiscal 2012 to ₹ 927.10 crores in fiscal 2013.

Other Expenditure /PPA

Other expenditure include various operational, selling and administrative expenses, most significantly under-loading expenses paid to Indian Railways, mine rehabilitation expenses, security expenses, royalty and cess payable on coal used for internal consumption and rent, rates and taxes. Miscellaneous expenses also include traveling expenses, employee training expenses, cost of printing and stationery, communication, advertisement and publicity related expenses, freight charges for equipment and machinery and materials, demurrage paid to Indian Railways and equipment and materials freight carriers, land/crop compensation and hire charges for office administration equipment. Other miscellaneous expenses include expenses incurred for land reclamation relating to rehabilitation and resettlement of effected communities.

Miscellaneous Expenses/PPA increased by ₹ 520.83 crores, or 24.74%, from ₹ 2105.49 crores in fiscal 2012 to ₹ 2626.32 crores in fiscal 2013.

Taxation

Income tax expense comprises current tax expense and deferred tax expense or credit computed in accordance with the relevant provisions of the I.T. Act, as amended. Provision for current taxes is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the I.T. Act.

Net Deferred tax assets/ liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits shown in our financial statements. Deferred tax assets and liabilities are measured using tax rates and tax regulations enacted or substantively enacted up to the balance sheet date. The effect on deferred tax assets and liabilities due to a change in tax rates is recognized in the financial statement of the relevant fiscal year of change of rate. Deferred tax assets in respect of carry forward losses are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Other deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably /virtually certain (as the case may be) to be realized.

PROFITABILITY

(₹ in crores)

Particulars	2012-13	2011-12
Profit Before Tax (PBT)	24979.04	21272.66
Income Tax	7622.67	6484.45
Profit for the period from continuing operations	17356.37	14788.21
Profit/(Loss) from discontinuing operations	(0.01)	(0.01)
Profit After Tax (PAT)	17356.36	14788.20

The Profit Before Tax (PBT) increased by ₹ 3706.38 crores, or 17.42%, from ₹ 21272.66 crores in fiscal 2012 to ₹ 24979.04 crores in fiscal 2013, mainly due to increase in offtake volume from 433.08 million ton to 465.18 million ton and curtailment of costs.

The Profit After Tax (PAT) increased by ₹ 2568.16 crores, or 17.37 %, from ₹ 14788.20 crores in fiscal 2012 to ₹ 17356.36 crores in fiscal 2013.

Cash Flows (in nutshell)

(₹ in crores)

	For the year ended March 31	
	2013	2012
Opening Cash equivalents	12260.19	10164.82
Net cash from operating activities	9109.41	19887.87
Net cash from investing activities	(1832.73)	(10410.37)
Net cash used in financing activities	(7851.94)	(7382.13)
Change in Cash & Bank Balance	(575.26)	2095.37
Closing Cash & Bank Balance	11684.93	12260.19

Net cash from operating activities for the year ended March 31, 2013 decreased by 54.20% from the previous year. Net cash from operating activities was ₹ 9109.41 crores as against ₹ 19887.87 crores for the previous year largely due to increased receivables and payment of arrear salary during the year.

Net cash used in investing activities for the year ended March 31, 2013 decreased by 82.40% from the previous year. Net cash used in investing activities was ₹ 1832.73 crores as against Net cash used in investing activities of ₹ 10410.37 crores for the previous year due to lesser investment of surplus fund in Fixed Deposits compared to earlier year owing to reasons stated above.

Net cash used in financing activities for the year ended March 31, 2013 increased by 6.36 % from the previous year. Net cash used in financing activities was ₹ 7851.94 crores as against ₹ 7382.13 crores for the previous year.

The various ratios related to the financials of Coal India :-

Ratios	April to March '13	April to March '12
As % Net Sales		
Profit Before Tax	36.57%	34.08%
As % Total Expenditure		
Employee Benefits Exp.	52.47%	54.21%
Cost of Materials consumed	11.64%	11.31%
Power & Fuel	4.48%	4.13%
Contractual Expenditure	11.14%	10.07%
Welfare Expense	1.21%	0.65%
Interest & Depreciation	3.57%	4.16%
Other Expenditure	15.49%	15.47%
Operating Ratio (sales-profit)/sales	0.63	0.66
Liquidity Ratios		
Current Ratio	2.65	2.55
Quick Ratio	2.50	2.37
Sundry Debtors as no. of Days sales	51.00	34.39
Stock of Coal as no. of Days of production (Qty)	46.73	59.36
Structural Ratios		
Debt: Equity	0.17	0.21
Debt: Net Worth	0.02	0.03
Net Worth: Equity Capital	7.67	6.40
EPS	27.63	23.47



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

The total manpower of the Company including its subsidiaries as on 31.03.2013 is 357926 as against 371546 as on 31.3.2012.

Productivity

Output per manshift (OMS) during 2012-13 improved to 5.32 Tonnes per manshift from 4.89 Tonnes per manshift of previous year.

As a public sector undertaking, salaries, wages and benefits of our executive employees are determined by the GoI. The current compensation level for our executive employees was finalized in May 2009 and is effective from January 1, 2007.

Implementation of decision of the High Powered Committee

During this year, wages and social security of contractors' workers were jointly deliberated and finalized based on the recommendations of High Powered Committee consisting of the representatives of Central Trade Unions. This committee was constituted in accordance with the decision taken in the meeting with Central Trade Unions held on 16.04.2010 in presence of then Hon'ble Minister of State (I/C) & SPI and in pursuant of letter dated 28.03.2010 of Ministry of Coal.

The basic rate of wages of different categories of contractors' workers engaged in mining activities are as under w.e.f 01/01/2013

Categories of employee	Basic rate (Per Day)
Unskilled	₹ 464.00
Semi-Skilled/Unskilled Supervisory	₹ 494.00
Skilled	₹ 524.00
Highly skilled	₹ 554.00

Implementation of Revised Contributory Post Retirement Medicare Scheme for Executive (CPRMSE) of CIL and its subsidiaries.

- a) Board of Directors of CIL in its 289th Meeting held on 18.09.2012 has approved the modifications/additions in the Contributory Post Retirement Medicare Scheme for Executives of CIL and its Subsidiaries (CPRMSE).

The reimbursement charges for hospitalization (Indoor treatment) as per CPRMSE has been enhanced to ₹ 25 Lakhs or ₹ 12.5 Lakhs as the case may be with immediate effect. There will be no limit for specified diseases as mentioned in Clause 3.2.1 (d) of the Scheme, which will not be accounted against the amount of ₹ 25 lakhs or ₹ 12.5 Lakhs as the case may be.

Further, annual charges for domiciliary/Outdoor treatment expenses has also been raised from ₹ 7,500/-, ₹ 10,000/- to ₹ 15,000/- payable in two instalments.

The Contributory Post Retirement Medicare Scheme for Executives of CIL and its Subsidiaries (CPRMSE) as modified is published in website www.coalindia.in

- b) 1534 CPRMSE Registered Medical Card has been issued as on 31.03.2013, out of which 241 additional registered Medical Card issued to the retired executives for Outdoor/domiciliary treatment as well as Indoor treatment.

Training

We aim to provide continuous training for our employees. We established the Indian Institute of Coal Management ("IICM") in 1994 to provide training and development opportunities to our middle and senior management executives, other level officers and our management trainees. IICM offers training programs such as advanced management programs, leadership development programs, general management programs and young managers' programs. The areas covered included advanced maintenance practices, general management program, management development program, training and coaching, career development for junior officers and communication skills. In addition, our company has arranged for a significant number of executives to attend external training programs and sent our employees (including directors, senior executives and non-executive employees) for a number of international training sessions outside India.

In all, 58541 employees have been trained during 2012-2013. These trainings include in-house training (training at subsidiary training centers and also at IICM), training in other reputed Institutes outside the company and training abroad.



Annual Accounts 2012–13

(Consolidated CIL & Its Subsidiaries)





BALANCE SHEET (CONSOLIDATED)

As at 31st March, 2013

(₹ in crores)

	Note No.	As at 31.03.13	As at 31.03.12
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	1	6,316.36	6,316.36
(b) Reserves & Surplus	2	42,155.63	34,136.66
(c) Money Received against Share Warrants		—	—
		48,471.99	40,453.02
(2) Share Application money pending allotment		—	—
(3) Non-Current Liabilities			
(a) Long Term Borrowings	3	1,077.79	1,305.35
(b) Other Long Term Liabilities	4	3,137.21	2,647.03
(c) Long Term Provisions	5	31,144.35	28,271.28
		35,359.35	32,223.66
(4) Minority Interest		63.60	53.60
(5) Current Liabilities			
(a) Short Term Borrowings	6	—	—
(b) Trade Payables	7	837.17	829.02
(c) Other Current Liabilities	8	16,385.71	17,832.16
(d) Short Term Provisions	9	20,446.94	15,594.80
		37,669.82	34,255.98
Total		121,564.76	106,986.26
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets - Gross Block	10A	35,225.88	34,180.99
Less : Depreciation, Impairment & Provisions		22,471.63	21,499.84
Net carrying Value		12,754.25	12,681.15
ii) Intangible Assets - Gross Block	10A	3,784.79	3,915.42
Less : Depreciation, Impairment & Provisions		3,073.28	3,156.28
Net carrying Value		711.51	759.14
iii) Capital Work-in-Progress	10B	2,216.02	1,848.43
iv) Intangible Assets under Development	10C	1,279.93	1,054.95
(b) Non-Current Investments	11	1,400.30	946.99
(c) Deferred Tax Assets (Net)		2,255.02	1,194.06
(d) Long Term Loans & Advances	12	1,181.36	1,017.25
(e) Other Non-Current Assets	13	74.17	69.29

BALANCE SHEET (CONSOLIDATED) (Contd.)

As at 31st March, 2013

(₹ in crores)

	Note No.	As at 31.03.13	As at 31.03.12
(2) Current Assets			
(a) Current Investments	14	994.66	1,034.41
(b) Inventories	15	5,617.83	6,071.28
(c) Trade Receivables	16	10,480.21	5,662.84
(d) Cash & Bank Balance	17	62,236.00	58,202.78
(e) Short Term Loans & Advances	18	16,188.76	13,478.19
(f) Other Current Assets	19	4,174.74	2,965.50
		99,692.20	87,415.00
Total		121,564.76	106,986.26

Significant Accounting Policies 33
 Additional Notes on Accounts 34
 The Notes referred to above form an integral part of Balance Sheet

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman- Cum-Managing Director

As per our report annexed
 For De Chakraborty & Sen
 Chartered Accountants
 FR No.303029E

Date : 27th May, 2013
 Place : Kolkata

(Raktim Kumar Chattopadhyay)
 Partner
 Membership No. 052225



STATEMENT OF PROFIT & LOSS (CONSOLIDATED)

For the Year ended 31st March, 2013

(₹ in crores)

INCOME	Note No.	For the Year ended 31.03.13		For the Year ended 31.03.12	
Sale of Coal	20		88,281.32		78,410.38
Less : Excise Duty		4,674.93		3,396.82	
Other Levies		15,303.65		12,598.13	
			19,978.58		15,994.95
(I) Revenue from Operations			68,302.74		62,415.43
(II) Other Income	21		8,746.69		7,536.90
(III) Total Revenue (I + II)			77,049.43		69,952.33
(IV) EXPENSES					
Cost of Materials Consumed	22		6,062.11		5,504.07
Purchases of Stock-in-Trade			—		—
Changes in inventories of finished goods/work in progress and Stock in trade	23		493.92		(381.04)
Employee Benefits Expense	24		27,320.78		26,387.42
Power & Fuel			2,333.48		2,012.52
Welfare Expenses	25		622.43		317.60
Repairs	26		822.40		645.71
Contractual Expenses	27		5,801.97		4,900.97
Finance Costs	28		45.17		53.98
Depreciation/Amortization/Impairment			1,812.97		1,969.22
Provisions (Net of reversal)	29		740.09		1,322.74
Write off (Net of past provisions)	30		187.01		147.10
Overburden Removal Adjustment			3,201.74		3,693.89
Other Expenses	31		2,633.18		2,196.64
Total Expenses			52,077.25		48,770.82
(V) Profit before Prior Period, exceptional and extraordinary items and Tax.			24,972.18		21,181.51
(VI) Prior Period Adjustment {charge/(income)}	32		(6.86)		(73.37)
(VII) Exceptional items			—		—
(VIII) Profit before extraordinary Items & Tax			24979.04		21254.88
(IX) Extraordinary Items {charge/(income)}			—		(17.78)
(X) Profit before Tax (VIII-IX)			24,979.04		21,272.66
(XI) Less/(Add) : Tax expenses					
- Current period			7,915.84		6,817.72
- Deferred Tax			(228.25)		(320.83)
- Earlier years			(64.92)		(12.44)
(XII) Profit for the period from continuing operations (X-XI)			17,356.37		14,788.21

STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

For the year ended 31st March, 2013

(₹ in crores)

INCOME	Note No.	For the Year ended 31.03.13	For the Year ended 31.03.12
(XIII) Profit/(Loss) from discontinuing operations		(0.01)	(0.01)
(XIV) Tax expenses of discontinuing operations		—	—
(XV) Profit/(Loss) from discontinuing operations (after Tax) (XIII–XIV)		(0.01)	(0.01)
(XVI) Profit for the Period (XII + XV)		17,356.36	14,788.20
(XVII) Earnings per share (in ₹) (Face Value of ₹ 10/- per share)			
(1) Basic		27.63	23.47
(2) Diluted		27.63	23.47
Significant Accounting Policies	33		
Additional Notes on Accounts	34		

The Notes referred to above form an integral part of statement of Profit & Loss.

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman- Cum-Managing Director

As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E

Date : 27th May, 2013
Place : Kolkata

(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225



THE CASH FLOW STATEMENT (INDIRECT METHOD)—CONSOLIDATED

For the Year ended 31st March, 2013

(₹ in crores)

	For the Year ended 31.03.13	For the Year ended 31.03.12
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	24,979.03	21,272.65
Adjustment for :		
Depreciation / Impairment of fixed assets	1,838.67	1,969.22
Interest from Bank Deposits	(6,010.11)	(5,049.11)
Finance cost related to financing activity	45.17	53.98
Interest / Dividend from investments	(246.45)	(120.76)
Profit / Loss on sale of fixed assets	(2.74)	(2.99)
Provisions made & write off during the year	927.10	1,469.84
Liability write back during the year	(132.32)	(259.19)
OBR Adjustment made	3,201.74	3,693.89
Operating Profit before Current/Non Current Assets and Liabilities	24,600.09	23,027.53
Adjustment for :		
Trade Receivables	(4,817.37)	(2,249.15)
Inventories	453.45	(485.67)
Short/Long Term Loans/Advances & Other Current Assets	(1,073.82)	(824.45)
Short/Long Term Liabilities and Provisions	(1,400.93)	7,123.98
Cash Generated from Operation	17,761.42	26,592.24
Income Tax Paid/Refund	(8,652.01)	(6,704.37)
Net Cash Flow from Operating Activities (A)	9,109.41	19,887.87
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,453.97)	(3,409.43)
Investment in Bank Deposit	(4,608.48)	(10,300.97)
Change in investments	(413.56)	(917.71)
Interest pertaining to Investing Activities	5,411.68	4,096.98
Interest / Dividend from investments	231.60	120.76
Net Cash from Investing Activities (B)	(1,832.73)	(10,410.37)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(228.70)	(247.39)
Interest & Finance cost pertaining to Financing Activities	(45.17)	(53.98)
Receipt of Shifting & Rehabilitation Fund from Subsidiaries	328.88	348.32
Dividend & Dividend Tax	(7,906.95)	(7,429.08)
Net Cash used in Financing Activities (C)	(7,851.94)	(7,382.13)
Net Increase / (Decrease) in Cash & Bank Balances (A + B + C)	(575.26)	2,095.37
Cash & Bank Balance (opening balance)	12,260.19	10,164.82
Cash & Bank Balance (closing balance)	11,684.93	12,260.19

(All figures in bracket represent outflow)

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman- Cum-Managing Director

As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E

Date : 27th May, 2013
Place : Kolkata

(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225

NOTES TO BALANCE SHEET (CONSOLIDATED)

NOTE - 1

(₹ in crores)

SHARE CAPITAL	As at 31.03.13	As at 31.03.12
Authorised		
(i) 8000000000 Equity Shares of ₹ 10/- each	8,000.00	8,000.00
(ii) 9041800 Non-cumulative 10% Redeemable Preference Shares of ₹ 1000/- each	904.18	904.18
	8,904.18	8,904.18
Issued, Subscribed and Paid-up		
6316364400 Equity Shares of ₹ 10/- each	6,316.36	6,316.36
	6,316.36	6,316.36

- Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No. of Shares Held (Face value of ₹ 10 each)	% of Total Shares
Hon'ble President of India	5684727960	90

- During the period there is no change in the number of shares.

- Listing of shares of Coal India Ltd. In Stock Exchange.*

Pursuant to divestment of 10% of total equity shares held by Govt. of India, to the public, the shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November, 2010.

Post such listing Govt. of India holds 90% of the entire equity share capital.



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 2

(₹ in crores)

	As at 31.03.13	As at 31.03.12
RESERVES & SURPLUS		
RESERVES :		
A. Capital Reserve		
As per last Balance Sheet	12.26	8.87
Add : Addition during the year	0.71	5.16
Less : Adjustment During the year	1.79	1.77
Total (A)	11.18	12.26
B. Capital Redemption Reserve		
As per last Balance Sheet	1,808.36	1,808.36
Add : Addition during the year	—	—
Less : Adjustment During the year	—	—
Total (B)	1,808.36	1,808.36
C. Reserve for Foreign Exchange Transactions		
As per last Balance Sheet	97.82	133.69
Add : Addition during the year	—	—
Less : Transfer to surplus in statement of Profit & Loss (Appropriation)	93.14	35.87
Total (C)	4.68	97.82
D. CSR Reserve		
As per last Balance Sheet	424.67	297.57
Add : Addition during the year	220.82	231.22
Less : Transfer to General Reserve (utilisation)	150.91	104.12
Total (D)	494.58	424.67
E. Sustainable Development Reserve		
As per last Balance Sheet	—	—
Add : Addition during the year	22.78	—
Less : Transfer to General Reserve (utilisation)	4.57	—
Total (E)	18.21	—
F. General Reserve		
As per last Balance Sheet	11,692.53	9,445.17
Add : Transfer from Surplus in Statement of Profit & Loss	2,508.92	2,143.24
Add : Transfer from CSR Reserve	150.91	104.12
Add : Transfer from Sustainable Development Reserve	4.57	—
Add : Adjustment During the Year (Deferred Tax)	832.71	—
Total (F)	15,189.64	11,692.53
G. Surplus in statement of Profit & Loss		
As per last Balance Sheet	20,105.60	15,307.55
Profit after Tax During the year	17,356.36	14,788.20
Profit available for Appropriation	37,461.96	30,095.75
APPROPRIATION		
Adjustment for past liability	—	151.64
Reserve for Foreign Exchange Transaction	(93.14)	(35.87)
Transfer to General Reserve (including Foreign Exchange Reserve)	2,508.92	2,143.24
Transfer to CSR Reserve	220.82	231.22
Transfer to Sustainable Development Reserve	22.78	—
Interim Dividend	6,126.87	6,000.54
Proposed Dividend on Equity Shares	2,716.04	315.82
Corporate Dividend Tax	1,323.23	1,183.56
Total (G)	24,636.44	20,105.60

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 2 (Contd.)

(₹ in crores)

	As at 31.03.13	As at 31.03.12
H. Miscellaneous Expenditure (to the extent not written off)		
Preliminary Expenses	1.53	2.16
Pre-Operational Expenses	5.89	2.38
Total (H)	7.42	4.54
Sub -Total (A + B + C + D + E + F + G-H) :	42,155.67	34,136.70
Reserves & Surplus of Joint Ventures		
Surplus / (Deficit)	(0.04)	(0.04)
	(0.04)	(0.04)
Total	42,155.63	34,136.66

RESERVES & SURPLUS

1. CSR Reserve

As per CSR Policy of the company a reserve equivalent to 2.5% of the retained profit of previous year is created by CIL for meeting expenses relating to CSR activities of Coal India Ltd. The same is utilized for execution of CSR activities in the states which are not covered by any subsidiary company and also for supporting the CSR activities of loss making subsidiaries.

The subsidiaries of CIL also create a reserve equivalent to 5% of the retained earnings of previous year subject to a minimum of ₹ 5 per tonne of coal production of previous year, for meeting expenses relating to CSR activities in the state to which the subsidiary belongs.

ECL & BCCL although have earned profits in the relevant previous year are still having accumulated losses which does not make it possible to create such reserves. As such, CSR reserve created by CIL continues to be utilised for CSR activities of ECL & BCCL also.

The actual expenses incurred and accounted for during the year is ₹ 140.13 crores transferred to General Reserve from CSR Reserve as utilised.

Further, CSR expenses of ₹ 10.78 crores charged to statement of profit & loss in earlier years and remaining to be transferred to General Reserve from CSR Reserve is also transferred to General Reserve during the year.

2. Sustainable Development Reserve

Following the guidelines of Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, vide its office memorandum dated 23rd September, 2011 issued "Guidelines on Sustainable Development for CPSEs", a Sustainable Development Reserve of ₹ 22.78 crores has been created during the year by way of appropriation of profits.

The actual expenses incurred and accounted for during the year is ₹ 4.57 crores transferred to General Reserve from Sustainable Development Reserve as utilised.

3. Preliminary expenses

Preliminary expenses of ₹ 1.53 crores is in respect of the subsidiaries of Mahanadi Coalfields Limited. Similarly pre operational expenses of ₹ 5.89 crores is in respect of Coal India Africana Limitada, Mozambique.

4. Reserve for Foreign Exchange Transaction

During the year hedging transactions were crystalised which resulted in a net loss of ₹ 93.14 crores. The loss has been charged in other expenses (Note 31) and appropriated against the earmarked reserve i.e. " Reserve for Foreign Exchange Transactions" by transferring equivalent amount to General Reserve (Please refer appropriation in " G " above). The marked to market provision of ₹ 74.69 crores kept as such on foreign exchange transactions has been written back as liability / provision write back in Note 21 (Other Income).

5. Dividend

The Board of Directors in the meeting held on 20th May,2013 has recommended a final dividend for FY 2012-13 @ ₹ 4.30 per share which amounts to ₹ 2716.04 crores. This is over and above the interim dividend for 2012-13 paid @ ₹ 9.70 per share amounting to ₹ 6126.87 crores.



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 3

(₹ in crores)

LONG TERM BORROWINGS

Term loan

IBRD (USD 8.80 Crore, Prev. year USD 10.69 Crore)
 JBIC (JPY 739.17 Crore, Prev. year JPY 941.39 Crore)
 Export Development Corp., Canada
 Liebherr France S.A., France

Total

CLASSIFICATION 1

Secured
 Unsecured

CLASSIFICATION 2

Loan Guaranteed by Directors & Others

	As at 31.03.13	As at 31.03.12
IBRD	482.20	550.84
JBIC	432.19	594.77
Export Development Corp., Canada	155.20	151.21
Liebherr France S.A., France	8.20	8.53
Total	1,077.79	1,305.35
CLASSIFICATION 1		
Secured	—	—
Unsecured	1,077.79	1,305.35

Particulars of Loan	Amount (₹ in crores)	Nature of Guarantee
IBRD	482.20	Guarantee Agreement executed between Govt. of India and IBRD
JBIC	432.19	Guarantee executed by the President of India
Export Development Corp., Canada	155.20	Guarantee executed by the President of India
Liebherr France S.A., France	8.20	The GOI provided an irrevocable and unconditional guarantee in relation to all our payment obligations.

Current maturities of these long term borrowings are shown under note-8 for ₹ 103.60 crores, ₹ 118.24 crores, ₹ 5.15 crores and ₹ 0.52 crores in respect of IBRD, JBIC, EDC, Canada and Liebherr France S.A., France loan, which are also guaranteed as above.

Repayment Schedule :

IBRD: Repayment is in 30 instalments, to be made semi-annually, starting May 15, 2003 and ending on November 15, 2017.

JBIC: Repayment is in 30 instalments, to be made semi-annually, starting February 15, 2003 and ending on August 15, 2017.

Export Development Corp. Canada: Repayment of instalments is made semi-annually i.e. on January 31 and on July 31.

Liebherr France S.A. France: Repayment under these loan facilities will be completed on september 30, 2028 and september 30, 2030.

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

	NOTE - 4		(₹ in crores)
OTHER LONG TERM LIABILITIES		As at 31.03.13	As at 31.03.12
Shifting & Rehabilitation Fund			
Opening balance	1,977.03		1,621.37
Add: Interest from investment of the fund (net of TDS)	193.46		154.09
Add: Contribution received	237.46		222.50
Less: Amount released	102.04		20.93
	<u>2,305.91</u>		<u>1,977.03</u>
Security deposits		488.44	408.18
Others		342.86	261.82
Total		<u>3,137.21</u>	<u>2,647.03</u>

1. Shifting and Rehabilitation Fund

Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized by ECL and BCCL based on implementation of approved projects in this respect.

The subsidiaries of CIL (except ECL, BCCL and Coal India Africana Limitada) are making a contribution of ₹ 6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects.

2. Others

This includes cess on Coal of Mahanadi Coalfields Limited including principal of ₹ 8.40 crore (net of payments) and interest of ₹ 9.47 crore (net of payments) against receipts from Government of Orissa in the year 2005-06 as per directive of Hon'ble Supreme Court judgement dated 31.7.2001. The money is refundable to the customers. During the current Period, the Group has provided interest of ₹ 1.01 crore (₹ 1.01 crore) calculated at the rate of 12% for the unpaid principal amount of the Cess liability. The total liability thus included therein becomes ₹ 25.47 crore (as at 31.03.2012 ₹ 24.46 crore) as at 31.03.2013. The Group has not identified the customers / parties to whom the refund is to be made. Finalisation of modalities for refunding the same to the customers / parties is yet to be done.

Others concerning SECL also includes ₹ 313.71 Crores relating to amount realized from customers and employees on account of cases pending before various courts/ arbitration.



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 5

(₹ in crores)

LONG TERM PROVISIONS

For Employee benefits

- Gratuity
- Leave encashment
- Other employee benefits

For foreign exchange transactions (Marked to Market)

OBR Adjustment Account

Mine closure

Others

TOTAL

	As at 31.03.13	As at 31.03.12
	3,584.78	5,221.43
	2,392.57	2,062.43
	1,414.78	938.52
	—	74.69
	21,528.15	18,326.41
	2,223.46	1,647.26
	0.61	0.54
TOTAL	31,144.35	28,271.28

1. Provision for mine closure

Following the guidelines from Ministry of Coal, GOI for preparation of mine closure plan a provision is made in the accounts. Such provision is made as per CMPDIL's (a subsidiary of Coal India Ltd.) technical assessment wherever available. Otherwise the same is provided considering the cost at a standard rate of ₹ 6.00 lakhs per hectare for OCP and ₹ 1.00 lakh per hectare for UG mines as outlaid in the aforesaid guidelines and the pro-rata yearly provision is further compounded by 5% from the year following which the same is started.

As per the above guidelines an amount equivalent to the provision made is to be deposited in an escrow account set up for this purpose. The criteria for selection of bankers for opening such escrow accounts are presently under formulation and negotiation with banks. Such criteria is required to be formulated uniformly, including that of the subsidiaries. Pending above no escrow account is opened yet.

2. Provision made for foreign exchange transactions

Refer Note 2

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 6

(₹ in crores)

	As at 31.03.13	As at 31.03.12
SHORT TERM BORROWINGS		
Loan from bank	—	—
Loans repayable on demand	—	—
Other loans and advances	—	—
Total :	—	—
CLASSIFICATION 1		
Secured	—	—
Unsecured	—	—

CLASSIFICATION 2

Loan Guaranteed by Directors & Others

Particulars of Loan	Amount (₹ in crores)	Nature of Guarantee
—	—	—
—	—	—

Note :-

1. Cash Credit

Pending finalisation of formalities for transfer of assets and liabilities of erstwhile Coal Mine Authorities Ltd. and its divisions, now Coal India Ltd, the bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stock of stores and spare parts and book debts and other assets of CIL and its subsidiary companies.

The total working capital credit limit available to CIL as on 31.03.2013 is ₹ 550.00 crores, out of which fund based limit is ₹ 250.00 crores. The balance ₹ 300.00 crores limit is non-fund based and Coal India Limited is contingently liable to the extent such facility is actually utilised by the subsidiaries. There is no credit balance in the cash credit account.

NOTE - 7

(₹ in crores)

	As at 31.03.13	As at 31.03.12
TRADE PAYABLES		
Sundry creditors for revenue stores	837.17	829.02
TOTAL	837.17	829.02



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

	NOTE - 8		(₹ in crores)
	As at 31.03.13	As at 31.03.12	
OTHER CURRENT LIABILITIES			
Current Maturities of Long Term Borrowings			
Term Loan From IBRD (USD 1.89 Crore, Prev. year USD 1.78 Crore)	103.60	91.78	
Term Loan From JBIC (JPY 202.22 Crore, Prev. year JPY 198.37 Crore)	118.24	125.33	
Term Loan From Export Development Corp., Canada	5.15	4.42	
Term Loan From Liebherr France S.A., France	0.52	0.50	
For capital (including stores)	606.21	435.55	
For Expenses			
Salary Wages & Allowances	2,182.69	4,246.08	
Power & Fuel	412.31	376.60	
Others	2,386.80	2,167.30	
	4,981.80	6,789.98	
Statutory Dues:			
Sales Tax/Vat	123.15	122.64	
Provident Fund & Pension Fund	543.58	479.18	
Central Excise Duty	112.39	102.28	
Royalty & Cess on Coal	609.53	550.92	
Stowing Excise Duty	115.43	108.36	
Clean Energy Cess	376.63	389.04	
Other Statutory Levies	785.18	727.34	
Income Tax deducted at Source	256.96	138.40	
	2,922.85	2,618.16	
Security Deposits	455.67	405.91	
Earnest money	266.67	273.46	
Advance & Deposit from customers / others	4,843.58	5,109.71	
Interest accrued but not due on borrowings	3.46	3.39	
Cess Equilisation Account	1,044.22	849.78	
Current account with IICM	157.82	148.78	
Unpaid dividend*	11.21	9.27	
Other liabilities	860.72	921.04	
Sub- Total	16,381.72	17,787.06	
Other Current Liabilities of Joint Ventures			
For Expenses	0.01	0.21	
Other liabilities	3.98	44.89	
Sub- Total	3.99	45.10	
TOTAL	16,385.71	17,832.16	

* No amount is due for payment to Investor Education & Protection Fund

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 8 (Contd.)

1. Current Maturities of Long Term Borrowings : Refer Note 3

2. Current Account with IICM

Current account balance with Indian Institute of Coal Management (IICM) represents the fund accumulated by receiving ₹ 0.50 per tonne of productions of NEC and the subsidiaries, net of expenditure made / fund remitted on behalf of IICM

During this period total contribution received from NEC and the subsidiaries on this account amounted to ₹ 22.61 crores. Further ₹ 12.04 crores (net) were remitted to IICM during the period; and hire charges/ lease rent recovered from IICM amounted to ₹ 1.53 crores (excluding service tax applicable thereon).

3. In the process of making payment of cess by Eastern Coalfields Limited on the annual value of coal bearing land based on average production of preceding two years valuing at a rate prevailing as on 1st April of each year and realization made from customers on the value of despatches of coal, considering the sale price prevailing on 1st day of April of the financial year, there remains a balance accumulating to ₹ 1044.22 crores (₹ 849.78 crores), which has been shown under Cess Equalisation Account.
4. Bazaar fees amounting to ₹ 242.68 crores (₹ 214.81 crores) collected by Bharat Coking Coal Limited on sale of coal/coke vide Gazette Notification No.34 dated 18th Jan'2006 but the same has not been deposited to the appropriate authority as the matter is subjudice at Jharkhand High Court under case no.6507 of 2006.
5. In Bharat Coking Coal Limited, revised agreement in respect of price of rejects and power tariff with DLF is not yet finalized. However, interest receivable/payable at this stage is not accounted for. The matter is also pending before Dhanbad Court and Appellate Tribunal for Electricity New Delhi. However, interest due to delay in payment to DLF has been provisionally determined at ₹ 16.86 crores (₹ 14.54 crores) upto 31.03.2013.
6. By virtue of enactment of Cess and Other Taxes on Mineral Validation Act, 1992, Western Coalfields Limited & Central Coalfields Limited raised supplementary bills on customers upto 4.4.1991. An amount of ₹ 103.29 crores (Previous Year ₹ 103.29 crores) has been shown as liability for Cess on Royalty under the head Other Current Liabilities. In view of the judgment of Hon'ble High Court, Patna and Ranchi Bench, in writ petition No. CWJC/1280 of 1992, the said Cess is not payable. However, a Special Leave Petition is pending in Supreme Court against it.

NOTE - 9

(₹ in crores)

SHORT TERM PROVISIONS	As at 31.03.13	As at 31.03.12
For Employee Benefits	1,450.15	1,701.40
- Gratuity	324.33	261.89
- Leave Encashment	914.96	723.68
- PPLB	2,049.09	1,558.58
- PRP	769.10	244.37
- Other Employee Benefits		
For Proposed Dividend	2,716.04	315.82
For Corporate Dividend Tax	571.66	714.63
For Income Tax	11,268.95	9,665.46
For Excise Duty on Closing Stock of Coal	378.03	358.56
For Others	4.63	50.41
TOTAL	20,446.94	15,594.80



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

(₹ in crores)

NOTE - 10 A

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS			Total Depreciation & Impairment Loss	NET CARRYING VALUE		
	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13		As on 31.03.12		
PARTICULARS															
Tangible Assets															
Land															
(a) Freehold	258.77	14.65	(37.17)	236.25	0.30	(7.89)	5.29	—	—	—	—	5.29	230.96	245.89	
(b) Leasehold	2,937.16	436.99	36.57	3,410.72	142.58	18.55	1,364.08	—	—	—	—	1,364.08	2,046.64	1,734.21	
Building/Water Supply/Road & Culverts	3,967.67	117.10	(19.38)	4,065.39	86.07	0.44	1,599.45	4.02	(0.10)	—	3.92	1,603.37	2,462.02	2,450.71	
Plant & Equipments	24,876.89	1,206.75	(748.00)	25,335.64	1,390.70	(725.53)	17,52.78	92.52	—	(1.16)	91.36	17,844.14	7,491.50	7,696.76	
Telecommunication	136.18	1.17	0.01	137.36	3.45	0.42	112.29	—	—	—	—	112.29	25.07	27.76	
Railway Sidings	452.67	2.98	—	455.65	14.98	(0.13)	298.84	0.10	—	—	0.10	298.94	156.71	168.58	
Furniture & Fixtures/Office Tools & Equipments/ Electrical Fittings/ Fire Arms	412.91	19.23	(5.97)	426.17	19.20	(7.26)	313.43	2.67	—	—	2.67	316.10	110.07	108.75	
Vehicle	276.76	4.67	(5.34)	276.09	8.13	(5.13)	221.03	0.02	—	—	0.02	221.05	55.04	58.71	
Aircraft	19.95	—	—	19.95	—	—	17.65	1.72	—	—	1.72	19.37	0.58	0.58	
Development	813.32	17.81	2.81	833.94	19.44	5.67	618.44	31.69	9.06	—	40.75	659.19	174.75	188.30	
Assets taken on Nationalisation	28.70	—	—	28.70	—	—	27.81	—	—	—	—	27.81	0.89	0.89	
Total Tangible Assets	34,180.98	1,821.35	(776.47)	35,225.86	1,684.85	(720.86)	22,331.09	132.74	8.96	(1.16)	140.54	22,471.63	12,754.23	12,681.14	
Tangible Assets of Previous Year (As on 31.03.2012)	32,653.37	2,446.80	(919.19)	34,180.98	1,787.22	(891.62)	21,367.10	117.16	6.56	9.02	132.74	21,499.84	12,681.14	12,064.71	



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 10 A (Contd.)

(₹ in crores)

FIXED ASSETS

- Title deeds for land acquired, in some cases, have not been executed in favour of the company and mutation in certain cases are yet to be executed.
- Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984 is accounted for on payment basis and the same is shown as Leasehold land.
- Land in possession of North Eastern Coalfields, Assam, includes 8069.70 hectares of lease hold land for which no value has been shown in the Balance Sheet.
- The assets and liabilities taken over from Coal Mines Labour Welfare Organisation and Coal Mines Rescue Organisation, for which no quantitative details are available, have not been incorporated in the accounts pending determination of value thereof.
- The transfer formalities from the Holding Company and other subsidiaries have not been completed and consequently some documents continue to be held in the name of the Holding Company and other subsidiaries.
- Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2013 of ₹ 14.25 crores have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹ 1.53 crores under cancellable operating lease agreement.
- South Eastern Coalfields Limited in terms of License Agreement dated 19th day of March 2001 executed with M/s Apollo Hospital Enterprises Ltd., Chennai has granted the latter a right to occupy and use the fully constructed main hospital building measuring 2,97,099.74 Sq.ft. (27611.50 Sqm) and the residential quarters measuring 55,333 Sq.ft. (5142.47 Sqm) together with superstructures on the land such as sub station building, sewerage treatment plant and pump house. The License Agreement provides for a lease period of 30 years from the effective date of the commencement of the lease i.e November 2001.

The lease rental payable by the Apollo Hospital is accounted for as per the agreement. As per the agreement, the lease rental receivable from Apollo Hospital for the year 2012-13, for main hospital building is ₹ 4/- per Sq.ft. per month (₹ 4/- per Sq.ft per month) ₹ 1.43 Crores or 1/3rd of net profit arrived from the operation of this division of the hospital of the licensee, whichever is more and for residential quarters the rate is ₹ 2/- per Sq.ft. per month (₹ 2/- per Sq.ft per month) ₹ 0.13 Crores. The lease rental paid by Apollo Hospital for the period/year ended 31.03.2013 accounted for is ₹ 1.56 Crores (₹ 1.56 Crores) towards minimum rental and ₹ 0.41 Crores being the difference amount of lease rental and 1/3rd of net profit from the operation of this division of the hospital of the licensee for the year 2011-12.

The cost of the gross assets leased to Apollo Hospital Enterprises Ltd. furnished under the schedule of Fixed Assets is ₹ 31.32 Crores (₹ 31.32 Crores) accumulated depreciation as on 31.03.2013 is ₹ 7.71 Crores (₹ 7.17 Crores).

The future minimum lease payments in the aggregate during the year of lease are ₹ 28.05 Crores (₹ 29.61 Crores) for each of the following periods are as under:

		Current Year	Previous Year
		(₹ in crores)	
(I)	Not later than one year	1.56	1.56
(II)	Later than one year and not later than five year	6.23	6.23
(III)	Later than five years and till the period of lease	20.26	21.82

No contingent rents are recognized as income in the statement of Profit and Loss.

- In terms of lease agreement with M/s. Imperial Fastners Pvt. Limited, Central Coal Fields Ltd, 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 crores. The accumulated depreciation as at the end of the year is ₹ 77.72 crores. Depreciation for the year is ₹ 2.89 crores. The future minimum lease payment receivable in the aggregate during the period of lease is ₹ 51.36 crores.
- Furniture & Fixtures/Office Tools & Equipments/Electrical Fittings/Fire Arms :**

The figures of office equipments included in the above head of fixed assets could not be segregated as per requirements of revised Schedule VI format due to presence of some old balances appearing as clubbed figure as per pre revised Schedule VI format.

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 10 B

(₹ in crores)

CAPITAL WORK-IN-PROGRESS

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS			Total Provision & Impairment Loss	NET CARRYING VALUE		
	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year		As on 31.03.13	As on 31.03.12	
Tangible Assets															
Building/Water Supply/Road & Culverts	258.40	205.63	(209.65)	254.38	19.28	0.97	(0.01)	20.24	0.04	—	—	0.04	234.10	239.08	
Plant & Equipments	1,337.27	1,108.92	(760.47)	1,685.72	86.80	6.76	(2.26)	91.30	8.40	(0.02)	—	8.38	1,586.04	1,242.07	
Railway Sidings	108.28	10.26	(0.85)	117.69	39.28	3.14	(0.19)	42.23	—	—	—	—	75.46	69.00	
Development	90.62	35.79	(45.40)	81.01	26.80	0.67	—	27.47	—	0.67	—	0.67	52.87	63.82	
Others	90.58	409.58	(399.24)	100.92	0.63	0.75	0.03	1.41	0.09	(0.02)	—	0.07	99.44	89.86	
Total Tangible Assets	1,885.15	1,770.18	(1,415.61)	2,239.72	172.79	12.29	(2.43)	182.65	8.53	0.63	—	9.16	2,047.91	1,703.83	
Tangible Assets of Previous Year (As on 31.03.2012)	1,190.82	2,105.59	(1,411.26)	1,885.15	167.45	8.93	(3.59)	172.79	8.61	(0.13)	0.05	8.53	1,703.83	1,014.76	
Tangible Assets of Joint Ventures	—	3.33	1.25	4.58	—	—	—	—	—	—	—	—	4.58	—	
Tangible Assets of Joint Ventures in Previous Year (As on 31.03.2012)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTAL Consolidated Tangible Assets	1,885.15	1,773.51	(1,414.36)	2,244.30	172.79	12.29	(2.43)	182.65	8.53	0.63	—	9.16	2,052.49	1,703.83	
Surveyed off Assets															
Surveyed off Assets (As on 31.03.2012)	1,190.82	2,105.59	(1,411.26)	1,885.15	167.45	8.93	(3.59)	172.79	8.61	(0.13)	0.05	8.53	1,703.83	1,014.76	
Surveyed off Assets	497.96	36.34	(19.71)	514.59	353.36	3.64	(5.94)	351.06	—	—	—	—	163.53	144.60	
Surveyed off Assets (As on 31.03.2012)	422.89	44.95	30.12	497.96	291.75	7.76	53.85	353.36	—	—	—	—	144.60	131.14	
Grand Total	2,383.11	1,809.85	(1,434.07)	2,758.89	526.15	15.93	(8.37)	533.71	8.53	0.63	—	9.16	2,216.02	1,848.43	





NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 10 C

(₹ in crores)

PARTICULARS	COST				PROVISION			IMPAIRMENT LOSS			Total Provision & Impairment Loss	NET CARRYING VALUE			
	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year		As on 31.03.13	As on 31.03.12		
Intangible Assets															
Development	431.46	204.71	(65.06)	571.11	17.61	—	(0.74)	16.87	27.37	(2.96)	(0.15)	24.26	41.13	529.98	386.48
Prospecting & Boring	675.97	86.47	(4.99)	757.45	6.12	—	—	6.12	1.38	—	—	1.38	7.50	749.95	668.47
TOTAL	1,107.43	291.18	(70.05)	1,328.56	23.73	—	(0.74)	22.99	28.75	(2.96)	(0.15)	25.64	48.63	1,279.93	1,054.95
Intangible Assets (As on 31.03.2012)	959.88	260.97	(113.42)	1,107.43	24.59	0.05	(0.91)	23.73	24.03	2.26	2.46	28.75	52.48	1,054.95	911.26

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 11

(₹ in crores)

NON - CURRENT INVESTMENTS - Quoted/ Unquoted at Cost

TRADE (Unquoted)

8.5% Tax Free Special Bonds (Fully Paid up) :
(on securitisation of Sundry Debtors)
Major State-wise Break-up

Uttar Pradesh	66.87	100.30
Haryana	2.67	4.00
Maharashtra	123.30	170.17
Madhya Pradesh	155.73	224.31
Gujarat	70.29	105.44
West Bengal	22.63	33.94

Investment in Co-op Shares

Investment in Coal Mines Officers Cooperative credit society Ltd	0.05	0.05
Investment in Dishergarh colly Worker's Central Cooperative store Ltd.	0.01	0.01
Investment in Mugma coalfield colly Worker's Central Cooperative store Ltd.	0.01	0.01
Investment in sodepur & Dhemomain colly Employee's Cooperative Credit Society Ltd.	0.01	0.01

NON-TRADE (Quoted)

7.55% Secured Non Convertible IRFC Tax Free 2021 Series 79 bonds	200.00	200.00
8% Secured Non convertible IRFC Bonds Tax free	108.75	108.75
7.22% Secured Non convertible IRFC Bonds Tax Free	499.95	—
7.22% Secured Redeemable REC Bonds Tax Free	150.00	—

Sub- Total :

1,400.27

946.99

NON - CURRENT INVESTMENTS - (unquoted) at Cost of Joint Ventures

Investment in Shares

ICVL Global PTE Ltd.	0.03	—
----------------------	------	---

Total :

1,400.30

946.99

Aggregate amount of unquoted investments:	441.60	638.24
Aggregate amount of quoted investments:	958.70	308.75
Market value of quoted investments:	969.48	308.75



NOTES TO BALANCE SHEET (CONSOLIDATED) (CONTD.)

NOTE - 12

(₹ in crores)

LONG TERM LOANS & ADVANCES

Loans

Loan to employees

For House Building

- Secured considered good
- Unsecured considered good
- Doubtful

57.10	64.39
—	—
0.01	0.01
<u>57.11</u>	<u>64.40</u>

Less : Provision for doubtful loans

0.01	0.01
<u>57.10</u>	<u>64.39</u>

For Motor Car and other conveyance

- Secured considered good
- Unsecured considered good
- Doubtful

0.69	0.96
0.03	—
—	—
<u>0.72</u>	<u>0.96</u>

Less : Provision for doubtful loans

—	—
<u>0.72</u>	<u>0.96</u>

For Others

- Secured considered good
- Unsecured considered good
- Doubtful

—	—
0.74	0.12
0.10	0.33
<u>0.84</u>	<u>0.45</u>

Less : Provision for doubtful loans

0.10	0.33
<u>0.74</u>	<u>0.12</u>

Advances

For capital

- Secured considered good
- Unsecured considered good
- Doubtful

—	—
698.57	562.44
14.13	12.69
<u>712.70</u>	<u>575.13</u>

Less : Provision for doubtful advances

14.13	12.69
<u>698.57</u>	<u>562.44</u>

For revenue

- Secured considered good
- Unsecured considered good
- Doubtful

—	—
167.40	156.78
6.11	5.92
<u>173.51</u>	<u>162.70</u>

Less : Provision for doubtful advances

6.11	5.92
<u>167.40</u>	<u>156.78</u>

Security deposits

- Secured considered good
- Unsecured considered good
- Doubtful

—	—
3.22	2.76
0.66	0.66
<u>3.88</u>	<u>3.42</u>

Less : Provision for doubtful loans and advances

0.66	0.66
<u>3.22</u>	<u>2.76</u>

Deposit for P&T, Electricity etc.

- Secured considered good
- Unsecured considered good
- Doubtful

—	—
253.61	229.80
4.55	4.74
<u>258.16</u>	<u>234.54</u>

Less : Provision for doubtful deposits

4.55	4.74
<u>253.61</u>	<u>229.80</u>

TOTAL

1,181.36

1,017.25

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is /are interested	—	—	—	—

NOTES TO BALANCE SHEET (CONSOLIDATED) (CONTD.)

NOTE - 13

(₹ in crores)

OTHER NON-CURRENT ASSETS

	As at 31.03.13	As at 31.03.12
Exploratory drilling work (for Eastern Coalfields Ltd)		
- secured considered good	—	—
- Unsecured considered good	—	—
- Doubtful	89.47	85.00
	89.47	85.00
Less: Provision	89.47	85.00
	—	—
Other Receivables		
- secured considered good	—	—
- Unsecured considered good	74.17	69.29
- Doubtful	12.27	17.32
	86.44	86.61
Less: Provision	12.27	17.32
	74.17	69.29
TOTAL	74.17	69.29
CLASSIFICATION		
Secured	—	—
Unsecured - Considered Good	74.17	69.29
- Considered Doubtful	101.74	102.32

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is /are interested	—	—	—	—

Other Receivable includes balance claim of ₹ 20.86 crores (₹ 21.11 crores) against total claim of ₹ 47.67 crores lodged with Director of Electricity, Govt. of West Bengal in support of relief / concession required for revival of ECL according to BIFR's sanctioned scheme. Against the above claim 10% provision has been made considering its doubtful recovery.

NOTE - 14

(₹ in crores)

CURRENT INVESTMENTS - (unquoted) at cost

	As at 31.03.13	As at 31.03.12
NON-TRADE		
Mutual Fund Investment		
UTI Mutual Fund	154.47	234.45
LIC Mutual Fund	157.85	—
SBI Mutual Fund	264.80	361.60
Canara Robeco Mutual Fund	204.81	225.63
TRADE		
8.5% Tax Free Special Bonds (Fully Paid up) :		
(on securitisation of Sundry Debtors)		
Major State-wise Break-up		
Uttar Pradesh	33.44	33.44
Haryana	1.33	1.33
Maharashtra	56.72	56.72
Madhya Pradesh	74.77	74.77
Gujarat	35.15	35.15
West Bengal	11.32	11.32
Total :	994.66	1,034.41



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

	NOTE - 15		(₹ in crores)
		As at 31.03.13	As at 31.03.12
INVENTORIES			
Stock of Coal	4,677.21		5,222.46
Coal Under Development	52.86		20.63
	<u>4,730.07</u>		<u>5,243.09</u>
Less : Provision	428.91		441.95
A Stock of Coal (Net)		4,301.16	4,801.14
Stock of Stores & Spares (at cost)	1,281.24		1,275.04
Stores-in-Transit	93.30		104.50
	<u>1,374.54</u>		<u>1,379.54</u>
Less : Provision	256.64		253.09
B Net Stock of Stores & Spares (at cost)		1,117.90	1,126.45
Workshop Jobs :			
Work-in-progress and Finished Goods	163.71		117.70
Less : Provision	1.65		2.86
C Net Stock of Workshop Jobs		162.06	114.84
D Press :		1.25	1.06
Work-in-Progress and Finished Goods			
E Stock of Medicine at Central Hospital		2.09	2.02
F Prospecting & Boring/ Development Exp./Coal Blocks meant for Sale		33.37	25.77
Total (A + B + C + D + E + F)		5,617.83	6,071.28

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

	NOTE - 16		(₹ in crores)
	As at 31.03.13	As at 31.03.12	As at 31.03.12
TRADE RECEIVABLES			
Debts outstanding for a period exceeding six months from the due date			
- Secured considered good	—	—	
- Unsecured considered good	2,258.64	1,143.92	
- Doubtful	1,607.08	1,280.34	
	<u>3,865.72</u>	<u>2,424.26</u>	
Less : Provision for bad & doubtful debts	1,607.08	1,280.34	
	2,258.64		1,143.92
Other Debts			
- Secured considered good	24.08	6.53	
- Unsecured considered good	8,197.49	4,512.39	
- Doubtful	248.57	444.26	
	<u>8,470.14</u>	<u>4,963.18</u>	
Less : Provision for bad & doubtful debts	248.57	444.26	
	8,221.57		4,518.92
Total	10,480.21		5,662.84
Classification :			
Secured	24.08	6.53	
Unsecured - Considered Good	10,456.13	5,656.31	
- Considered Doubtful	1,855.65	1,724.60	

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is /are interested	—	—	—	—

The Government of Madhya Pradesh by Gazette Notification dated 30.09.2005 has imposed a new tax under "Madhya Pradesh Gramin Avsanrachana Tatha Sadak Vikas Adhinyam, 2005" (MPGATSV 2005), with effect from 30.09.2005. This Adhinyam provides for charging of tax @ 5% on annual value w.e.f. 30.09.2005. Some consumers as well as WCL moved the Hon'ble High Court of Madhya Pradesh, Jabalpur and obtained interim relief. As per the interim order dated 15.02.2006, the Hon'ble High Court, Jabalpur had directed the Company not to deposit this tax to the State Government but to keep it in a fixed deposit. The matter was later dismissed by the Jabalpur High Court in favour of MP Government. WCL has filed an SLP before the Hon'ble Supreme Court and the matter is still sub judice. The Hon'ble Supreme Court of India vide its order dated 02.08.2010 directed the Company to file its returns for all the years under protest as per MPGATSV (2005). The Hon'ble Supreme Court directed the assessing officer under the Act to complete the assessments of returns filed by the Company. In compliance with the Supreme Court directions the assessing officers raised total demand of ₹ 321.00 crores against the Company upto 31.03.2013. The Company, as per legal advice, has deposited full amount of demand amounting to ₹ 321.00 crores upto 31.03.2013. and has preferred Appeals against the assessment orders with Competent Appellate Authority, Jabalpur and Bhopal.

An amount of ₹ 357.08 crores has been received from customers on this account upto 31.03.2013. Term Deposit, against this receipt upto 31.03.2013 (after adjusting ₹ 321.00 crores paid for appeal), for ₹ 36.08 crores has been made upto 31.03.2013. The matter is now pending before Hon'ble Supreme Court and Appellate authority, Jabalpur. The interest on fixed deposits made on this account is treated as liability.



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 17

(₹ in crores)

	As at 31.03.13	As at 31.03.12
CASH & BANK BALANCE		
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	9,978.95	10,072.91
- In Current Accounts	1,657.40	1,941.48
- In Cash Credit Accounts	30.67	183.33
In Account with Banks outside India	5.56	0.27
Remittance - in transit	4.66	6.99
Cheques, Drafts and Stamps in hand	3.13	8.35
Cash in hand	3.93	4.09
Other Bank Balances		
Balances with Scheduled Banks		
- In deposit accounts with maturity of more than 3 months *	48,265.03	43,978.47
- In deposit accounts under Shifting and Rehabilitation Fund Scheme with maturity of more than 3 months	2,273.69	1,951.85
In SBI Dividend Account (Interim dividend 2011-12)	—	8.31
In SBI Dividend Account (Interim dividend 2012-13)	8.46	—
Balance in unpaid dividend accounts	2.75	0.96
Sub-Total	62,234.23	58,157.01
Cash & Bank Balance in Joint Ventures		
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	0.62	—
- In Current Accounts	0.01	42.77
Other Bank Balances		
Balances with Scheduled Banks		
- In deposit accounts with maturity of more than 3 months	1.14	3.00
Sub-Total	1.77	45.77
Total	62,236.00	58,202.78

* This includes deposits of ₹ 1101.33 Crores (₹ 11102.51 Crores) of maturity more than 12 months from the date of acquisition.

Deposits includes ₹ 189.01 crores (₹ 185.77 crores) held as margin money or security against the borrowing/others

In Mahanadi Coalfields Ltd. balance with Scheduled Bank in Deposit Account includes ₹ 1.33 crores (previous year ₹ 1.31 crores) which is under lien to Hon'ble District Court of Sundergarh.

Fixed deposit amounting to ₹ 66.74 crores and ₹ 111.31 crores have been placed under lien of State Bank of India for issuing letter of comfort for issuance of Bank Guarantee in favour of President of India to fulfil the terms of allocation of blocks on behalf of Subsidiary Companies i.e. M/s. MJSJ Coal Ltd. and M/s. MNH Shakti Ltd. respectively.

NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

NOTE - 18

(₹ in crores)

SHORT TERM LOANS & ADVANCES	As at 31.03.13	As at 31.03.12
ADVANCE		
Advance to suppliers		
For revenue		
- Secured considered good	—	—
- Unsecured considered good	329.32	178.08
- Doubtful	25.33	29.40
	354.65	207.48
Less : Provision for doubtful advances	25.33	29.40
	329.32	178.08
Advance payment of statutory dues		
Sales tax		
- Secured considered good	—	—
- Unsecured considered good	115.31	128.12
- Doubtful	0.04	0.10
	115.35	128.22
Less : Provision for doubtful advances	0.04	0.10
	115.31	128.12
Cenvat credit receivable	2.96	0.14
Advance income tax / Tax deducted at source	14,799.72	12,395.43
Others		
- Secured considered good	—	—
- Unsecured considered good	156.35	104.29
- Doubtful	0.70	0.70
	157.05	104.99
Less : Provision for Doubtful Advances	0.70	0.70
	156.35	104.29
Advance to employees		
- Secured considered good	—	—
- Unsecured considered good	562.89	471.52
- Doubtful	3.37	3.40
	566.26	474.92
Less : Provision for doubtful advances	3.37	3.40
	562.89	471.52
Claims receivables		
- Secured considered good	—	—
- Unsecured considered good	189.63	169.67
- Doubtful	19.08	22.73
	208.71	192.40
Less : Provision for doubtful claims	19.08	22.73
	189.63	169.67
Prepaid expenses	32.24	30.94
Sub-Total	16188.42	13478.19
Short Term Loans & Advances in Joint Ventures		
Advance income tax / Tax deducted at source (ICVL)	0.34	—
Sub-Total	0.34	—
TOTAL	16,188.76	13,478.19
CLASSIFICATION		
Secured	—	—
Unsecured - Considered good	16,188.76	13,478.19
- Considered doubtful	48.52	56.33

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is /are interested	—	—	—	—



NOTES TO BALANCE SHEET (CONSOLIDATED) (Contd.)

	NOTE - 19		(₹ in crores)
		As at 31.03.13	As at 31.03.12
OTHER CURRENT ASSETS			
Interest accrued			
- Investment	62.43		47.58
Deposit with banks	2,719.99		2,121.56
- Others	2.70		0.03
		2,785.12	2,169.17
Other advances	231.88		240.27
Less: Provision	1.89		2.48
		229.99	237.79
Deposits			
Deposit for customs duty, port charges etc.	1.66		2.19
Less: Provision	0.79		0.79
		0.87	1.40
Deposit for Royalty, Cess & Sales Tax	200.96		178.58
Less: Provision	40.25		40.25
		160.71	138.33
Others	209.35		111.83
Less: Provision	2.18		2.18
		207.17	109.65
Amount receivable from Govt of India for transactions on behalf of Ex-Coal Board	2.00		1.83
Less: Provision	2.00		1.83
		—	—
Other receivables	829.47		342.88
Less: Provision	38.62		33.76
		790.85	309.12
Sub -Total		4,174.71	2,965.46
Other Current Assets in Joint Venture			
Other advances		0.02	0.01
Interest accrued on deposit with banks		0.01	0.03
Sub -Total		0.03	0.04
TOTAL		4,174.74	2,965.50

Commercial Tax Department, Madhya Pradesh and Uttar Pradesh has raised a demand of ₹ 474.65 crores (previous year ₹ 409.30 crores) till 31.03.2013 for Sales Tax and Entry tax, against which an appeal has been filed and ₹ 94.65 crores (previous year ₹ 73.37 crores) has been deposited under protest by Northern Coalfields Limited and the claim of ₹ 474.65 crores has been shown as Contingent Liability. A provision of ₹ 2.07 crores has been made against the same.

NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED)

		NOTE - 20		(₹ in crores)
REVENUE FROM OPERATIONS		For the Year ended 31.03.13		For the Year ended 31.03.12
Sale of Coal	88,281.32		78,410.38	
Less: Excise Duty	4,674.93		3,396.82	
		83,606.39		75,013.56
Less : Other Levies				
Royalty	7,063.44		5,322.57	
Cess on Coal	1,850.23		1,612.97	
Stowing Excise Duty	450.74		429.25	
Central Sales Tax	893.56		832.97	
Clean Energy Cess	2,254.09		2,143.76	
State Sales Tax/VAT	2,137.70		1,756.52	
Other Levies	653.89		500.09	
TOTAL LEVIES		15,303.65		12,598.13
Revenue From Operations (Net sales)		68,302.74		62,415.43

		NOTE - 21		(₹ in crores)
OTHER INCOME		For the Year ended 31.03.13		For the Year ended 31.03.12
Income From Non-Current Investments				
Interest from				
Government Securities (8.5% Tax Free Special Bonds) - Trade		52.46		71.22
Non Convertible IRFC/ REC Tax Free Bonds 2021 Series (Non Trade)		38.15		6.90
Income From Current Investments				
Dividend from Mutual Fund Investments		140.49		27.97
Interest from				
Government Securities (8.5% Tax Free Special Bonds) - Trade		15.35		14.67
Income From Others				
Interest				
From Deposit with Banks		6,010.11		5,049.11
From Loans and Advances to Employees		3.85		4.00
From Income Tax Refunds		36.89		130.13
Others		59.90		41.74
Subsidy for Sand Stowing & Protective Works		79.51		67.48
Profit on Sale of Assets		4.78		8.12
Recovery of Transportation & Loading Cost		1,469.02		1,376.04
Exchange Rate Variance		0.79		0.16
Lease Rent		25.16		28.47
Liability / Provision Write Backs		132.32		259.19
Excise Duty on Decrease in Stock		68.05		—
Other non-operating Income		609.86		451.70
TOTAL		8,746.69		7,536.90

Dividend from mutual funds investments/interest from deposits with banks above also includes that from investments of amount lying in current account with IICM.



NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 22

(₹ in crores)

COST OF MATERIALS CONSUMED

	For the Year ended 31.03.13	For the Year ended 31.03.12
Explosives	1,219.29	1,072.48
Timber	38.74	38.00
P O L	2,391.58	2,054.15
HEMM Spares	1,118.24	1,156.36
Other Consumable Stores & Spares	1,294.26	1,183.08
TOTAL	6,062.11	5,504.07

NOTE - 23

(₹ in crores)

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

		For the Year ended 31.03.13	For the Year ended 31.03.12
Opening Stock of Coal	5,221.06		4,820.37
Add: Adjustment of opening stock	—		19.79
Less: Deterioration of Coal	439.89	4,781.17	401.98
Less:-			
Closing Stock of Coal	4,674.53		5,221.06
Less: Deterioration of Coal	428.91	4,245.62	439.89
A Change in Inventory of Coal		535.55	(342.99)
Opening Stock of Workshop made finished goods and WIP	117.70		80.33
Less: Provision	2.86	114.84	2.72
Less:-			
Closing Stock of Workshop made finished goods and WIP	157.93		117.70
Less: Provision	1.65	156.28	2.86
B Change in Inventory of workshop		(41.44)	(37.23)
Press Opening Job			
i) Finished Goods	0.71		0.59
ii) Work in Progress	0.35	1.06	0.22
Less:-			
Press Closing Job			
i) Finished Goods	0.88		0.71
ii) Work in Progress	0.37	1.25	0.35
C Change in Inventory of Closing Stock of Press Job made finished goods and WIP		(0.19)	(0.25)
Opening Stock of Medicines (Central Hospital)		—	1.40
Less: Closing Stock of Medicines (Central Hospital)		—	1.97
D Change in Inventory of Stock of Medicines at Central Hospitals		—	(0.57)
Change in Inventory of Stock in trade (A + B + C + D) { Decretion / (Accretion) }		493.92	(381.04)

NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 24

(₹ in crores)

EMPLOYEE BENEFITS EXPENSE

	For the Year ended 31.03.13	For the Year ended 31.03.12
Salary, Wages, Allowances, Bonus etc.	18,930.24	16,571.73
Ex-Gratia	1,062.70	858.68
PRP	505.48	382.33
Contribution to P.F. & Other Funds	2,291.46	1,778.31
Gratuity	1,456.83	3,944.09
Leave Encashment	833.21	804.67
VRS	18.04	13.78
Workman Compensation	27.02	10.49
Medical Expenses	306.66	273.42
Grants to Schools & Institutions	96.01	81.29
Sports & Recreation	8.06	7.75
Canteen & Creche	3.10	2.95
Power - Township	713.82	629.32
Hire Charges of Bus, Ambulance etc.	43.90	33.52
Other Employee Benefits	1,024.25	995.09
TOTAL	27,320.78	26,387.42

NOTE - 25

(₹ in crores)

WELFARE EXPENSES

	For the Year ended 31.03.13	For the Year ended 31.03.12
Medical Expenses for Retired Employees	285.22	29.08
CSR Expenses	140.13	104.12
Sustainable Development Expenses	4.57	—
Environmental Expenses	45.33	45.50
Tree Plantation	16.58	19.31
Other Expenses	130.60	119.59
TOTAL	622.43	317.60

NOTE - 26

(₹ in crores)

REPAIRS

	For the Year ended 31.03.13	For the Year ended 31.03.12
Building	253.67	210.67
Plant & Machinery	521.96	389.86
Others	46.77	45.18
TOTAL	822.40	645.71



NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 27

(₹ in crores)

CONTRACTUAL EXPENSES

Transportation Charges :

- Sand
- Coal
- Stores & Others

Wagon Loading

Hiring of P&M

Other Contractual Work

TOTAL

**For the Year
ended 31.03.13**

51.33
2,100.43
2.08

137.38
2,856.18
654.57

5,801.97

**For the Year
ended 31.03.12**

48.94
1,738.54
1.76

122.84
2,267.04
721.85

4,900.97

NOTE - 28

(₹ in crores)

FINANCE COSTS

Interest Expenses

- Deferred Payments
- Bank Overdraft / Cash Credit
- Interest on IBRD & JBIC Loan
- Others

TOTAL (A)

Other Finance Cost

- Guarantee Fee on (IBRD & JBIC) Loan
- Bank commitment and allocation charges

TOTAL (B)

TOTAL (A+B)

**For the Year
ended 31.03.13**

0.09
—
20.24
10.94

31.27

13.63
0.27

13.90

45.17

**For the Year
ended 31.03.12**

0.08
0.29
20.04
17.06

37.47

16.35
0.16

16.51

53.98

NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 29

(₹ in crores)

PROVISIONS (NET OF REVERSAL)	For the Year ended 31.03.13	For the Year ended 31.03.12
(A) PROVISION MADE FOR		
Doubtful debts	715.61	723.51
Doubtful Advances & Claims	24.77	28.39
Foreign Exchange Transaction (Marked to Market)	—	—
Stores & Spares	7.83	14.58
Reclamation of Land/Mine Closure expenses	592.50	796.95
Surveyed off Fixed Assets/Capital WIP	7.96	7.93
Others	43.66	120.99
TOTAL(A)	1,392.33	1,692.35
(B) PROVISION REVERSAL		
Doubtful debts	605.98	338.74
Doubtful Advances & Claims	8.71	6.55
Foreign Exchange Transaction	—	13.01
Stores & Spares	4.66	2.77
Reclamation of Land/Mine Closure expenses	27.36	4.11
Surveyed off Fixed Assets/Capital WIP	5.50	—
Others	0.03	4.43
TOTAL(B)	652.24	369.61
TOTAL (A-B)	740.09	1,322.74

NOTE - 30

(₹ in crores)

WRITE OFF (Net of past provisions)	As at 31.03.13	As at 31.03.12
Doubtful debts	186.88	147.00
Doubtful advances	11.45	10.16
Less :- Provided earlier	11.45	10.16
Others	0.13	0.10
TOTAL	187.01	147.10



NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 31

(₹ in crores)

OTHER EXPENSES

	For the Year ended 31.03.13	For the Year ended 31.03.12
Travelling expenses		
- Domestic	139.03	122.34
- Foreign	1.72	2.51
Training Expenses	35.25	30.89
Telephone & Postage	21.70	21.03
Advertisement & Publicity	52.71	42.32
Freight Charges	47.25	45.13
Demurrage	50.83	59.65
Donation/Subscription	1.98	2.52
Security Expenses	432.83	404.21
Hire Charges	151.41	132.51
Legal Expenses	17.81	13.21
Bank Charges	1.29	2.18
Guest House Expenses	6.30	5.09
Consultancy Charges	18.62	21.56
Under Loading Charges	303.87	178.48
Loss on Sale/Discard/Surveyed off Assets	2.04	5.13
Auditor's Remuneration & Expenses		
- For Audit Fees	0.89	0.71
- For Other Services	3.20	2.36
- For Reimbursement of Expenses	0.80	0.67
Internal Audit Fees & Expenses	10.08	8.71
Rehabilitation Charges	237.38	222.50
Royalty & Cess	450.37	215.04
Central Excise Duty	57.29	106.04
Rent	25.41	9.98
Rates & Taxes	65.04	39.34
Insurance	4.40	3.09
Loss on Foreign Exchange Transactions	93.14	35.87
Loss on Exchange Rate Variance	10.78	61.70
Rescue/Safety Expenses	27.49	29.53
Dead Rent/Surface Rent	34.36	3.66
Siding Maintenance Charges	41.88	47.03
Land/Crops Compensation	8.20	2.57
Miscellaneous expenses	277.83	319.08
TOTAL	2,633.18	2,196.64

NOTES TO STATEMENT OF PROFIT & LOSS (CONSOLIDATED) (Contd.)

NOTE - 32

(₹ in crores)

PRIOR PERIOD ADJUSTMENT	For the Year ended 31.03.13	For the Year ended 31.03.12
(A) Expenditure		
Sale of Coal & Coke	6.83	—
Other Income	—	0.93
Consumption of Stores & Spares	(2.86)	—
Employees Remuneration & Benefits	2.73	—
Welfare Expenses	—	2.32
Repairs	(0.12)	0.18
Contractual Expenses	1.79	—
Other Expenditure	(2.79)	—
Depreciation	26.79	—
TOTAL (A)	32.37	3.43
(B) Income		
Sale of Coal & Coke	(2.74)	29.96
Stock of Coal & Coke	—	0.16
Other Income	29.28	—
Consumption of Stores & Spares	2.78	4.06
Employees Remuneration & Benefits	—	7.36
Power & Fuel	8.82	—
Contractual Expenses	—	1.00
Other Expenditure	—	21.74
Interest and other financial charges	—	1.98
Depreciation	1.09	10.54
TOTAL (B)	39.23	76.80
TOTAL (A-B) {Charge/(Income)}	(6.86)	(73.37)



NOTE - 33

A. 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 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 & 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 an 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 asset 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.

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 fund are considered as current investments.

Non-Current investments are valued at cost.

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

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 by products are valued at net realisable value.

6.2 Stores & Spares:

6.2.1 The closing stock of stores and spare parts has been considered in the accounts 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 & spares 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 and photocopying machine, 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 : - 10.55% 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 recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized 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 period are adjusted on actual basis.

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

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 accounts and are disclosed by way of Notes.

16.0 Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes 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 current year.



NOTE - 34

ADDITIONAL NOTES ON ACCOUNTS:

1 Contingent Liabilities & Commitments

- i) The amount remaining to be executed on capital account not provided for is ₹ 2452.16 crores (₹ 1926.84 crores). The amount remaining to be executed on revenue account not provided for is ₹ 11587.51 crores (₹ 10506.38 crores).
- ii) Claims against the company not acknowledged as debt are ₹ 16523.41 crores (₹ 12694.14 crores).
- iii) Outstanding letters of credit amounted to ₹ 253.09 crores (₹ 310.70 crores).
- iv) The Company has given counter-guarantee to Government of India for loans obtained from JBIC & IBRD Banks and on lent to its Subsidiaries. The outstanding balance as on 31.03.2013 stood at ₹ 550.43 crores (₹ 720.10 crores) and ₹ 585.80 crores (₹ 642.62 crores) respectively.
Further, the Company has also given guarantee for loans obtained by subsidiaries from Export Development Bank of Canada (EDC) and Liebherr France the outstanding balance of which as on 31.03.2013 stood at ₹ 160.35 crores (₹ 155.63 crores) and ₹ 8.72 crores (₹ 9.03 crores) respectively.
- v) Outstanding Deferred Payment Guarantee issued by banks amounted to ₹ 23.36 crores (₹ 4.42 crores).

2 Basis of Preparation of Financial Statements

- i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Parent Company, i.e. year ending 31st March, 2013.
- ii) The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting. The accounts of the subsidiaries have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and on the basis of accounting principles generally accepted in India.
- iii) The financial statements have been prepared in line with the requirements of Revised Schedule-VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 months period as operating cycle. The adoption of Revised Schedule- VI does not impact recognition and measurement principles followed for preparation of consolidated financial statements. However, it has sufficient impact on presentation and disclosures made in the financial statements. Consequently, the company has re-classified previous years' figures to conform to this years' classification.

3 Principles of Consolidation and Financial Reporting of Interest in Joint Venture and Overseas Subsidiary.

- i) The consolidated financial statements relate to Coal India Limited, its wholly owned subsidiary companies, namely, Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Northern Coalfields Limited (NCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Mahanadi Coalfields Limited (MCL), Central Mine Planning & Design Institute Limited (CMPDIL) & Coal India Africana Limitada (Overseas Subsidiary), proportionate stake in International Coal Venture Pvt. Limited (ICVL) and CIL-NTPC Urja Pvt. Ltd.
- ii) The financial statements of MCL has been consolidated with its three subsidiary companies – MNH Shakti Limited, MJSJ Coal Limited and Mahanadi Basin Power Limited.
- iii) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard– 21 “ Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India. However the non-recognition of interest in holding company's accounts from one of its subsidiaries (as per Accounting Standard-9) has been ignored in such consolidation
- iv) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from individual financial statements, which fairly present the needed disclosure.

- v) CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/ SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Cabinet, Govt. of India, vide its approval dated 8th November, 2007. The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. has been formed by incorporation under Companies Act, 1956 on 20th May, 2009 with an authorised capital of ₹ 1.00 crores and paid up capital of ₹ 0.70 crores. The authorised Capital and paid up Capital as on 31.03.2013 stood at ₹ 1110.00 crores and ₹ 9.80 crores respectively. Out of above paid up capital, Coal India Ltd. is owning 2/7th share i.e. worth ₹ 2.80 crores face value of equity shares.
- vi) The consolidated financial statements include the interest of the company in the above joint venture (International Coal Ventures Pvt. Ltd.) which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the company's share of each asset, liability of a jointly controlled entity has been considered. Such accounting has been carried out considering the latest available un-audited financial statements as on 31.03.2013.
- vii) CIL NTPC Urja Pvt. Ltd., a 50 : 50 Joint Venture Company was formed on 27th April'2010 between CIL & NTPC and CIL has invested ₹ 0.02 crores as on 31.03.2013. The un-audited Accounts of the above joint venture company upto the year ended 31.03.2013 has been considered in consolidation.
- viii) On incorporation of subsidiaries on the basis of joint venture agreement as per directives from the Ministry of Coal, Mahanadi Coalfields Ltd has deposited money / transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2013 is as under :-

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Minority Interest as per Consolidated Accounts as on 31.03.2013
1) MNH Shakti Ltd	70%	16.07.2008	Anand Vihar, Burla, Sambalpur	₹ 25.53 crores
2) MJSJ Coal Ltd.	60%	13.08.2008	House no 42, 1st Floor, Anand Nagar, Hakim Para, Angul	₹ 38.07 crores
3) Mahanadi Basin Power Limited	100%	02.12.2011	Plot No. G-3 Mancheswar Railway Colony Bhubaneswar	—
Total				₹ 63.60 crores

All the subsidiaries are in development stage and the related expenditure has been consolidated.

- ix) In terms of Memorandum of Understanding (MOU) signed on 03.11.2012 between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh (GoCG) for establishment of two Railway Corridors viz., East Corridor and East West Corridor, two(2) Subsidiary Companies of SECL have been Incorporated under the Companies Act, 1956 viz., M/s Chhattisgarh East Railway Limited (CERL) incorporated on 12.03.2013 and M/s. Chhattisgarh East-West Railway Limited (CEWRL) incorporated on 25.03.2013 with an Authorised Capital of ₹ 5.00 Crores each.



The equity share holding pattern of the three entities in each of these Companies incorporated is as under:

Name of the Company	Share Holding Pattern
South Eastern Coalfields Limited	64%
IRCON International Limited	26%
Govt. of Chhattisgarh represented by CSIDCL	10%

For the purpose of incorporation, an initial paid up capital of ₹ 5.00 Lakh in each subsidiary viz., M/s Chhattisgarh East Railway Limited (CERL) & M/s. Chhattisgarh East-West Railway Limited (CEWRL) was proposed and the subscription towards the 64% share of initial paid up capital (₹ 5.00Lakh) on behalf of SECL will be ₹ 3,20,000/- in each of these subsidiary companies.

SECL has made the following preliminary payments for the formation and other activities of these companies:

1. An advance amount of ₹ 2.00 Crores has been paid to IRCON International Ltd. towards survey, investigation, preparation of feasibility report in terms of MOU dated 03.11.2012, which will be refunded to SECL by the Joint Venture subsidiary companies.
2. An amount of ₹ 0.10 Crores has been paid to AGR Reddy & Co. for the formation of the Subsidiary Companies, which will be refunded to SECL by the Joint Venture subsidiary companies.

The Certificates of Commencement of Business (CoB) of M/s. Chhattisgarh East Railway Limited (CERL) and M/s. Chhattisgarh East-West Railway Limited (CEWRL) are yet to be obtained. No shares have been allotted till 31.03.2013.

x) Investment in Subsidiary (Overseas)

Coal India Ltd., formed a 100% owned subsidiary in Republic of Mozambique, named "Coal India Africana Limitada". The initial paid up capital on such formation (known as "Quota Capital") was ₹ 0.01 Crores (USD 1000). The un-audited Accounts of the above subsidiary company upto the year ended 31.03.2013 has been considered in consolidation.

4 Provision for Employee Benefits

The year-end liability of certain other employee benefits like Gratuity, Earned Leave, Life Cover Scheme, Settlement Allowance, Group Personal Accident Insurance Scheme, Leave Travel Concession, Medical Benefits for Retired Executives, Compensation to dependants incase of mine accidental death are valued on actuarial basis. Total liability as on 31.03.2013 based on valuation made by the Actuary, details of which are mentioned below is ₹ 17403.60 crores.

The actuarial liability as on 31.03.2013

(₹ in crores)

Head	Opening Actuarial Liability as on 01.04.12	Incremental Liability	Closing Actuarial Liability As on 31.03.13
Gratuity	12613.05	508.01	13121.06
Earned Leave	1869.18	371.05	2240.23
Half Pay Leave	400.60	12.30	412.90
Life Cover Scheme	104.32	1.47	105.79
Settlement			
Allowance Executives	4.77	1.51	6.28
Settlement Allowance			
Non-executives	276.12	19.82	295.94
Group Personal			
Accident Insurance			
Scheme	1.41	0.04	1.45
Leave Travel			
Concession	181.64	46.03	227.67
Medical Benefits	51.72	698.76	750.48
Compensation to			
dependants in case of			
mine accidental death	218.96	22.84	241.80
Total	15721.77	1681.83	17403.60

Against actuarial liability of Gratuity, fair value of plan assets at the end of the year is ₹ 8397.13crores (₹ 5947.45crores).

Summary of actuarial assumptions are as under :-

Formula Used	Projected Unit Credit Method
Discount Rate	8.00%
Return on Assets	8.00%
Inflation Rate	6.25%
Mortality Table	LICI 1994-1996



5 Impact due to changes in Accounting Policy.

Previous Policy	New /Changed Policy	Impact on the profit for the year.
Prepaid Expenses:		
No specific policy. All items falling under the above category used to be accounted for as prepaid expense, irrespective of the amount involved.	Prepaid expenses which do not exceed ₹ 0.10 crore in each case are to be treated as expenditure of current year.	Profit for the year decreased by ₹ 5.91 crore.
Prior Period Adjustments:		
Income / expenditure items relating to prior period (s) which do not exceed ₹ 0.05 crore in each case are treated as income/ expenditure for the current year.	Income / expenditure relating to prior period (s) which do not exceed ₹ 0.10 crore in each case are to be treated as income/ expenditure of current year.	Profit for the year decreased by ₹ 3.70 crore.
Change in depreciation rates of photo-copying machine.		
Further, during the year based on technically estimated useful life (of 9 years), depreciation rates of photo-copying machines were revised to higher rates at 10.55% per annum (on SLM basis) from previously applied rate of 4.75% per annum (equivalent to useful life of 20 years).		
Due to above change in depreciation rates the profit for the year decreased by ₹ 1.04 crore.		

6 In BCCL expenditure of erstwhile Kustore Area (now merged with PB Area) is under investigation by different authorities. Bills lying amounting to ₹ 24.44 crores has been considered as Contingent Liabilities due to pending decision.

7 Eastern Coalfields Limited and Bharat Coking Coal Limited

ECL had become sick and were referred to BIFR under Sick Industrial Company (Special Provisions) Act, 1985. The revival plan/ scheme of ECL had already been approved by BIFR and thereafter vetted by the concerned ministry.

During the year further investment in 5% redeemable cumulative preference share in BCCL (redeemable at par compulsorily after seven years from the date of issue or after five years at the option of CIL) was made by way of conversion of past loan to BCCL of ₹ 1083.00 crore and current account balance (receivable from BCCL) of ₹ 1456 crore. By giving effect to the above issuance of the Preference Shares by BCCL to CIL, CIL no longer remained a creditor of BCCL with respect to these funds. Based on this mutually agreed mechanism between BCCL and CIL, the waiver of the funds by CIL, as required by the Scheme, was implemented by converting such funds into subscription monies for issuance of the Preference Shares to CIL.

On the basis of waivers (of past loan of ₹ 1083 crore and current account balance of ₹ 1456.00 crore) by CIL, under the scheme, BCCL reported positive net worth. As part of the ongoing proceedings before the Hon'ble Board, on February, 14, 2013, the Hon'ble Board concluded

in its order that BCCL had ceased to be a sick industry company in terms of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA"), and directed inter-alia that provisions of the sanctioned scheme, if any would be implemented by all concerned.

The implementation of the revival scheme in ECL will substantially improve the financial position of the company.

During the financial year 2012-13 these companies have earned profit after tax for ₹ 1655.54 crores and ₹ 1498.80 crores respectively. Accumulated Profit (Loss) and Net Worth of ECL and BCCL as on 31.03.2013 are as under:-

(₹ in crores)

Company	Accumulated Profit(Loss)		Net Worth	
	As on	As on	As on	As on
	31.03.13	31.03.12	31.03.13	31.03.12
ECL	(5509.76)	(7165.30)	(2458.60)	(4946.85)
BCCL	(4106.03)	(5604.83)	550.97	(3486.83)

8 Discontinuing Operation

i) CBE Plant, Bhandra – Western Coalfields Limited:

The Plant used to manufacture Nitro-Glycerine based Permitted Explosives used in the underground mines of the Company till its closure on 28.04.2003. Consequent upon decision of the Government of India to discontinue/ban production of NG-based explosives in the country and its adoption by the Board of Ordnance Factories of India, the Jt. Venture partner of the Plant, the Plant was closed on and from 28.04.2003.

CIL had given its approval for disposal of the Plant and the Company in its 197th Board Meeting held on 19.04.2006 had approved the disposal of P&M by tendering/e-auction and accordingly the P&M along with related stores & spares have been disposed off during 2006-07 by auction through MSTC. The Net Block of assets pending disposal is ₹ 0.08 crores. The liability towards Overheads after closure of the Plant till 31.03.2013 for maintenance and upkeep of the Plant is ₹ 0.40 crores.

The revenue expenses incurred during the current year is Nil (Previous Year Nil). Since the Plant works on No-Profit-No-Loss basis, all expenses are passed on to the Areas. Hence there is no question of profit/loss. There is no cash outflow attributable to operating, investing and financing of discontinuance (Previous Year Nil).

ii) DFD Plant, Hinganghat, Western Coalfields Limited:

The Plant used to manufacture Coal Briquettes from raw coal for domestic fuel purposes till its closure in 1994. Consequent upon non-viability of the Plant as per the decision of the Board of the Company, the Plant was closed in 1994.

The disposal of the Plant is under process and the exact date of completion of discontinuance is not determinable as of now. The Net Block of assets pending disposal is ₹ 0.03 crores and the liability towards Municipal Taxes is ₹ 0.04 crores. The Company has applied to the Hinganghat Nagar Palika for waiver of the Municipal Taxes for the past four years on the ground that the Plant is no more in operation. The revenue expenses incurred during the current year is ₹ 0.01 crores (Previous Year ₹ 0.01 crores). Since the Plant is inoperative for the past ten years and the final disposal of the Plant is yet to be done, there is no question of profit/loss. There is no cash outflow attributable to operating, investing and financing of discontinuance.

9 Bharat Coking Coal Limited has received grant under various SSRC/ EMSC (now included in Master Plan) and R&D Schemes upto 31.03.2013. The Company has received Master Plan and R&D Grants upto 31.03.2013 for ₹ 315.79 crores, and ₹ 1.75 crores respectively. Total expenditure incurred against these are as follows:

(₹ in crores)

	Master Plan	R&D
Capital	213.68	0.50
Revenue	8.73	0.39



- 10** As on 31st March 2013, a difference in book stock and measured stock has been reported for Shivpuri Mines under Western Coalfields Limited which is beyond the permissible norms of +/-5%. The details of the variation is as below:

Name of Mines	Book Stock (M.T.)	Measured Stock (M.T.)	Difference (M.T.)	Percentage	Financial Impact (₹ in crores)
Shivpuri OC	53,380.340	35,777.455	-17,602.885	-32.98%	2.81

As per Accounting policy of the Company the measured stock of Shivpuri OC is considered for valuation of closing stock of Coal as on 31.03.2013.

- 11** Medical expenses for retired employees (Note-25) of ₹ 285.22 Crores (₹ 29.08Crores) includes the actuarial valuation of enhanced medical benefits scheme (as per Order No – CIL/C-5A(PC)/CPRMSE/207 dated 28.12.2012) covering retired employees on and from 01.01.2007.

12 Use of Estimate:

In preparing the financial statements in conformity with Accounting Principles generally accepted in India, Management is required to make estimates and assumptions that effect the reported amounts of assets and liabilities and the disclosures of contingent liability as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results would differ from those estimates. Any revision to such estimate is recognized in the period the same is determined.

13 Earnings Per Share:

(₹ in crores)

Sl. No.	Earning per Share Particulars	As at 31.03.2013	As at 31.03.2012
i)	Profit after Taxation (₹ in crores)	17356.36	14788.20
ii)	Add/(less) adjustment for Reserve for Foreign Exchange (₹ in crores)	93.14	35.87
iii)	Net profit after tax attributable to Equity shareholders (₹ in crores)	17449.50	14824.07
iv)	Weighted average No. of shares outstanding during the year	6316364400	6316364400
v)	Basic and Diluted Earning per Share in Rupees (Face value of ₹ 10/- per share)	27.63	23.47

14 Directors' Remuneration :

(₹ in crores)

Particulars	2012-13	2011-12
Salary & Allowances	8.57	9.16
Provident Fund	0.84	0.71
Others	1.98	2.24
Total	11.39	12.11

15 Earning in Foreign Exchange on account of:

(₹ in crores)

Particulars	Current Year	Previous Year
(i) Export of Goods (Calculated on FOB basis)	Nil	Nil
(ii) Exchange Variation (net)	0.03	0.09
(iii) Miscellaneous	Nil	Nil

16 As required by section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 the following information is disclosed on the basis of information available with the company:

Sl. No.	Descriptions	As on 31.03.2013 (₹ in crores)
---------	--------------	--------------------------------------

1)	Principal amount remaining unpaid	2.15
2)	Interest due thereon (interest due and / or payable)	Nil

17 The Company is primarily engaged in a single segment business of Production and sale of Coal. The income from interest and other income is less than 10% of the total revenue, hence no separate segment is recognized for the same.

18 Figures in the parentheses relates to the previous year.

19 Previous years figures have been regrouped and rearranged wherever considered necessary.

20 Note-1 to 19 form part of the Balance Sheet as at 31st March, 2013 and 20 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note-33 represents Significant Accounting Policies and Note-34 represents additional notes on the Accounts.

Signature to Note 1 to 34.

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager
(Finance)

A.Chatterjee
Director
(Finance)

S.Narsing Rao
Chairman-Cum-Managing Director

**As per our report annexed
For De Chakraborty&Sen
Chartered Accountants
FR No.303029E**

(Raktim Kumar Chattopadhyay)

Partner

Membership No. 052225

Date : 27th May,2013

Place : Kolkata



AUDITORS' REPORT

MANAGEMENT REPLY

TO THE BOARD OF DIRECTORS OF COAL INDIA LIMITED

1. Report on the Financial Statements

We have audited the accompanying consolidated financial statements of COAL INDIA LIMITED (CIL) and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information. These financial statements include figures in respect of CIL (Holding Company), Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Northern Coalfields Limited (NCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Mahanadi Coalfields Limited-Consolidated (MCL), Central Mines Planning and Design Institute Limited (CMPDIL), Coal India Africana Limitada (CIAL) and two Joint Ventures viz- CIL-NTPC Urja Private Limited and International Coal Ventures Private Limited (ICVL).

2. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Other Matter

1. We did not audit the financial statements of subsidiaries, whose financial statements and other financial information which has been audited by other Auditors whose report have been furnished to us by the Management and our opinion is based solely on the reports of the other Auditors. These financial statements reflect total assets as at March 31, 2013 and total revenues and net cash flows for the year then ended as under.

(FIGURES IN ₹ CRORES)

SUBSIDIARIES	TOTAL ASSETS	TOTAL REVENUE	NET CASH FLOW
EASTERN COALFIELDS LIMITED (ECL)	8614.15	9740.47	(164.00)
BHARAT COKING COAL LIMITED (BCCL)	7090.28	8937.41	(391.91)
CENTRAL COALFIELDS LIMITED (CCL)	10005.61	9237.88	(425.76)
NORTHERN COALFIELDS LIMITED (NCL)	17284.91	9986.40	159.38
WESTERN COALFIELDS LIMITED (WCL)	9931.33	7422.93	(1159.72)
SOUTH EASTERN COALFIELDS LIMITED (SECL)	20610.96	17648.08	355.68
MAHANAD1 COALFIELDS LIMITED Consolidated (MCL)	22388.60	12093.21	703.89
CENTRAL MINE PLANNING AND DESIGN INSTITUTE LIMITED (CMPDIL)	763.06	605.21	57.60

2. Consolidation also includes un-audited financial statements and financial information of one subsidiary i.e. Coal India Africana Limitada (CIAL) {Total Assets ₹ 5.91 crores, total revenue Nil} and two Joint Ventures viz- CIL-NTPC Urja Private Limited {Total Assets ₹ 0.02 crores , total revenue Nil}and International Coal Ventures Private Limited (ICVL) {total assets ₹ 23.65 crores, total revenue Nil}. These were reviewed by us as far as practicable.



3. Without qualifying our Report, attention is drawn to the following Notes:-

Additional Note No. 34.6: regarding non-provision of liabilities and consequent non-recognition of expenses in BCCL Accounts against bills amounting to ₹24.44 crores in Kustore Area which is under investigation by different authorities. The said amount is included under contingent liability.

This is only a statement of fact referring to the notes on accounts.

Pending finalization of the investigation, the amount has been disclosed as a contingent liability. Hence no further action is required.

Additional Note No. 34.7: regarding a sick subsidiary, ECL which is under BIFR but progressing well under Revival Schemes approved by BIFR and vetted by the concerned Ministry.

This is only a statement of fact referring to the notes on accounts.

Additional Notes No.3(x), 3(vi) and 3(vii): regarding inclusion in the consolidated financial statements of the un-audited accounts of one subsidiary and two joint ventures stated in the said paragraph.

This is only a statement of fact referring to the notes on accounts.

5. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the consolidated Profit and Loss Account, of the profit/ loss for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For De Chakraborty & Sen
Chartered Accountants
F.R. No.303029E

Raktim Kumar Chattopadhyay
(Partner)
Membership No: 052225
Place: Kolkata

Date: 27th May, 2013



Annual Accounts 2012–13

(Standalone)





BALANCE SHEET

As at 31st March, 2013

(₹ in crores)

	Note No.	As at 31.03.13	As at 31.03.12
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	1	6316.36	6316.36
(b) Reserves & Surplus	2	14199.80	13248.39
(c) Money Received against Share Warrants		—	—
		20516.16	19564.75
(2) Share Application money pending allotment		—	—
(3) Non-Current Liabilities			
(a) Long Term Borrowings	3	914.39	1145.61
(b) Deferred Tax Liability		—	—
(c) Other Long Term Liabilities	4	2306.23	1977.15
(d) Long Term Provisions	5	161.53	164.15
		3382.15	3286.91
(4) Minority Interest		—	—
(5) Current Liabilities			
(a) Short Term Borrowings	6	—	—
(b) Trade Payables	7	2.41	2.55
(c) Other Current Liabilities	8	5964.79	6577.50
(d) Short Term Provisions	9	4171.61	1280.49
		10138.81	7860.54
Total		34037.12	30712.20
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets - Gross Block	10A	356.44	355.82
Less : Depreciation, Impairment & Provisions		260.03	255.17
Net carrying Value		96.41	100.65
ii) Intangible Assets - Gross Block	10A	40.50	40.50
Less : Depreciation, Impairment & Provisions		40.28	40.25
Net carrying Value		0.22	0.25
iii) Capital Work-in-Progress	10B	107.46	60.75
iv) Intangible Assets under Development	10C	14.43	12.66
(b) Non-Current Investments	11	8858.19	6319.19
(c) Long Term Loans & Advances	12	1815.75	3138.12
(d) Other Non-Current Assets	13	—	—

BALANCE SHEET (Contd.)

As at 31st March, 2013

(₹ in crores)

	Note No.	As at 31.03.13	As at 31.03.12
(2) Current Assets			
(a) Current Investments	14	167.88	222.00
(b) Inventories	15	15.66	18.51
(c) Trade Receivables	16	1.48	0.01
(d) Cash & Bank Balance	17	18104.28	15302.72
(e) Short Term Loans & Advances	18	4067.31	4974.35
(f) Other Current Assets	19	788.05	562.99
		23144.66	21080.58
Total		34037.12	30712.20

Significant Accounting Policies 33

Additional Notes on Accounts 34

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

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman- Cum-Managing Director

As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E

Date : 20th May, 2013

Place : Kolkata

(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225



STATEMENT OF PROFIT & LOSS

For the Year ended 31st March, 2013

(₹ in crores)

INCOME	Note No.	For the Year ended 31.03.13	For the Year ended 31.03.12
Sale of Coal	20	443.38	486.56
Less: Excise Duty		26.75	22.27
Other Levies		64.38	48.43
		91.13	70.70
(I) Revenue from Operations		352.25	415.86
(II) Other Income	21	11088.01	9114.72
(III) Total Revenue (I + II)		11440.26	9530.58
(IV) EXPENSES			
Cost of Materials Consumed	22	11.61	9.68
Purchases of Stock-in-Trade		—	—
Changes in inventories of finished goods/work-in-progress and Stock-in-trade	23	2.54	17.06
Employee Benefits Expense	24	346.28	325.29
Power & Fuel		6.83	5.56
Welfare Expenses	25	98.45	19.94
Repairs	26	10.06	9.48
Contractual Expenses	27	54.37	46.40
Finance Costs	28	375.65	378.88
Depreciation/Amortization/Impairment		4.96	6.96
Provisions (Net of reversal)	29	19.74	19.83
Write off (Net of past provisions)	30	—	—
Other Expenses	31	171.74	92.01
Total Expenses		1102.23	931.09
(V) Profit before Prior Period, exceptional and extraordinary items and Tax.		10338.03	8599.49
(VI) Prior Period Adjustment {charge/(income)}	32	—	(0.46)
(VII) Exceptional Items		—	—
(VIII) Profit before Extraordinary Items and Tax		10338.03	8599.95
Extraordinary Items			
(IX) Extraordinary Items {charge/(income)}		—	—
(X) Profit before Tax (VIII-IX)		10338.03	8599.95
(XI) Less/(Add): Tax expenses			
- Current period		460.00	450.00
- Deferred Tax		—	—
- Earlier years		83.71	84.85
(XII) Profit for the period from continuing operations (X-XI)		9794.32	8065.10
(XIII) Profit/(Loss) from discontinuing operations		—	—
(XIV) Tax expenses of discontinuing operations		—	—
(XV) Profit/(Loss) from discontinuing operations (after Tax) (XIII-XIV)		—	—
(XVI) Profit for the Period (XII+XV)		9794.32	8065.10

STATEMENT OF PROFIT & LOSS (Contd.)

For the year ended 31st March, 2013

(₹ in crores)

	Note No.	For the Year ended 31.03.13	For the Year ended 31.03.12
(XVII) Earnings per share (in ₹)			
(Face Value of ₹ 10/- per share)			
(1) Basic		15.65	12.83
(2) Diluted		15.65	12.83
Significant Accounting Policies	33		
Additional Notes on Accounts	34		

The Notes referred to above form an integral part of statement of Profit & Loss.

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman-Cum-Managing Director

As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E

Date : 20th May, 2013
Place : Kolkata

(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225



THE CASH FLOW STATEMENT (INDIRECT METHOD)

For the Year ended 31st March, 2013

(₹ in crores)

	For the Year ended 31.03.13	For the Year ended 31.03.12
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	10338.03	8599.95
Adjustment for:		
Depreciation / Impairment of fixed assets	4.96	6.96
Interest	(1658.61)	(1480.72)
Finance cost related to financing activity	375.65	378.73
Dividend from mutual fund investments	(68.65)	(16.20)
Profit on sale of fixed assets	—	(0.02)
Provisions made & write off during the year	19.74	6.82
Provision/Liability write back during the year	(83.35)	(67.97)
Operating Profit before Current/Non Current Assets and Liabilities	8927.77	7427.55
Adjustment for :		
Trade Receivables	(1.47)	(0.01)
Inventories	2.85	17.18
Short/Long Term Loans/Advances & Other Current Assets	2753.06	1190.39
Short/Long Term Liabilities and Provisions	(538.58)	1020.22
Cash Generated from Operation	11143.63	9655.33
Income Tax Paid/Refund	(600.65)	(366.98)
Net Cash Flow from Operating Activities (A)	10542.98	9288.35
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(49.17)	(26.82)
Investment in Bank Deposits	(2,323.60)	(3,813.68)
Investment in 5% redeemable cumulative Preference Shares in BCCL	(2,539.00)	—
Interest pertaining to Investing Activities	1434.54	1062.23
Interest / Dividend from Investments	68.65	16.20
Investment in Mutual Fund Investment	54.12	(222.00)
Net Cash from Investing Activities (B)	(3,354.46)	(2,984.07)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	(223.04)	(198.83)
Interest & Finance cost pertaining to Financing Activities	(375.65)	(378.73)
Increase in Shifting & Rehabilitation Fund	328.88	348.32
Dividend	(6,440.75)	(6245.52)
Net Cash used in Financing Activities (C)	(6710.56)	(6474.76)
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)	477.96	(170.48)
Cash & Cash equivalent (opening balance)	306.30	476.78
Cash & Cash equivalent (closing balance)	784.26	306.30

(All figures in bracket represents outflow)

THE CASH FLOW STATEMENT (INDIRECT METHOD) (Contd.)

For the Year ended 31st March, 2013

(₹ in crores)

	For the Year ended 31.03.13	For the Year ended 31.03.12
Cash & Cash Equivalents		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	733.00	73.00
- In Current Accounts	48.68	83.36
- In Cash Credit Accounts	2.55	149.90
Remittance - in transit	—	—
Cheques, Drafts and Stamps in hand	—	—
Cash in hand	0.03	0.04
Total	784.26	306.30

M.Viswanathan
Company Secretary

G.Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S.Narsing Rao
Chairman- Cum-Managing Director

As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E

Date : 20th May, 2013
Place : Kolkata

(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225



NOTES TO BALANCE SHEET

NOTE - 1

(₹ in crores)

SHARE CAPITAL

Authorised

- (i) 8000000000 Equity Shares of ₹ 10/- each
- (ii) 9041800 Non-cumulative 10% Redeemable Preference Shares of ₹ 1000/- each

As at
31.03.13

8000.00

904.18

8904.18

As at
31.03.12

8000.00

904.18

8904.18

Issued, Subscribed and Paid-up

- 6316364400 Equity Shares of ₹ 10/- each

6316.36

6316.36

6316.36

6316.36

1. Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No. of Shares Held (Face value of ₹ 10 each)	% of Total Shares
Hon'ble President of India	5684727960	90

2. During the year there is no change in the number of shares.

3. *Listing of shares of Coal India Ltd. In Stock Exchange.*

Pursuant to divestment of 10% of total equity shares held by Govt. of India, to the public, the shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November, 2010.

Post such listing Govt. of India holds 90% of the entire equity share capital.

NOTES TO BALANCE SHEET (Contd.)

NOTE - 2

(₹ in crores)

RESERVES & SURPLUS

RESERVES :

	As at 31.03.13	As at 31.03.12
A. Capital Redemption Reserve		
As per last Balance Sheet	904.18	904.18
Add: Addition during the year	—	—
Less: Adjustment during the year	—	—
Total (A)	904.18	904.18
B. Reserve for Foreign Exchange Transactions		
As per last Balance Sheet	97.82	133.69
Add : Addition during the year	—	—
Less : Transfer to surplus in statement of Profit & Loss (Appropriation)	93.14	35.87
Total (B)	4.68	97.82
C. CSR Reserve		
As per last Balance Sheet	84.85	52.26
Add : Addition during the year	22.48	43.14
Less : Transfer to General Reserve (utilisation)	25.40	10.55
Total (C)	81.93	84.85
D. Sustainable Development Reserve		
As per last Balance Sheet	—	—
Add : Addition during the year	8.47	—
Total (D)	8.47	—
E. General Reserve		
As per last Balance Sheet	3793.84	2940.91
Add: Transfer from surplus in statement of Profit & Loss	1072.57	842.38
Add: Transfer from CSR Reserve	25.40	10.55
Total (E)	4891.81	3793.84
F. Surplus in statement of Profit & Loss		
As per last Balance Sheet	8367.70	7468.61
Profit after Tax during the year	9794.32	8065.10
Profit available for Appropriation	18162.02	15533.71
APPROPRIATION		
Reserve for Foreign Exchange Transaction	(93.14)	(35.87)
Transfer to General Reserve (including Foreign Exchange Reserve)	1072.57	842.38
Transfer to CSR Reserve	22.48	43.14
Transfer to Sustainable Development Reserve	8.47	—
Interim Dividend	6126.87	6000.54
Proposed final Dividend on Equity Shares	2716.04	315.82
Total (F)	8308.73	8367.70
Total (A+B+C+D+E+F) :	14199.80	13248.39



NOTES TO BALANCE SHEET (Contd.)

NOTE - 2 (Contd.)

CSR Reserve

As per CSR Policy of the company a reserve equivalent to 2.5% of the retained profit of previous year is created for meeting expenses relating to CSR activities of Coal India Ltd. The same is utilized for execution of CSR activities in the states which are not covered by any subsidiary company and also for supporting CSR activities in loss making subsidiaries.

The subsidiaries of CIL also create a reserve equivalent to 5% of the retained earnings of previous year subject to a minimum of ₹ 5 per tonne of coal production of previous year, for meeting expenses relating to CSR activities in the state to which the subsidiary belongs.

ECL & BCCL although have earned profits in the relevant previous year are still having accumulated losses which does not make it possible to create such reserves. As such, CSR reserve created by CIL continues to be utilized for CSR activities of ECL & BCCL also.

The actual expenses incurred and accounted for during the year is ₹ 23.73 crores transferred to General Reserve from CSR Reserve as utilized.

Further CSR expenses of ₹ 1.67 crores charged to statement of profit & loss in earlier years and remaining to be transferred to General Reserve from CSR Reserve is also transferred to General Reserve during the year.

Sustainable Development Reserve

Following the guidelines of Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, vide its office memorandum dated 23rd September, 2011 issued "Guidelines on Sustainable Development for CPSEs", a Sustainable Development Reserve of ₹ 8.47 crore (equivalent to ₹ 50.00 lakh plus 0.1% of the profit after tax of previous year exceeding ₹ 100.00 crore) has been created during the year by way of appropriation of profits.

Reserve for Foreign Exchange Transactions

During the year hedging transactions were crystalised which resulted in a net loss of ₹ 93.14 crores. The loss has been charged in other expenses (Note-31) and appropriated against the ear-marked reserve i.e. "Reserve for Foreign Exchange Transactions" by transferring the equivalent amount to General Reserve (Please refer appropriation in "F" above). The Marked to Market provision of ₹ 74.69 crores kept on such foreign exchange transactions has been written back in other income in Note-21.

Proposed final Dividend on Equity Shares

Proposed final Dividend for 2012-13 is ₹ 4.30 per share which amounts to ₹ 2716.04 crores. This is over and above the Interim Dividend for 2012-13 paid @ ₹ 9.70 per share amounting to ₹ 6126.87 crores.

NOTES TO BALANCE SHEET (Contd.)

NOTE - 3

(₹ in crores)

LONG TERM BORROWINGS

Term loan

IBRD (USD 8.80 Crores, Prev. year USD 10.69 Crores)
JBIC (JPY 739.17 Crores, Prev. year JPY 941.39 Crores)

Total

CLASSIFICATION 1

Secured
Unsecured

CLASSIFICATION 2

Loan Guaranteed by Directors & Others

	As at 31.03.13	As at 31.03.12
	482.20	550.84
	432.19	594.77
Total	914.39	1145.61
	—	—
	914.39	1145.61

Particulars of Loan	Amount (₹ in crores)	Nature of Guarantee
IBRD	482.20	Guarantee agreement executed between Govt. of India & IBRD.
JBIC	432.19	Guarantee executed by the President of India.

Current maturities of long term borrowings shown under note-8 for ₹ 103.60 crores and ₹ 118.24 crores in respect of IBRD and JBIC loan is also guaranteed by Government of India and counter Guaranteed by Coal India Ltd.

1. Repayment Schedule:

IBRD: Repayment is in 30 instalments, to be made semi-annually, starting May 15, 2003 and ending on November 15, 2017.

JBIC: Repayment is in 30 instalments, to be made semi-annually, starting February 15, 2003 and ending on August 15, 2017.

2. Term Loan (Foreign Currency Loan)

The foreign currency loans drawn from IBRD and JBIC banks on account of Coal Sector Rehabilitation Project to be implemented in various subsidiaries is shown under the head Term Loan.(Ref. note no. 8 for Current Maturities of Long Term Borrowings).

In terms of the agreement with IBRD and JBIC banks, Coal India Ltd. has entered into back to back loan agreements with its participating subsidiaries and loans including effect of exchange rate variation thereon have been shown under "Balance with Subsidiaries (world bank)" in note no. 12 and all other financial charges viz. interest, guarantee fees etc. are transferred through "Current Account with Subsidiaries".



NOTES TO BALANCE SHEET (Contd.)

	NOTE - 4		(₹ in crores)
OTHER LONG TERM LIABILITIES		As at 31.03.13	As at 31.03.12
Shifting & Rehabilitation Fund			
Opening balance	1977.03		1621.37
Add: Interest from investment of the fund (Net of TDS)	193.46		154.09
Add: Contribution received	237.46		222.50
Less: Amount released to subsidiaries during the year	102.04		20.93
		2305.91	1977.03
Security Deposits		0.32	0.12
Total		2306.23	1977.15

Shifting and Rehabilitation Fund

Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized by ECL and BCCL based on implementation of approved projects in this respect.

The subsidiaries of CIL (except ECL, BCCL and Coal India Africana Limitada) are making a contribution of ₹ 6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects.

Interest earned (Net of TDS) on bank deposits earmarked for this fund is credited to this fund.

NOTES TO BALANCE SHEET (Contd.)

NOTE - 5

(₹ in crores)

LONG TERM PROVISIONS	As at 31.03.13	As at 31.03.12
For Employee benefits		
- Gratuity	3.59	22.79
- Leave encashment	41.75	36.56
- Other employee benefits	105.31	23.35
For foreign exchange transactions (Marked to Market)	—	74.69
Mine closure	10.38	6.35
Others	0.50	0.41
TOTAL	161.53	164.15

1. Provision for mine closure

Following the guidelines from Ministry of Coal, GOI for preparation of mine closure plan a provision is made in the accounts. Such provision is made as per CMPDIL's (a subsidiary of Coal India Ltd.) technical assessment wherever available. Otherwise the same is provided considering the cost at a standard rate of ₹ 6.00 lakhs per hectare for OCP and ₹ 1.00 lakh per hectare for UG mines as outlaid in the aforesaid guidelines and the pro-rata yearly provision is further compounded by 5% from the year following which the same is started.

As per the above guidelines an amount equivalent to the provision made is to be deposited in an escrow account set up for this purpose. The criteria for selection of bankers for opening such escrow accounts are presently under formulation and negotiation with banks. Such criteria is required to be formulated uniformly, including that of the subsidiaries. Pending above no escrow account is opened yet.

2. Provision for foreign exchange transactions:

Refer Note - 2



NOTES TO BALANCE SHEET (Contd.)

NOTE - 6

(₹ in crores)

SHORT TERM BORROWINGS

Loan from Bank

Loans repayable on demand

Total :

	As at 31.03.13	As at 31.03.12
Loan from Bank	—	—
Loans repayable on demand	—	—
Total :	—	—

Cash Credit

Pending finalisation of formalities for transfer of assets and liabilities of erstwhile Coal Mine Authorities Ltd. and its divisions, now Coal India Ltd, the bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stock of stores and spare parts and book debts and other assets of CIL and its subsidiary companies.

The total working capital credit limit available to CIL is ₹ 550.00 crores, out of which fund based limit is ₹ 250.00 crores. The balance ₹ 300.00 crores limit is non-fund based and Coal India Limited is contingently liable to the extent such facility is actually utilised by the subsidiaries. There is no credit balance in the cash credit account.

NOTE - 7

(₹ in crores)

TRADE PAYABLES

Sundry creditors for revenue stores

TOTAL

	As at 31.03.13	As at 31.03.12
Sundry creditors for revenue stores	2.41	2.55
TOTAL	2.41	2.55

NOTES TO BALANCE SHEET (Contd.)

	NOTE - 8		(₹ in crores)
	As at 31.03.13		As at 31.03.12
OTHER CURRENT LIABILITIES			
Current Maturities of Long Term Borrowings			
Term Loan From IBRD (USD 1.89 Crores, Prev. year USD 1.78 Crores)	103.60		91.78
Term Loan From JBIC (JPY 202.22 Crore, Prev. year JPY 198.37 Crore)	118.24		125.33
Dues to Subsidiaries			
Surplus fund from subsidiaries parked	4903.41		5545.41
Current account with subsidiaries	327.53		339.20
For capital (including stores)	17.98		9.92
For Expenses			
Salary Wages & Allowances	13.43	35.25	
Power & Fuel	1.02	0.87	
Others	59.55	51.10	
	74.00		87.22
Statutory Dues:			
Sales Tax/Vat	1.60	2.47	
Provident Fund	3.66	4.82	
Central Excise Duty	—	—	
Royalty & Cess on Coal	6.07	5.25	
Stowing Excise Duty	0.08	0.14	
Clean Energy Cess	—	—	
Income Tax deducted/collected at Source	13.20	13.13	
	24.61		25.81
Security Deposits	21.58		16.48
Earnest money	16.07		18.14
Advance & Deposit from customers / others	46.22		46.25
Interest accrued but not due on borrowings			
IBRD (USD 0.04 crore, prev. year USD 0.03 crore)	2.10		1.57
JBIC (JPY 2.33 crores, Prev. year JPY 2.88 crores)	1.36		1.82
Current account with IICM	157.82		148.78
Unpaid dividend*	11.21		9.27
Ex-owner account	1.61		1.61
Advance deposit Pre-nationalisation	0.21		0.21
Other liabilities*	137.24		108.70
TOTAL	5964.79		6577.50

* No amount is due for payment to Investor Education & Protection Fund



NOTES TO BALANCE SHEET (Contd.)

NOTE - 8 (Contd.)

1. Current Maturities of Long Term Borrowings : Refer Note 3

2. Current Accounts with Subsidiaries

The current account balances with the subsidiaries are reconciled on regular intervals, and the same as on 31.03.2013 has been reconciled. Adjustment arising out of reconciliation are carried out continuously. However revenue expenses pending adjustment are provided for.

3. Current Account with IICM

Current account balance with Indian Institute of Coal Management (IICM) represents the fund accumulated by receiving ₹ 0.50 per tonne of productions of NEC and the subsidiaries, net of expenditure made / fund remitted on behalf of IICM

During this year total contribution received from NEC and the subsidiaries on this account amounted to ₹ 22.61 crores. Further ₹ 12.04 crores (net) were remitted to IICM during the year; and hire charges/ lease rent recovered from IICM amounted to ₹ 1.53 crores (excluding service tax applicable thereon).

NOTE - 9

(₹ in crores)

SHORT TERM PROVISIONS

	As at 31.03.13	As at 31.03.12
For Employee Benefits		
- Gratuity	9.89	7.06
- Leave Encashment	7.94	11.50
- PPLB	7.88	6.35
- PRP	74.66	59.43
- Other Employee Benefits	22.40	14.97
For Proposed Dividend	2716.04	315.82
For Income Tax	1330.19	862.49
For Excise Duty on Closing Stock of Coal	2.61	2.87
For Others	—	—
TOTAL	4171.61	1280.49

NOTES TO BALANCE SHEET (Contd.)

NOTE - 10 A

(₹ in crores)

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS				Total Depreciation & Impairment Loss	NET CARRYING VALUE	
	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13		As on 31.03.12	As on 31.03.13
PARTICULARS															
Tangible Assets															
Land															
(a) Freehold	11.81	—	—	11.81	—	—	—	—	—	—	—	—	—	11.81	11.81
(b) Leasehold	1.34	—	—	1.34	0.38	0.01	—	0.39	—	—	—	—	—	0.95	0.96
Building/Water Supply/Roads & Culverts	87.44	2.16	(2.34)	87.26	29.89	1.50	—	31.39	2.18	—	—	2.18	33.57	53.69	55.37
Plant & Equipments	196.29	1.12	(1.10)	196.31	163.28	3.31	—	166.59	8.97	—	(1.14)	7.83	174.42	21.89	24.04
Telecommunication	7.54	0.01	—	7.55	5.68	0.35	—	6.03	—	—	—	—	6.03	1.52	1.86
Railway Sidings	7.71	—	—	7.71	7.01	0.06	—	7.07	—	—	—	—	7.07	0.64	0.70
Furniture & Fixtures/ Office Tools & Equipments/ Electrical Fittings/ Fire Arms	18.72	0.87	(0.04)	19.55	15.15	0.61	—	15.76	0.06	—	—	0.06	15.82	3.73	3.51
Vehicle	5.02	0.01	(0.07)	4.96	3.20	0.23	(0.07)	3.36	—	—	—	—	3.36	1.60	1.82
Aircraft	19.95	—	—	19.95	17.65	—	—	17.65	1.72	—	—	1.72	19.37	0.58	0.58
Development	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Assets taken on Nationalisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL	355.82	4.17	(3.55)	356.44	242.24	6.07	(0.07)	248.24	12.93	—	(1.14)	11.79	260.03	96.41	100.65
Tangible Assets (As on 31.03.2012)	346.96	9.23	(0.37)	355.82	236.12	6.40	(0.28)	242.24	12.40	0.54	(0.01)	12.93	255.17	100.65	98.44
Intangible Assets															
Computer Software	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Development	32.31	—	—	32.31	22.12	0.03	—	22.15	9.94	—	—	9.94	32.09	0.22	0.25
Prospecting & Boring	8.19	—	—	8.19	5.46	—	—	5.46	2.73	—	—	2.73	8.19	—	—
Total	40.50	—	—	40.50	27.58	0.03	—	27.61	12.67	—	—	12.67	40.28	0.22	0.25
Intangible Assets (As on 31.03.2012)	40.50	—	—	40.50	27.56	0.02	—	27.58	12.67	—	—	12.67	40.25	0.25	0.27





NOTES TO BALANCE SHEET (Contd.)

NOTE - 10 A (Contd.)

(₹ in crores)

FIXED ASSETS

1. Land

- Title deeds for land acquired, in some cases, have not been executed in favour of the company and mutation in certain cases are yet to be executed.
- Land in possession of North Eastern Coalfields, Assam, includes 8069.70 hectares of lease hold land for which no value has been shown in the Balance Sheet.

2. Dankuni Coal Complex / Indian Institute of Coal Management :

- Fixed assets comprising power plant and related building and other assets having written down value as on 31.03.2013 of ₹ 19.13 crores, continue to be let out to South Eastern Coalfields Ltd. for a nominal lease rent of ₹ 1/- per annum under cancellable operating lease agreement. The above written down value of ₹ 19.13 crores includes land of ₹ 3.73 crores (at cost) and building of ₹ 6.99 crores (at WDV). The actual worth of the property is considered to be much higher than its WDV and hence no provision is called for.
- Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2013 of ₹ 14.25 crores have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹ 1.53 crores under cancellable operating lease agreement.

3. Furniture & Fixtures/Office Tools & Equipments/Electrical Fittings/Fire Arms :

The figures of Office equipments included in the above head of fixed assets could not be segregated as per requirements of revised Schedule VI format due to presence of some old balances appearing as clubbed figure as per pre revised Schedule VI format.

NOTES TO BALANCE SHEET (Contd.)

NOTE - 10 B (₹ in crores)

CAPITAL WORK-IN-PROGRESS

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss		NET CARRYING VALUE	
	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/Transfer during the year	As on 31.03.13	As on 01.04.12	As on 31.03.13	As on 01.04.12	
Tangible Assets																
Building/Water Supply/Roads & Culverts	60.80	45.18	(1.57)	104.41	0.05	—	—	0.05	—	—	—	—	—	104.36	60.75	
Plant & Equipments	0.03	0.76	—	0.79	0.03	—	—	0.03	—	—	—	—	—	0.76	—	
Railway Sidings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Development	—	—	2.34	2.34	—	—	—	—	—	—	—	—	—	—	—	
Others	—	—	—	—	—	—	—	—	—	—	—	—	—	2.34	—	
TOTAL	60.83	45.94	0.77	107.54	0.08	—	—	0.08	—	—	—	—	—	107.46	60.75	
Tangible Assets (As on 31.03.2012)	46.62	18.87	(4.66)	60.83	0.08	—	—	0.08	—	—	—	—	—	60.75	46.54	
Surveyed off Assets	0.07	—	—	0.07	0.07	—	—	0.07	—	—	—	—	—	—	—	
Surveyed off Assets (As on 31.03.2012)	0.11	—	(0.04)	0.07	0.07	—	—	0.07	—	—	—	—	—	—	0.04	
Grand Total	60.90	45.94	0.77	107.61	0.15	—	—	0.15	—	—	—	—	—	107.46	60.75	
Grand Total (As on 31.03.2012)	46.73	18.87	(4.70)	60.90	0.15	—	—	0.15	—	—	—	—	—	60.75	46.58	



NOTES TO BALANCE SHEET (Contd.)

NOTE - 10 C

(₹ in crores)

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss	NET CARRYING VALUE		
	As on 01.04.12	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.13	As on 01.04.12	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.13		As on 31.03.12		
Intangible Assets																
Development	5.47	2.22	(0.45)	7.24	2.91	—	—	2.91	—	—	—	—	—	2.91	4.33	2.56
Prospecting & Boring	11.28	—	—	11.28	1.18	—	—	1.18	—	—	—	—	—	1.18	10.10	10.10
TOTAL	16.75	2.22	(0.45)	18.52	4.09	—	—	4.09	—	—	—	—	—	4.09	14.43	12.66
Intangible Assets (As on 31.03.2012)	13.23	3.52	—	16.75	4.09	—	—	4.09	—	—	—	—	—	4.09	12.66	9.14

NOTES TO BALANCE SHEET (Contd.)

NOTE - 11		(₹ in crores)	
NON - CURRENT INVESTMENTS - (unquoted) at Cost		As at 31.03.13	As at 31.03.12
	Number of shares current year/ (previous year)	Face value per share current year/ (previous year)	
Equity Shares in Joint Venture Companies			
International Coal Venture Private Limited	2800000 (2800000)	10 (10)	2.80
CIL NTPC Urja Private Limited	25000 (25000)	10 (10)	0.02
Equity Shares in Subsidiary Companies			
Eastern Coalfields Limited	22184500 (22184500)	1000 (1000)	2218.45
Central Coalfields Limited	9400000 (9400000)	1000 (1000)	940.00
Bharat Coking Coal Limited	21180000 (21180000)	1000 (1000)	2118.00
Western Coalfields Limited	2971000 (2971000)	1000 (1000)	297.10
Central Mine Planning & Design Institute Limited	190400 (190400)	1000 (1000)	19.04
Northern Coalfields Limited	1776728 (1776728)	1000 (1000)	177.67
South Eastern Coalfields Limited	3597000 (3597000)	1000 (1000)	359.70
Mahanadi Coalfields Limited	1864009 (1864009)	1000 (1000)	186.40
Coal India Africana Limitada		(Quota Capital)	0.01
5% redeemable cumulative Preference Shares in Subsidiaries (Bharat Coking Coal Ltd.)	25390000 (Nil)	1000 (Nil)	—
Total :			8858.19
Aggregate amount of unquoted investments:			8858.19
Aggregate amount of quoted investments:			—
Market value of quoted investments:			—



NOTES TO BALANCE SHEET (Contd.)

NOTE - 11 (Contd.)

(₹ in crores)

NON - CURRENT INVESTMENTS - Unquoted at Cost

1. *Investment in ECL and BCCL*

Investment of the company in equity share capital of Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL) which are long term in nature amounted to ₹ 2218.45 crores (₹ 2218.45 crores) and ₹ 2118.00 crores (₹ 2118.00 crores) respectively as on 31.03.2013. ECL and BCCL had become sick and were referred to BIFR under Sick Industrial Companies (Special Provisions) Act, 1985. The revival plan/ scheme of both ECL and BCCL had already been approved by BIFR and thereafter vetted by the concerned ministry.

During the year further investment in 5% redeemable cumulative preference share in BCCL (redeemable at par compulsarily after seven years from the date of issue or after five years at the option of CIL) was made by way of conversion of past loan to BCCL of ₹ 1083.00 crores and current account balance (receivable from BCCL) of ₹ 1456.00 crores. By giving effect to the above issuance of the Preference Shares by BCCL to CIL, CIL no longer remained a creditor of BCCL with respect to these funds. Based on this mutually agreed mechanism between BCCL and CIL, the waiver of the funds by CIL, as required by the Scheme, was implemented by converting such funds into subscription monies for issuance of the Preference Shares to CIL.

On the basis of waivers (of past loan of ₹ 1083 crore and current account balance of ₹ 1456.00 crores) by CIL, under the scheme, BCCL could report a positive networth. As part of the ongoing proceedings before the Hon'ble Board, on February, 14, 2013, the Hon'ble Board concluded in its order that BCCL had ceased to be a sick industry company in terms of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA"), and directed inter-alia that provisions of the sanctioned scheme, if any would be implemented by all concerned.

The implementation of the revival scheme in ECL will substantially improve the financial position of the company.

In view of above, the decline in value of investments, if any, is temporary in nature, and hence, are valued at cost.

2. *Investment in International Coal Ventures Pvt. Ltd.*

CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/ SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Cabinet, Govt. of India, vide its approval dated 8th November, 2007.

The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. was initially formed by incorporation under Companies Act, 1956 on 20th May, 2009 with an authorised capital of ₹ 1.00 crores and paid up capital of ₹ 0.70 crores. The authorised Capital and paid up Capital as on 31.03.2013 stood at ₹ 1110.00 crores and ₹ 9.80 crores respectively. Out of above paid up capital, Coal India Ltd. is owning 2/7th share i.e. ₹ 2.80 crores face value of equity shares.

3. *Investment in CIL NTPC Urja Private Ltd.*

CIL NTPC Urja Pvt.Ltd., a 50:50 joint venture company was formed on 27th April'2010 between CIL & NTPC for setting up of joint integrated power plants along with mining of coal. Coal India Ltd. is holding 50% equity shares of face value of ₹ 0.02 crores in the joint venture company.

4. *Investment in Coal India Africana Limitada (100% owned subsidiary –Overseas)*

Coal India Ltd., has formed a 100% owned subsidiary in Republic of Mozambique, named "Coal India Africana Limitada" to explore non-coking coal properties in Mozambique. The initial paid up capital on such formation (known as "Quota Capital") is ₹ 0.01 crores (USD 1000).

NOTES TO BALANCE SHEET (Contd.)

	NOTE - 12	As at 31.03.13	As at 31.03.12
(₹ in crores)			
LONG TERM LOANS & ADVANCES			
Loans			
Loans to subsidiaries			
Eastern Coalfields Ltd.	518.97		518.97
Bharat Coking Coal Ltd.	—		1083.30
		518.97	1602.27
Balance with subsidiaries (World Bank)		1136.23	1362.72
Loan to employees (House Building)			
- Secured considered good	1.03		0.41
- Unsecured considered good	—		—
- Doubtful	—		—
		1.03	0.41
For Motor Car and other conveyance			
- Secured considered good	—		—
- Unsecured considered good	0.01		—
- Doubtful	—		—
Less : Provision for Doubtful Loans and Advances	—		—
		0.01	—
Advances			
For capital			
- Secured considered good	—		—
- Unsecured considered good	46.89		43.94
- Doubtful	3.58		3.58
	50.47		47.52
Less : Provision for doubtful Loans & Advances	3.58		3.58
		46.89	43.94
For revenue			
- Secured considered good	—		—
- Unsecured considered good	109.68		125.87
- Doubtful	2.61		2.61
	112.29		128.48
Less :Provision for doubtful Loans & Advances	2.61		2.61
		109.68	125.87
Deposit for P&T, Electricity etc.			
- Secured considered good	—		—
- Unsecured considered good	2.94		2.91
- Doubtful	0.75		0.73
	3.69		3.64
Less :Provision for doubtful deposits	0.75		0.73
		2.94	2.91
TOTAL		1815.75	3138.12
CLASSIFICATION			
Secured	1.03		0.41
Unsecured - Considered good	1814.72		3137.71
- Considered doubtful	6.94		6.92



NOTES TO BALANCE SHEET (Contd.)

NOTE - 12 (Contd.)

(₹ in crores)

LONG TERM LOANS & ADVANCES

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of Company is/are interested	—	—	—	—

1. *Advances for Capital*

Full provision is kept in the accounts against an old advance amounting to ₹ 3.58 crores paid to M/s MAMC (now a sick company) for arranging supply of imported spares on behalf of BCCL, a subsidiary company.

2. *Loans to subsidiaries*

Loan account balance with ECL of ₹ 518.97 crores.

ECL is a sick company and referred to BIFR. On implementation of BIFR scheme ECL is turning around and have started earning profits. In view of their financials turning around no provision has been considered on loan for ₹ 518.97 crores.

For loan to BCCL - refer to note 11

NOTES TO BALANCE SHEET (Contd.)

NOTE - 13

(₹ in crores)

OTHER NON-CURRENT ASSETS

	As at 31.03.13	As at 31.03.12
Exploratory drilling work (for Eastern Coalfields Ltd)		
- secured considered good	—	—
- Unsecured considered good	—	—
- Doubtful	89.47	85.00
	89.47	85.00
Less: Provision	89.47	85.00
	—	—
Other Receivables		
- secured considered good	—	—
- Unsecured considered good	—	—
- Doubtful	0.31	0.31
	0.31	0.31
Less: Provision	0.31	0.31
	—	—
TOTAL	—	—
CLASSIFICATION		
Secured	—	—
Unsecured - Considered good	—	—
- Considered Doubtful	89.78	85.31

Note	Closing balance		Maximum amount due at any time during	
	Current period	Previous Period	Current period	Previous Period
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of Company is/are interested	—	—	—	—

Exploratory Drilling Work

In view of a critically weak financial position of ECL which is under BIFR, expenditure incurred by CMPDIL on exploratory drilling works falling under the command area of ECL is initially funded by CIL and shown as above (advance). Such advance, if remains unadjusted for five years since they were accounted for is written off.

However, since CIL is required to write off the same as aforesaid as an abundant precaution, advance made on this account during the year is fully provided for.

NOTE - 14

(₹ in crores)

CURRENT INVESTMENTS - (unquoted) at cost

	Number of units current year/ (previous year)	As at 31.03.13	As at 31.03.12
NON-TRADE			
Mutual Fund Investment			
UTI Mutual Fund	412008.366 (726687.057)	41.97	74.00
LIC Mutual Fund	382532.883 (nil)	41.97	—
SBI Mutual Fund	418661.027 (738426.0825)	41.97	74.00
Canara Robeco Mutual Fund	417763.3280 (736766.366)	41.97	74.00
Total :		167.88	222.00
Aggregate of unquoted investments:		167.88	222.00
Fair value of unquoted investments (NAV):		168.01	222.25
Provision made for diminution in the value of investments:		—	—



NOTES TO BALANCE SHEET (Contd.)

		NOTE - 15		(₹ in crores)	
INVENTORIES				As at 31.03.13	As at 31.03.12
	Stock of Coal	13.55		16.09	
	Less : Provision	0.44		0.44	
A	Stock of Coal (Net)		13.11		15.65
	Stock of Stores & Spares (at cost)	3.29		3.79	
	Less : Provision	0.94		0.93	
B	Net Stock of Stores & Spares (at cost)		2.35		2.86
C	Stock of Medicine at Central Hospital		0.20		—
	Total (A + B + C)		15.66		18.51

		NOTE - 16		(₹ in crores)	
TRADE RECEIVABLES				As at 31.03.13	As at 31.03.12
Debts outstanding for a period exceeding six months from the due date					
	- Secured considered good	—		—	
	- Unsecured considered good	0.01		—	
	- Doubtful	10.77		10.77	
		10.78		10.77	
	Less : Provision for bad & doubtful debts	10.77		10.77	
			0.01		—
Other Debts					
	- Secured considered good	—		—	
	- Unsecured considered good	1.47		0.01	
	- Doubtful	—		—	
			1.47		0.01
Total			1.48		0.01
Classification :					
	Secured		—		—
	Unsecured - Considered Good		1.48		0.01
	- Considered Doubtful		10.77		10.77

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is/are interested	—	—	—	—

NOTES TO BALANCE SHEET (Contd.)

NOTE - 17

(₹ in crores)

	As at 31.03.13	As at 31.03.12
CASH & BANK BALANCE		
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	733.00	73.00
- In Current Accounts	48.68	83.36
- In Cash Credit Accounts	2.55	149.90
Cheques, Drafts and Stamps in hand	—	—
Cash in hand	0.03	0.04
Other Bank Balances		
Balances with Scheduled Banks		
- In deposit accounts with maturity of more than 3 months *	15035.12	13035.30
- In deposit accounts under Shifting and Rehabilitation Fund Scheme with maturity of more than 3 months **	2273.69	1951.85
In SBI Dividend Account (Interim dividend 2011-12)	—	8.31
In SBI Dividend Account (Interim dividend 2012-13)	8.46	—
Balance in unpaid dividend accounts	2.75	0.96
Total	18104.28	15302.72

* This includes deposits of ₹ 1100.00 crores (₹ 10923.15 crores) of maturity more than 12 months from the date of acquisition.

** This includes deposits of ₹ Nil (₹ 461.85 crores) of maturity more than 12 months from the date of acquisition.



NOTES TO BALANCE SHEET (Contd.)

	NOTE - 18	As at 31.03.13	As at 31.03.12
(₹ in crores)			
SHORT TERM LOANS & ADVANCES			
ADVANCE			
Advance to suppliers			
For revenue			
- Secured considered good	—		—
- Unsecured considered good	0.01		0.06
- Doubtful	<u>0.22</u>		<u>0.22</u>
	0.23		0.28
Less : Provision for doubtful advances	<u>0.22</u>		<u>0.22</u>
		0.01	0.06
Advance payment of statutory dues			
Sales tax			
- Secured considered good	—		—
- Unsecured considered good	—		—
- Doubtful	<u>0.02</u>		<u>0.02</u>
	0.02		0.02
Less : Provision for doubtful advances	<u>0.02</u>		<u>0.02</u>
Cenvat credit receivable		2.96	0.14
Advance income tax / Tax deducted at source		1399.97	875.33
Others			
- Secured considered good	—		—
- Unsecured considered good	0.08		0.90
- Doubtful	<u>—</u>		<u>—</u>
	0.08		0.90
Less : Provision for doubtful advances	<u>—</u>		<u>—</u>
		0.08	0.90
Advance to employees			
- Secured considered good	—		—
- Unsecured considered good	28.75		24.47
- Doubtful	<u>—</u>		<u>0.01</u>
	28.75		24.48
Less : Provision for doubtful advances	<u>—</u>		<u>0.01</u>
		28.75	24.47
Current account with subsidiaries		2635.28	4073.23
Claims receivables			
- Secured considered good	—		—
- Unsecured considered good	0.26		0.04
- Doubtful	<u>3.14</u>		<u>3.15</u>
	3.40		3.19
Less : Provision for doubtful claims	<u>3.14</u>		<u>3.15</u>
		0.26	0.04
Prepaid expenses		—	0.18
TOTAL		4067.31	4974.35
CLASSIFICATION			
Secured		—	—
Unsecured - Considered good		4067.31	4974.35
- Considered doubtful		3.38	3.40

NOTES TO BALANCE SHEET (Contd.)

NOTE - 18 (Contd.)

(₹ in crores)

SHORT TERM LOANS & ADVANCES

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which Director(s) of the Company is/are also Director(s)/Member(s)	—	—	—	—
Due by the parties in which the Director(s) of company is /are interested	—	—	—	—

Current accounts with subsidiaries

The balances of the current account with the subsidiaries are reconciled on regular intervals, and the same as on 31.03.2013 has been reconciled. Adjustment arising out of reconciliation are carried out continuously. However revenue expenses pending adjustment are provided for.

Further current account with subsidiaries also includes dues from ECL of ₹ 1766.11 crores.

ECL is sick and referred to BIFR. On implementation of BIFR scheme ECL is turning around and have started earning profit. In view of its financials turning around no provision has been considered on such loans and advances.

For Current Account with BCCL refer Note 11.

NOTE - 19

(₹ in crores)

OTHER CURRENT ASSETS

		As at 31.03.13		As at 31.03.12
Interest accrued				
Deposit with banks		780.46		556.39
Other advances	3.29		3.47	
Less: Provision	0.01		0.01	
		3.28		3.46
Deposits				
Deposit for customs duty, port charges etc.	0.99		0.98	
Less: Provision	0.79		0.79	
		0.20		0.19
Others	0.06		0.06	
Less: Provision	0.06		0.06	
		—		—
Amount receivable from Govt of India for transactions on behalf of Ex-Coal Board	2.00		1.83	
Less: Provision	2.00		1.83	
		—		—
Other receivables	6.97		5.55	
Less: Provision	2.86		2.60	
		4.11		2.95
TOTAL		788.05		562.99



NOTES TO STATEMENT OF PROFIT & LOSS

	NOTE - 20	(₹ in crores)
	For the Year ended 31.03.13	For the Year ended 31.03.12
REVENUE FROM OPERATIONS		
Sale of Coal	443.38	486.56
Less: Excise Duty	26.75	22.27
	416.63	464.29
Less : Other Levies		
Royalty	43.50	27.19
Stowing Excise Duty	0.62	0.80
Central Sales Tax	7.90	7.96
Clean Energy Cess	3.09	4.01
State Sales Tax/VAT	4.87	4.47
Other Levies	4.40	4.00
TOTAL LEVIES	64.38	48.43
Revenue From Operations (Net sales)	352.25	415.86

	NOTE - 21	(₹ in crores)
	For the Year ended 31.03.13	For the Year ended 31.03.12
OTHER INCOME		
Income From Non-Current Investments		
Dividend from Subsidiaries	9038.08	7307.20
Income From Current Investments		
Dividend from Mutual Fund Investments	68.65	16.20
Income From Others		
Interest (Gross)		
From Deposit with Banks (TDS ₹ 173.25 crores, previous year ₹ 163.66 crores)	1658.61	1480.72
From Loans and Advances to Employees	1.24	0.79
Others (TDS ₹ 1.55 crores, previous year ₹ 1.41 crores)	20.21	14.72
Apex Charges (TDS ₹21.71 crores, previous year ₹ 20.65 crores)	193.24	187.24
Subsidy for Sand Stowing & Protective Works	0.28	—
Profit on Sale of Assets	—	0.02
Recovery of Transportation & Loading Cost	2.72	6.64
Gain on Foreign exchange Transactions	—	—
Exchange Rate Variance	0.03	0.09
Lease Rent (TDS ₹ 0.15 crores, previous year ₹0.15 crores)	1.53	1.53
Liability/Provision Write Back	83.35	80.98
Liquidated damage/penalty/other recovery	0.56	3.95
Recruitment fees from applicants	5.27	4.24
Guarantee fee from Subsidiaries	17.04	20.44
Less: Gurantee fee on IBRD & JBIC Loan	13.63	16.35
	3.41	4.09
Excise Duty on Decrease in Stock	0.26	3.97
Other non-operating Income	10.57	2.34
TOTAL	11088.01	9114.72

NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 21 (contd.)

(₹ in crores)

OTHER INCOME

1. Apex charge and interest from ECL and BCCL.

The Net worth of BCCL at the end of the year 2012-13 has turned positive, however BCCL still have substantial accumulated loss. Recognition of revenue in respect of interest claim of ₹ 18.34 crores (₹ 21.59 crores) on other loans and advances attributable to Bharat Coking Coal Ltd. for the year have been deferred. This has been done in consistence with the provision of Accounting Standard-9 (Revenue Recognition) of Institute of Chartered Accountants of India.

Recovery of such interest from ECL is already waived by CIL Board as under:-

Coal India Ltd. Board vide its 209th meeting held on 29th July, 2003 (Item No.209:4B) has granted relief and concession on several account for revival of Eastern Coalfields Ltd. as sought by the operating agencies. Such relief and concession inter alia include:

- (a) Waiver of interest due on unsecured loans from Coal India Ltd. amounting to ₹ 135.00 crores as outstanding on 31.03.2002.
- (b) Waiver of future interest on unsecured loan of ₹ 519.00 crores till Eastern Coalfields Ltd.'s networth becomes positive.
- (c) Waiver of service charges payable to Coal India Ltd. till Eastern Coalfields Ltd.'s networth becomes positive.

Accordingly, no interest and service charges are charged during the year to ECL.

Till 2010-11 recognition of apex charges due from BCCL were deferred. However Coal India Ltd. Board vide its 283rd meeting held on 18th May, 2012 (Item No. 283:4F) has granted relief to BCCL by way of waiver of apex charges due from BCCL covering the period 1999-2000 to 2010-11 amounting ₹ 151.64 crores and thereafter to continue with such waiver till BCCL comes out of BIFR.

As referred in Note No-11 the implementation of the scheme for revival of BCCL by way of conversion of loan and current account balance into 5% cumulative preference share which rendered BCCL's networth as positive were carried out after due formalities by the fag end of March, 2013.

In view of the same no apex charge from BCCL were considered for the year.

- 2. Final dividend of 2011-12 received from CCL, WCL, NCL, MCL, SECL and interim dividend of 2012-13 received from CCL, NCL, MCL & SECL has been accounted for during this year.
- 3. Dividend from mutual fund investments/ interest from deposits with Banks above also includes that from investments of amount lying in Current Account with IICM.

NOTE - 22

(₹ in crores)

COST OF MATERIALS CONSUMED

	For the Year ended 31.03.13	For the Year ended 31.03.12
Explosives	2.84	2.02
Timber	0.57	0.53
P O L	4.51	3.24
HEMM Spares	0.12	0.15
Other Consumable Stores & Spares	3.57	3.74
TOTAL	11.61	9.68



NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 23

(₹ in crores)

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

		For the Year ended 31.03.13		For the Year ended 31.03.12
Closing Stock of Coal	13.55		16.09	
Less: Deterioration of Coal	0.44		0.44	
		13.11		15.65
Opening Stock of Coal	16.09		33.15	
Less: Deterioration of Coal	0.44		0.44	
		15.65		32.71
Change in Inventory of Stock in trade		2.54		17.06

NOTE - 24

(₹ in crores)

EMPLOYEE BENEFITS EXPENSE

		For the Year ended 31.03.13		For the Year ended 31.03.12
Salary, Wages, Allowances ,Bonus etc.		231.25		209.08
Ex-Gratia		9.42		7.82
PRP		15.23		13.24
Contribution to P.F. & Other Funds		26.01		20.16
Gratuity		11.20		35.16
Leave Encashment		12.42		12.73
Workman Compensation		0.19		0.09
Medical Expenses		10.01		8.54
Grants to School & Institutions		0.83		0.99
Sports & Recreation		0.18		0.31
Canteen & Creche		0.17		0.16
Power (Township)		5.67		5.76
Hire Charge of Bus,Ambulance etc.		0.50		0.49
Other Employee Benefits		23.20		10.76
TOTAL		346.28		325.29

NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 25

(₹ in crores)

WELFARE EXPENSES

Medical Expenses for Retired Employees
 CSR Expenses
 Other Expenses

Total

**For the Year
 ended 31.03.13**

71.84
 23.73
 2.88

98.45

**For the Year
 ended 31.03.12**

7.27
 10.35
 2.32

19.94

NOTE - 26

(₹ in crores)

REPAIRS

Building
 Plant & Machinery
 Others

Total

**For the Year
 ended 31.03.13**

7.63
 0.47
 1.96

10.06

**For the Year
 ended 31.03.12**

6.95
 0.23
 2.30

9.48

NOTE - 27

(₹ in crores)

CONTRACTUAL EXPENSES

Transportation Charges :
 - Coal
 - Stores & Others

 Wagon Loading
 Hiring of P&M
 Other Contractual Work

Total

**For the Year
 ended 31.03.13**

0.15
 —

 1.66
 51.65
 0.91

54.37

**For the Year
 ended 31.03.12**

0.33
 0.01

 1.09
 44.28
 0.69

46.40



NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 28

(₹ in crores)

FINANCE COSTS

	For the Year ended 31.03.13	For the Year ended 31.03.12
Interest Expenses		
Interest on IBRD & JBIC Loan	20.24	20.04
Less: Transferred to subsidiaries	20.24	20.04
	—	—
Interest to Subsidiaries on surplus fund parked	375.30	378.62
Others	0.15	0.01
TOTAL (A)	375.45	378.63
Other Finance Cost		
Bank commitment and allocation charges	0.20	0.25
TOTAL (B)	0.20	0.25
TOTAL (A+B)	375.65	378.88

Interest to Subsidiaries paid on Surplus Fund

Interest has been paid on surplus fund parked by subsidiaries except on fund earmarked as interest free. Such interest is paid at annualised average yield rate at which CIL earns from its investment in fixed deposits with banks. No interest is considered on funds given free of interest by NCL ₹ 965.22 crores & MCL ₹ 350.29 crores as these funds were transferred to ECL & BCCL for specific purposes as interest free advances.

NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 29

(₹ in crores)

PROVISIONS (NET OF REVERSAL)	For the Year ended 31.03.13	For the Year ended 31.03.12
(A) PROVISION MADE FOR		
Doubtful Advances & Claims	16.37	17.27
Foreign Exchange Transaction	—	—
Stores & Spares	0.06	0.03
Mine Closure expenses	3.29	2.57
Others	0.09	—
TOTAL(A)	19.81	19.87
(B) PROVISION REVERSAL		
Doubtful debts	—	—
Doubtful Advances & Claims	0.01	0.03
Stores & Spares	0.05	—
Others	0.01	0.01
TOTAL(B)	0.07	0.04
TOTAL (A-B)	19.74	19.83

Refer explanation to note 13 and para (iii) of note 34 (Additional Notes to Accounts)

NOTE - 30

(₹ in crores)

WRITE OFF (Net of past provisions)	For the Year ended 31.03.13	For the Year ended 31.03.12
Doubtful advances	11.45	10.16
Less :- Provided earlier	11.45	10.16
TOTAL	—	—

Refer explanation to note 13.



NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

NOTE - 31

(₹ in crores)

OTHER EXPENSES

	For the Year ended 31.03.13	For the Year ended 31.03.12
Travelling expenses		
- Domestic	11.55	9.52
- Foreign	0.45	0.69
Training Expenses	3.28	1.31
Telephone & Postage	1.80	1.71
Advertisement - Others	7.16	6.14
Demurrage	0.20	0.06
Donation/Subscription	1.18	1.34
Security Expenses	3.69	3.57
Hire Charges	2.92	3.16
CMPDI Expenses	0.74	0.74
Legal Expenses	3.92	1.97
Bank Charges	0.10	0.10
Guest House Expenses	0.62	0.55
Consultancy Charges	5.53	6.69
Under Loading Charges	2.29	3.50
Auditor's Remuneration & Expenses		
- For Audit Fees	0.05	0.04
- For Taxation Matters	—	—
- For Company Law Matters	—	—
- For Management Services	—	—
- For Other Services	0.12	0.12
- For Reimbursement of Expenses	0.03	0.02
Internal & Other Audit Expenses	0.19	0.22
Rent	19.82	3.95
Rates & Taxes	3.20	0.76
Wealth Tax	0.14	0.12
Insurance	0.51	0.32
Loss on Foreign Exchange Transactions	93.14	35.87
Loss on Exchange Rate Variance	0.02	0.02
Rescue/Safety Expenses	0.10	0.13
Dead Rent/Surface Rent	0.52	0.34
Siding Maintenance Charges	0.13	0.38
Printing & stationery	2.27	1.96
Meeting expenses	2.01	1.69
Brokerage & Commission	1.41	1.25
Excise duty on stock	—	—
Miscellaneous expenses	2.65	3.77
TOTAL	171.74	92.01

NOTES TO STATEMENT OF PROFIT & LOSS (Contd.)

PRIOR PERIOD ADJUSTMENT	NOTE - 32	(₹ in crores)	
	For the Year ended 31.03.13	For the Year ended 31.03.12	
(A) Expenditure			
Contractual Expenses	—	—	
Other Expenditure	—	—	
TOTAL (A)	—	—	
(B) Income			
Other Income	—	0.46	
TOTAL (B)	—	0.46	
TOTAL (A-B) {Charge/(Income)}	—	(0.46)	



NOTE - 33

A. 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 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 & 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 an 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 asset 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.

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 fund are considered as current investments.

Non-Current investments are valued at cost.

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

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 by products are valued at net realisable value.

6.2 Stores & Spares:

6.2.1 The closing stock of stores and spare parts has been considered in the accounts 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 & spares 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 and photocopying machine, 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 : - 10.55% 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 recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized 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 period are adjusted on actual basis.

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

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 accounts and are disclosed by way of Notes.

16.0 Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes 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 current year.



NOTE – 34

ADDITIONAL NOTES ON ACCOUNTS

i) Contingent Liabilities / Commitments

- The amount remaining to be executed on capital account not provided for is ₹ 108.23 crores (₹ 67.74 crores).
- The amount remaining to be executed on revenue account not provided for is ₹ 458.95 Crores (₹ 345.30 crores) .
- Claims against the company not acknowledged as debts are ₹ 23.85 crores (₹142.81 crores).
- The company has given counter-guarantee to Government of India for loans obtained from JBIC & IBRD banks and on lent to its subsidiaries. The outstanding balance as on 31.03.2013 stood at ₹ 550.43 crores (₹ 720.10 crores) and ₹ 585.80 crores (₹ 642.62 crores) respectively.

Further, the company has also given guarantee for loans obtained by subsidiaries from Export Development Bank of Canada (EDC) and Liebherr France the outstanding balance of which as on 31.03.2013 stood at ₹ 160.35 crores (₹ 155.63 crores) and ₹ 8.72 crores (₹ 9.03 crores) respectively.

- As on 31.03.2013 outstanding letters of credits amounted to ₹ 216.41 crores (₹ 218.63 crores).

ii) Long Term & Short Term Provision (Refer Note 5 & Note 9)

Provision for Employee Benefits

The disclosures as per actuary's certificate for employee benefits for gratuity and leave encashment are given below:-

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31-03-2013

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in crores)

Table 1 : Disclosure Item 120 (c) Table showing changes in Present Value of obligations	As at	
	31.03.2013	31.03.2012
Present Value of obligations at beginning of the year	152.90	122.17
Acquisition Adjustment	0.00	0.00
Interest Cost	11.38	9.28
Past Service Cost	0.00	0.00
Current Service Cost	7.11	6.48
Curtailement Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefits Paid	21.16	12.31
Actuarial Gain / Loss on obligations	6.27	27.28
Present Value of Obligation at the end of the year	156.50	152.90

(₹ in crores)

Table 2 : Disclosure Item 120 (e) Table showing changes in Fair Value of Plan Assets	As at	
	31.03.2013	31.03.2012
Fair Value of Plan Asset at Beginning of the year	130.11	118.01
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Asset	10.41	9.44
Contributions	29.94	15.38
Benefits Paid	21.16	12.31
Actuarial gain/loss on Plan Asset	3.61	-0.41
Fair Value of Plan Asset at end of the year	152.91	130.11

(₹ in crores)

Table 3 : Disclosure Item 120 (f) Table showing Funded Status	As at	
	31.03.2013	31.03.2012
Present Value of Obligation at end of the year	156.50	152.90
Fair Value of Plan Asset at end of the year	152.91	130.11
Funded Status	-3.59	-22.79
Unrecognised actuarial gain/loss at end of the year	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	-3.59	-22.79

(₹ in crores)

Table 4 : Disclosure Item 120 (g) Table showing Expense Recognized in statement of Profit/Loss	As at	
	31.03.2013	31.03.2012
Current Service Cost	7.11	6.48
Past Service Cost	0.00	0.00
Interest Cost	11.38	9.28
Expected Return on Plan Asset	10.41	9.44
Curtailment Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/ loss Recognised in the year	2.66	27.69
Expense Recognised in Statement of Profit/Loss	10.74	34.01



(₹ in crores)

Table 7 : DISCLOSURE ITEM 120 (l) Table Showing Actuarial Assumptions:	As at	
	31.03.2013	31.03.2012
Mortality Table	: LICl – 1994-1996	LICl – 1994-1996
Superannuation Age	: 60	60
Early Retirement & Disablement	: 10 Per Thousand P.A.	10 Per Thousand P.A.
	: 6 above age 45	6 above age 45
	: 3 between 29 and 45	3 between 29 and 45
	: 1 below age 29	1 below age 29
Discount Rate	: 8.00	8.00
Inflation Rate	: 6.25	6.25
Return on Asset	: 8.0	8.0
Remaining Working Life	: 10	8
FORMULA USED	: Project Unit Credit Method	Project Unit Credit Method

Table 8 : DISCLOSURE ITEM 120(m)
Not applicable as Scheme is not related to Medical cost

(₹ in crores)

Table 10 : DISCLOSURE ITEM 120(p) Movements in the Liability Recognised in Balance Sheet:	As at	
	31.03.2013	31.03.2012
Opening Net Liability	22.79	4.16
Expenses as above	10.74	34.01
Contributions	29.94	15.38
Closing Net Liability	3.59	22.79
Closing Fund / Provision at the end of the Year	156.50	152.90

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT(EL/ HPL) AS AT 31-03-2013

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in crores)

Table 1 : Disclosure Item 120 (c) Table showing changes in Present Value of obligations	As at	
	31.03.2013	31.03.2012
Present Value of obligation at beginning of the year	47.10	40.15
Acquisition Adjustment	0.00	0.00
Interest Cost	3.50	3.03
Past Service Cost	0.00	0.00
Current Service Cost	9.21	5.48
Curtailement Cost	0.00	0.00
Settlement Cost	0.00	0.00
Benefits Paid	6.79	4.55
Actuarial Gain / Loss on obligations	4.56	2.99
Present Value of Obligation at the end of the year	48.46	47.10

Table 2 : DISCLOSURE ITEM 120(e)
Table Showing Changes in Fair Value of Plan Assets:
Not applicable as Scheme is unfunded

Table 3 : DISCLOSURE ITEM 120(f)
Table Showing Funded Status
Not applicable as Scheme is unfunded

(₹ in crores)

Table 4 : Disclosure Item 120 (g) Table showing Expense Recognized in statement of Profit/Loss	As at	
	31.03.2013	31.03.2012
Current Service Cost	9.21	5.48
Past Service Cost	0.00	0.00
Interest Cost	3.50	3.03
Expected Return on Plan Asset	0.00	0.00
Curtailement Cost	0.00	0.00
Settlement Cost	0.00	0.00
Actuarial gain/loss recognised in the year	-4.56	2.99
Expenses Recognised in Statement of Profit/Loss	8.15	11.50



(₹ in crores)

Table 7 : DISCLOSURE ITEM 120 (i) Table Showing Actuarial Assumptions:		As at	
		31.03.2013	31.03.2012
Mortality Table	:	LICI – 1994-1996	LICI – 1994-1996
Superannuation Age	:	60	60
Early Retirement & Disablement	:	10 Per Thousand P.A.	10 Per Thousand P.A.
	:	6 above age 45	6 above age 45
	:	3 between 29 and 45	3 between 29 and 45
	:	1 below age 29	1 below age 29
	:		
Discount Rate	:	8.00	8.00
Inflation Rate	:	6.25	6.25
Return on Asset	:	0.00	0.00
Remaining Working Life	:	10	8
FORMULA USED	:	Project Unit Credit Method	Project Unit Credit Method

(₹ in crores)

Table 10 : DISCLOSURE ITEM 120(p) Movements in the Liability Recognised in Balance Sheet	As at	
	31.03.2013	31.03.2012
Opening Net Liability	0.00	0.00
Expenses as above	8.15	11.50
Contributions	0.00	0.00
Closing Net Liability	8.15	11.50
Closing Fund / Provision at the end of the Year	48.46	47.10

NOTE TO APPENDIX B OF AS15 (REVISED 2005)

AS THE SCHEME IS UNFUNDED CHARGES TO PROFIT / LOSS ACCOUNT
HAS BEEN BASED ON FOLLOWING ASSUMPTIONS:-

- (1) PREVIOUS OBLIGATION WAS PROVIDED FOR AT LAST ACCOUNTING DATE
- (2) BENEFIT TO EXITS HAS BEEN PAID TO DEBIT OF ABOVE PROVISION
- (3) CURRENT OBLIGATION WILL BE PROVIDED FOR AT CURRENT ACCOUNTING DATE

iii) Provisions

The position of various provisions except those relating to employee benefits which are valued actuarially as on 31.03.2013 are given below:

(₹ in crores)

Provisions	Opening Balance	Addition during the year	Write back /Adj.during the year	Closing Balance
Note 5 & 9 :- Long Term & Short Term Provision				
PRP	59.43	15.23	-	74.66
Provision for Foreign Exchange Transaction	74.69	-	74.69	-
Mine Closure Plan	6.35	3.29	0.74	10.38
Others	0.41	0.09	-	0.50
Note 10A:- Fixed Assets				
Impairment of Assets	25.60	-	1.14	24.46
Note 10B:- Capital Work in Progress				
Against CWIP	0.08	-	-	0.08
Against Surveyed off Assets	0.07	-	-	0.07
Note 10C:- Intangible Assets under Development				
Against Intangible Assets under Development	4.09	-	-	4.09
Note 12:- Long Term Loans & Advances				
Against advances for Capital	3.58	-	-	3.58
Against advances for Revenue	2.61	-	-	2.61
Against advances for P&T, Elec. etc	0.73	0.02	-	0.75
Note 13:- Other Non-Current Assets				
Against Exploratory Drilling Work	85.00	15.92	11.45	89.47
Against Other Receivables	0.31	-	-	0.31
Note 15:-Inventories				
Against Stock of Coal	0.44	-	-	0.44
Against Stock of Stores & Spares	0.93	0.06	0.05	0.94
Note 16:-Trade Receivables				
Provision for bad & doubtful debts	10.77	-	-	10.77
Note 18:- Short Term Loans & Advances				
Against Advances to suppliers for revenue	0.22	-	-	0.22
Against Advance payment of Sales Tax	0.02	-	-	0.02
Against Claim receivables	3.15	-	0.01	3.14
Against Advances to employees	0.01	-	0.01	-
Note 19:- Other Current Assets				
Against Other Advances	0.01	-	-	0.01
Against Deposit for customs duty etc	0.79	-	-	0.79
Against Other Deposit	0.06	-	-	0.06
Against receivable for transaction on behalf of ex-coal board	1.83	0.17	-	2.00
Against Other Receivables	2.60	0.26	-	2.86



iv) Segment Reporting

The Company is primarily engaged in a single segment business of production and sale of Coal. However, there is significant income from dividend from Subsidiaries also. The details are given below:

SEGMENT REPORTING

(₹ in crores)

Description	Coal Mining		Other Incidental Activities		Consolidation	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue						
External Sales	352.25	415.86	-	-	352.25	415.86
Dividend Income	-	-	9106.73	7323.40	9106.73	7323.40
Total Revenue	352.25	415.86	9106.73	7323.40	9458.98	7739.26
Segment Result (before tax and interest)	62.54	208.95	9106.73	7323.40	9169.27	7532.35
Add: Prior period adjustment	-	-	-	0.46	-	0.46
Net Segment Result (before tax and interest)	62.54	208.95	9106.73	7323.86	9169.27	7532.81
Unallocated Income/Expenditure (Net)	-	-	-	-	(511.30)	(429.09)
Operating Profit	-	-	-	-	8657.97	7103.72
Interest Income	3.19	3.12	1676.87	1493.11	1680.06	1496.23
Income Tax	-	-	-	-	543.71	534.85
Profit from Ordinary Activities	3.19	3.12	1676.87	1493.11	9794.32	8065.10
Other Information						
Segment Assets	234.23	307.62	-	-	234.23	307.62
Unallocated Corporate Assets	-	-	25245.01	24380.81	25245.01	24380.81
Total Assets	234.23	307.62	25245.01	24380.81	25479.24	24688.43
Segment Liabilities	291.16	286.39	-	-	291.16	286.39
Unallocated Corporate Liabilities	-	-	12093.57	9498.34	12093.57	9498.34
Total Liabilities	291.16	286.39	12093.57	9498.34	12384.73	9784.73
Segment Capital Expenditure	7.66	12.52	-	-	7.66	12.52
Unallocated Capital Expenditure	-	-	44.67	19.10	44.67	19.10
Total Capital Expenditure	7.66	12.52	44.67	19.10	52.33	31.62
Depreciation (Including provision for impairment)	105.66	103.48	-	-	105.66	103.48
Unallocated Depreciation (Including Other provisions)	-	-	194.65	191.94	194.65	191.94
Total Depreciation (Including provision for impairment)	105.66	103.48	194.65	191.94	300.31	295.42

v) Earnings per share

Sl. No.	Earnings per Share particulars	As at 31st March'2013	As at 31st March'2012
i)	Profit after Taxation	₹ 9794.32 crores	₹ 8065.10 crores
ii)	Add/ Less: Adjustment for Reserve For Foreign Exch.	(+) ₹ 93.14 crores	(+) ₹ 35.87 crores
iii)	Net profit after tax attributable to Equity Share Holders.	₹ 9887.46 crores	₹ 8100.97 crores
iv)	Weighted average No. of Shares Outstanding during the year.	6316364400	6316364400
v)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 10/- per share)	₹15.65	₹12.83

vi) Related party disclosure

Key management personnel for the year ending 31.03.2013:

Mr. S. Narsing Rao, Chairman-Cum-Managing-Director (from 24th April'2012)

Mr. R. Mohan Das, Director (P&IR)

Mr. A. K. Sinha, Director (Finance) (Retired on 31st October'2012)

Mr. A. Chatterjee, Director (Finance) (From 1st November'2012)

Mr. N. Kumar, Director (Technical)

Mr. B. K. Saxena, Director (Marketing) (From 19th June'2012)

Sl. No.	Whole Time Director's Remuneration	Amount (₹ in crores)
i)	Salaries	1.19
ii)	Co's Contribution to P.F. & other Fund	0.12
iii)	Medical Benefits	0.03
iv)	Provision for Gratuity	0.05

vii) Taxation

An amount of ₹ 460.00 crores (₹ 450.00 crores) is provided in the accounts during the current year towards income tax.

There is no deferred tax liability of the company for the year. However, the company is having a deferred tax asset on the basis of calculation as per Accounting for Taxes on Income (AS-22), issued by Institute of Chartered Accountants of India. As per existing provisions of tax laws the dividend received from subsidiaries which accounts for the income of Coal India Ltd, is tax free w.e.f. financial year 2003-04. Since without considering such dividend there is no virtual certainty of future taxable income, as a prudent practice no deferred tax asset is recognised in the accounts.

Further dividend to GOI / other shareholders has been paid out of dividends received from subsidiary companies of CIL, on which Dividend Distribution Tax has been paid by the respective subsidiaries. No tax on dividend to GOI and other shareholders has been considered as per the provision of Income Tax Act, 1961.

viii) Borrowings and other Costs in respect of foreign currency loans

Borrowings and other costs (including exchange difference) in respect of foreign currency loans obtained for subsidiary companies have been recovered from the respective subsidiary companies. The company has entered into swap transactions against interest. Gains arising out of swap transactions are being carried as reserve for Foreign Exchange Transactions. Net result of the said swap transactions will be recovered / paid to subsidiary companies upon completion of repayment of foreign currency loans.

ix) The fund available with the company from the management period (Pre-nationalisation) of non-coking coal mines i.e. on 1.5.1973

The fund available with the company against cash, bank balances, road coupons etc. taken over by the company from the management period of non-coking coal mines i.e. on 1.5.1973 has been adjusted against the deposit made by the company on behalf of the Govt. of India to Commissioner of Payments on account of surplus of the said management period.



x) Goods purchased by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

xi) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement. However such details of unsettled claim are maintained by concerned department.

xii) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

xiii) Micro, Small and Medium Enterprises

There is no reported Micro, Small and Medium Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006", to whom the company owes dues.

xiv) Current Assets, Loans and Advances etc.

In the opinion of the Management Current Assets, Loans and Advances etc. have realisable value in the course of business at least equal to the net amount at which they are stated.

xv) Balance confirmation

Balance confirmation/reconciliation is carried out for bank balances, all major loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

xvi) Revision of Schedule VI to the Companies Act 1956 (w.e.f. 01.04.2011)

Following the Gazette notification dated 30th March, 2011 the Schedule VI of the Companies Act 1956 dealing with the format of Balance Sheet has modified and a format for Statement of Profit & Loss is introduced.

The format as per revised Schedule VI has been applied while preparing this accounts. Following the new guidelines of the revised format inter-alia, the following segregation have been made in the Balance Sheet:-

Current Assets

An asset has been classified as current when it satisfies any of the following criteria:-

- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle
- It is held primarily for the purpose of being traded
- It is expected to be realized within twelve month after the reporting date
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Non-Current Assets

All assets other than current assets are Non- Current Assets

Current Liabilities

A liability has been classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle
- It is held primarily for the purpose of being traded

- It is due to be settled within twelve month after the reporting date
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Non-Current Liabilities

All liabilities other than current liabilities are Non- Current Liabilities.

Operating Cycle for Coal India Limited

As there is no normal operating cycle the same is considered to be 12 months period.

xvii) Significant accounting policy

Significant accounting policy (Note – 33) has been suitably modified/ re-drafted over previous year, as found necessary to elucidate the accounting policies adopted by the company.

xviii) Impact due to changes in Accounting Policy.

During the year Accounting Policy regarding prepaid expenses and prior period items were introduced / changed as follows:

Previous Policy	New /Changed Policy	Impact on the profit for the year.
Prepaid Expenses: No specific policy. All items falling under the above category used to be accounted for as prepaid expense, irrespective of the amount involved.	Prepaid expenses which do not exceed ₹ 0.10 crores in each case are to be treated as expenditure of current year.	Profit for the year decreased by ₹ 0.19 crores.
Prior Period Adjustments: Income / expenditure items relating to prior period (s) which do not exceed ₹ 0.05 crores in each case are treated as income/ expenditure for the current year.	Income / expenditure relating to prior period (s) which do not exceed ₹ 0.10 crores in each case are to be treated as income/ expenditure of current year.	Nil.

Change in depreciation rates of photo-copying machine.

Further, during the year based on technically estimated useful life (of 9 years), depreciation rates of photo-copying machines were revised to higher rates at 10.55% per annum (on SLM basis) from previously applied rate of 4.75% per annum (equivalent to useful life of 20 years).

Due to above change in depreciation rates the profit for the year decreased by ₹ 0.17 crores.

xix) Previous year's figures

Previous year's figures have been regrouped and rearranged wherever considered necessary.

Figures in the parentheses relating to explanations to the notes/additional notes of Balance Sheet and Statement of Profit & Loss correspond to 12 month period of the previous year.

xx) Use of estimate:

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is sometimes required to make estimates and assumptions that effect the reported amounts of assets and liabilities and the



disclosures of contingent liability as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

xxi) Directors' Remuneration:

		(₹ in crores)	
		Current Year	Previous Year
For Whole Time Directors			
(i)	Salaries	1.19	1.21
(ii)	Company's Contribution to Provident Fund & Other Funds	0.12	0.09
(iii)	Medical Benefits	0.03	0.15
		1.34	1.45
For Part Time Directors			
(iv)	Sitting Fees	0.45	0.40

Notes:

(a) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹ 520.00 per month as per service conditions.

xxii) The information required in paragraph 5 (viii) (a) Part II of Schedule – VI of Companies Act., 1956, value of imports on CIF basis :

		(₹ in crores)	
		Current Year	Previous Year
(i)	Raw Material	NIL	NIL
(ii)	Capital Goods	18.35	101.11
(iii)	Stores, Spares & Components	43.56	53.28

xxiii) Expenditure incurred in Foreign Currency on account of :

		(₹ in crores)	
		Current Year	Previous Year
(i)	Interest & commitment charges	20.24	20.04
(ii)	Commission to Foreign Agents	0.12	0.09
(iii)	Travelling / Training Expenses	0.82	0.63
(iv)	Advertisement	--	0.20
(v)	Legal	3.68	--
(vi)	Subscription	0.01	--
(vii)	Exchange Variation	93.16	35.89

xxiv) Earning in Foreign Exchange on account of:

		(₹ in crores)	
		Current Year	Previous Year
(i)	Export of Goods (Calculated on FOB basis)	NIL	NIL
(ii)	Exchange Variation	0.03	0.09
(iii)	Miscellaneous	NIL	NIL

xxv) Total Consumption of Stores during the year:

(₹ in crores)

	Current Year		Previous Year	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	NIL	-	NIL	-
(ii) Indigenous	11.61	100 %	9.68	100 %

xxvi) Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal.

(₹ in crores)

(Quantity in '000 MT)

	Current Year		Previous Year	
	Qty.	Value	Qty.	Value
Opening Stock	100.84	15.65	298.56	32.71
Production	604.77	--	602.31	--
Sales (Gross)	618.25	443.38	800.03	486.56
Own Consumption	0.02	--	0.00	--
Closing Stock	87.34	13.11	100.84	15.65

Note 1 to 19 form part of the Balance Sheet as at 31st March, 2013 and 20 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note – 33 represents Significant Accounting Policies and Note – 34 represents additional notes on the Accounts

Signature to note 1 to 34.

M. Viswanathan
Company Secretary

G. Bandyopadhyay
General Manager (Finance)

A. Chatterjee
Director (Finance)

S. Narsing Rao
Chairman-Cum-Managing Director

**As per our report annexed
For De Chakraborty & Sen
Chartered Accountants
FR No.303029E**

**Date : 20th May, 2013
Place : Kolkata**

**(Raktim Kumar Chattopadhyay)
Partner
Membership No. 052225**



THIRTY NINTH ANNUAL GENERAL MEETING

COAL INDIA LIMITED

Registered Office: 10, Netaji Subhas Road, Kolkata - 700 001, W.B., India

PROXY

I/We _____
of _____ being a Member/Members of Coal India Limited, hereby appoint
_____ of _____ or failing
him/ her _____ of _____ or failing him/her
_____ of _____ as my/ our Proxy to attend and
vote for me/us and on my/our behalf at the thirty ninth Annual General Meeting of the Company to be held on
Wednesday, the 18th September, 2013 at 10.30 A.M. and at any adjournment thereof.

Folio No. _____ DPID & CLIENT ID _____
Signed this _____ day of _____ 2013.
Signature(s) _____



- NOTE : 1) The Proxy form must be received at Coal India Limited, Coal Bhawan, 10 N. S. Road, Kolkata - 1 not less than 48 hours before the commencement of the Annual General Meeting.
2) Please mark the envelop "CIL-PROXY".

_____ Please tear along this Line _____



COAL INDIA LIMITED

Registered Office: 10, Netaji Subhas Road, Kolkata - 700 001, W.B., India

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall.

Folio No. _____ No. of Shares _____

DPID _____ CLIENT ID _____

Full Name (s) of Member/ Proxy's Name/ Authorised Representative (in block letters).

I hereby record my presence at the Annual General Meeting of the Company to be held on Wednesday, the 18th September, 2013 at 10.30 A.M. at SCIENCE CITY, MAIN AUDITORIUM, JBS HALDANE AVENUE, KOLKATA-700046.

Signature of the Member / Joint Members / Proxy /Authorised Representative attending the meeting.



Coal India Limited

10, Netaji Subhas Road, Kolkata - 700 001



www.coalindia.in