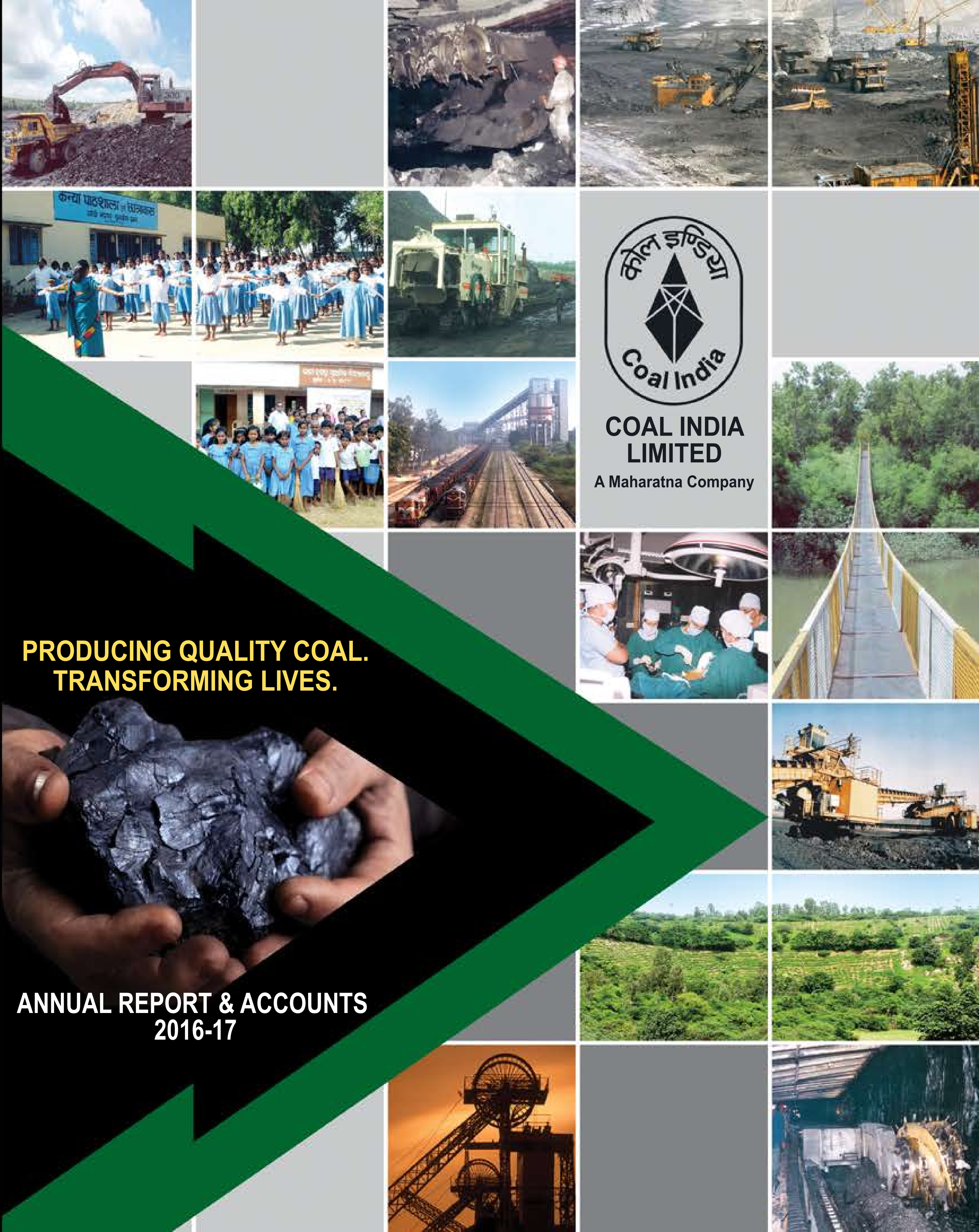


COAL INDIA LIMITED

A Maharatna Company

PRODUCING QUALITY COAL. TRANSFORMING LIVES.

ANNUAL REPORT & ACCOUNTS 2016-17

CONTENT:

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

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

Emails have been sent to all shareholders who have not exercised the option to receive the Annual Report 2016-17 in physical mode. They have been provided with a link (URL) to the website of COAL INDIA LIMITED for downloading the Annual Report 2016-17.

For members who have not registered their email addresses, physical copy of Annual Report 2016-17 is being sent by the permitted mode.

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

Please help us to save the environment.

Sd/-

M.Viswanathan
Company Secretary

MISSION

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

VISION

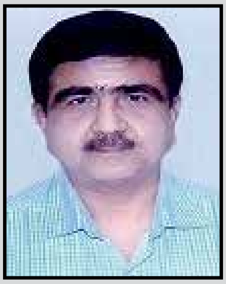
To emerge as one of the global players in the primary energy sector committed to provide energy security to the country by attaining environmentally & socially sustainable growth through best practices from mine to market.

BOARD OF DIRECTORS

Shri S. Bhattacharya

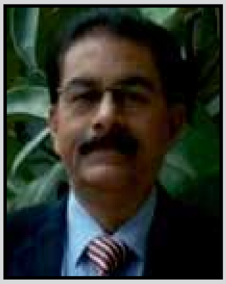
Shri R.K.Sinha

Smt. Reena Sinha Puri



Shri C.K .Dey

Shri S N Prasad

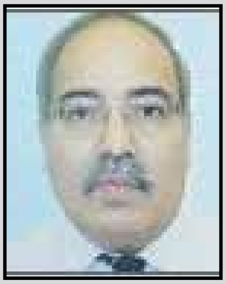


Shri R R Mishra

Shri S.Saran

INDEPENDENT DIRECTORS

Ms. Loretta Mary Vas



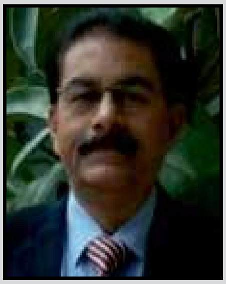
Dr S.B.Agnihotri

Dr D.C.Panigrahi

Dr. Khanindra Pathak

Shri Vinod Jain

PERMANENT INVITEES



Shri R R Mishra

Shri S Saran

Shri A.K. Gupta

MEMBERS OF THE BOARD

as on 15th July, 2017

Functional Directors		
Shri S. Bhattacharya	:	Chairman
Shri C.K Dey	:	Finance
Shri S.N. Prasad	:	Marketing
Shri R. R Mishra	:	Personnel
Shri S. Saran	:	Technical
Part-Time Official Directors:		
Shri R. K. Sinha	:	Joint Secretary, MoC, New Delhi
Smt. Reena Sinha Puri	:	JS & FA, MoC, New Delhi.
Independent Directors		
Ms.Loretta Mary Vas		
Dr S.B.Agnihotri		
Dr. D.C.Panigrahi		
Dr. Khanindra Pathak		
Shri Vinod Jain		
Permanent Invitees		
Shri R R Mishra	:	Chairman-cum-Managing Director, WCL.
Shri S.Saran	:	Chairman-cum-Managing Director, CMPDIL
Shri A. K. Gupta	:	Addl. Member (Traffic Transportation), Railway Board
Company Secretary		
Shri M.Viswanathan		

MANAGEMENT DURING 2016-17

Shri S. Bhattacharya	:	Chairman (From 05.01.2015)
Functional Directors		
Shri R. Mohan Das	:	Director (P&IR) (From 01.06.2007 till 30.03.2017)
Shri N. Kumar	:	Director (Technical) (From 01.02.2012till 17.10.2016)
Shri S. Saran	:	Director (Technical) (From 31.10.2016)[Addl. Charge]
Shri C.K. Dey	:	Director (Finance) (From 01.03.2015)
Shri S.N. Prasad	:	Director (Marketing) (From 01.02.2016) [Addl. Charge- Director (P) from 31.03.2017]
Part Time Official Directors		
Dr A. K. Dubey	:	Special Secretary, MoC (From 03.04.13 till 05.08.2016)
Smt. Sujata Prasad	:	Joint Secretary & Financial Advisor(From 03.05.13 till 20.06.2016)
Shri R P Gupta	:	Joint Secretary, MoC (From 05.08.2016 to 29.08.2016)
Shri Vivek Bharadwaj	:	Joint Secretary, MoC (From 30.8.2016)
Shri R. K. Sinha	:	Joint Secretary, MoC (from 05.08.2016)
Independent Directors		
Ms. Loretta Mary Vas	:	(From 17.11.15)
Dr S.B. Agnihotri	:	(From 17.11.15)
Dr D.C.Panigrahi	:	(From 17.11.15)
Dr. Khanindra Pathak	:	(From 17.11.15)
Shri Vinod Jain	:	(From 17.11.15)
Permanent Invitees		
Shri R.R. Mishra	:	CMD, WCL (From 06.11.15)
Shri S. Saran	:	CMD, CMPDI (From 01.01.16)
Shri A. K. Gupta	:	Addl.Member (Traffic Transportation),Railway Board (From 05.08.16)
Company Secretary		
Shri M.Viswanathan	:	(From 14.12.2011)

BANKERS, AUDITORS AND CORPORATE OFFICE

LIST OF BANKS AS ON 31.03.2017

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

Statutory Auditor	Registered Office	Website	Registrar & Share Transfer Agent
M/s Chaturvedi and Co Chartered Accountants 60, Bentick Street, Kolkata-700069	Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156 Phone-033-23245555 Fax-033-23246510 Email-complianceofficer.cil@coalindia.in	www.coalindia.in	**M/s. Alankit Assignment Limited** Alankit Height, 1E/13, Jhandewalan Extension, New Delhi – 110 055 Phone No: 011-4254-1234/2354-1234 Fax No: 011-4154-3474 E-mail id: alankit_rta@alankit.com Website: www.alankit.com Toll free no-1860-121-2155

CHAIRMAN'S STATEMENT

Friends,

I am delighted to welcome you to the 43rd Annual General Meeting of Coal India Limited. The Directors' Report and the Financial Statement for the year ended 31st March, 2017 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 and Coal India Limited

There is a perceptible shift in the country in fortifying the energy options currently. Renewable energy sources like Solar and Wind are being explored, encouraged and added as energy upgrades to meet the growing energy demand in the country. As clean energy options they are welcome. The addition from these sources, to the energy mix, can be viewed as complementary but not competitive to coal's role. They certainly can supplement but cannot substitute coal as preferred energy fuel, at least for now.

Coal has gotten immensely cleaner over the past generation. New and better ways are being found to extract energy from coal without sending its by products into the environment. HELE, that is, High Efficiency Low Emission technology is one such step in bringing down the emissions.

In India, what makes coal such a preferred energy fuel is its abundance, availability and affordability. The estimated geological resource of coal in India stood 315.149 Billion Tonnes as of 1 April, 2017. Around 73% of the entire power generated in the country is coal based.

Reliable energy is a correlate of economic growth and human development. Coal, being reliable, continues to serve the country as its primary commercial energy provider and will remain a mainstay in Indian power generation for decades to come. In fact, reliance on coal might increase in future.

Against this back backdrop, you will be proud to know that your company, Coal India Limited, spearheads the country's coal production and produces 84% of the country's entire coal output. It is Coal India which virtually fuels and empowers the power sector in the country.

2. Accomplishments 2016-17

Sustaining the growth arc in production and off-take, the company had exceeded half-a-Billion Tonne mark in both the physical facets for the second consecutive year.

During 2016-17 Coal India achieved coal production of 554.14 Million Tonnes (Mt). You will be pleased to know that company has increased its production by 15.39 million tonnes over last year. Coal production has taken a quantum jump of over 100 MTs in a five-year span, from the level of 452.21 Mt. recorded in 2012-13 to the current level. This scale of increase has never been achieved previously during a 5-year period.

The performance of NCL, CCL and BCCL merit specific mention as the three companies have achieved their respective AAP targets in coal production amid trying circumstances. SECL continues to be at the helm of coal production with 140 Mt. mark during the year, with MCL giving a close competitive run up with 139.21 Mt.

Raw coal off-take during FY 2017 was 543.32 MT, an increase of 8.82 MTs on a year-on-year comparison. NCL has achieved AAP target in off-take also despite heavy monsoon.

ECL, CCL, NCL, MCL and NEC achieved higher off-take than previous year.

Coal despatch to power utilities (including special forward e-Auction) during the year was 425.397 Mt. registering a growth of 3% compared to last year (413.11 Mt.). Despatch to NTPC clocked a growth of 4.9% over last year registering a materialization of 95% against FSA/MoU commitment. But for the regulated intake of coal by many of the GenCos, despatch of coal to power sector could have been higher.

Other positives:

1) You will be pleased to know that your company's Gross Sales turnover was ₹ 1,22,294.46 crores during the financial year 2016-17.

2) The underground production got major boost with the introduction of Longwall technology in Jhanjra Combined UG Mine (3.5 Mty.) of ECL in August'2016.

3) Coal India has been accredited with IS/ISO 9001:2015 (Quality Management System) and IS/ ISO 50001:2011 (Energy Management System) certification on 27th October'2016. It is now in the process of implementation of ISO 14001: 2015 (Environment Management System).

Financial Performance:

Coal India is one the highest contributors to the government ex-chequer both – Central and State governments. Coal India paid corporate taxes of ₹ 8,942.70 crores to Government of India in FY 2016-17.

Coal India and its subsidiaries had also paid/adjusted ₹ 44,070.22 crores Royalty, Cess, VAT, DMF and NMET and other levies.

During 2016-17, Coal India as a whole earned pre-tax profit of ₹ 14,433.71 crores and a Profit after Tax of ₹ 9,265.98 crores.

Your company had paid an interim dividend of ₹ 12,352.76 crores @ ₹ 19.90 per share. Of the total dividend, the share of Govt. of India was ₹ 9,736.40 crores and the rest ₹ 2,616.36 crores was given to other shareholders.

3. Strategies for Growth

Coal India is faced with meeting challenging targets in the years ahead. Going forward, in order to meet the production targets, Coal India needs to step up to a double digit growth rate.

To sustain the growth momentum in its production and off-take in future, Coal India has formulated following multi-pronged strategies.

(i) Critical Railway Links - Collaboration with State Governments & Railways.

In a move of 'Synergy for Energy' to achieve the planned growth in production and evacuation in future, your company has undertaken three major Railway Infrastructure Projects, implemented either by Railways or JV Companies formed between IRCON, Subsidiary Company and concerned Statement Government.

The three major Railway Infrastructure Projects are :-

(a) Tori – Shivpur-Kathotia New BG Line. This railway line caters to North Karanpura Area of CCL and it is Planned to evacuate about 32 MTY of coal once the line comes through.

(b) Jharsuguda – Barpali – Sardega Rail Link relates to the coalfields of MCL and the envisaged capacity evacuation is 70 MT/Y of coal from MCL.

(c) East Rail Corridor and East West rail corridor is planned for evacuation of coal of Mand- Raigarh and Korba – Gevra Coalfields of SECL respectively. In all, about 180 MTY of coal shall be evacuated through these two corridors.

(ii) Acquisition and Possession of land

During 2016-17, total of 3826.19 Hectares of land has been taken into possession in various subsidiaries of Coal India.

In all subsidiaries of Coal India, the major portion of land is acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957.

(iii) WEB Based Online Monitoring System

Following the introduction of Web based online monitoring of coal mining projects costing more than ₹ 100 crores, so far, the monitoring of 69 projects costing more than ₹ 150 crores and capacity 3.0 MTY and above has been completed during the 2016-17.

Additionally, monitoring of 67 coal mining projects (more than ₹ 150 crores) has also been taken up during the year.

Critical issues are uploaded by CIL and its subsidiary companies on MOC's e-CPMP portal which enables MOC to follow up with the state governments and associated ministries to accelerate EC & FC approvals.

(iv) Technology Development

a. Exploration capacity is planned to be augmented with more use of hydrostatic drills, geophysical loggers, 2D/3D Seismic Survey Technology and Optimization of number of coring boreholes based on the complexity of geology of the block.

b. Introduction of high capacity equipment, Operator Independent Truck Dispatch Systems, Vehicle Tracking System using GPS/GPRS, CHP and SILOS for faster loading and monitoring using laser scanners have been planned to augment coal production from opencast mines.

c. Introduction of Continuous Miner Technology on large scale, Long Wall Technology at selected places, Man Riding system in major mines and Use of Tele - monitoring techniques continued to receive priority to increase production from underground mines.

(v) System Improvements

Introduction of e-procurement of equipment and spares, e-tender of work and services, ERP implementation, establishment of connectivity, revision of guidelines and manuals, use of GPS for monitoring operational efficiency in road transport of coal have been planned to improve the overall system.

(vi) Customer Satisfaction

a) For enhanced customer satisfaction, special emphasis has been laid on Quality Management, deciding to declare 2017-18 as 'Quality Year'.

b) To monitor coal quality internally, a portal has been designed by CIL to analyze coal quality on regular basis to capture entire life cycle of the sample.

c) The guidelines/SoP issued by MoC on third party sampling at loading ends had already been implemented through Central Institute of Mining and Fuel Research (CIMFR). Sampling for quantity covered under FSA is continuing across various loading points of coal companies.

d) For greater consumer satisfaction and to resolve consumer complaints, quality management is being following diligently. On-line filing for redressal of complaints has been initiated. 99.42% of consumer complaints have been resolved during the year 2016-17.

4. Green Initiatives

Environmental and eco-system restoration is a conscious effort in Coal India. Your company is aware of the importance of environmental issues and tries to the extent possible to restore the environment and Nature to its original pristine condition. Mandatory obligations apart, Coal India takes it upon itself as a moral obligation.

To promote Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing **1000 MW Solar Power Projects.** For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India (SECI).

Coal India has given its consent for floating of NIT for 800 MW Solar PV Project to Solar Energy Corporation of India (SECI). In the 1st Phase, land has been identified by SECI for setting up of 250 MW Solar PV Project in the Solar Park of Madhya Pradesh Government in Neemuch Area. The power generated from the Projects will be used for captive consumption.

Plantation and Green belt are developed through extensive tree plantation programmes every year by the subsidiaries of Coal India. The subsidiaries of CIL have planted around 94.015 million of trees covering an area over 37557.458 Ha. till March'2017 and during 2016-17, 1.66 million trees have been planted covering an area of 661.20 Ha.

5. Safety – Always a priority

Safety of miners and mines remains a top priority concern for Coal India. In pursuit of higher production, no compromise would be made on safety front. Safety of miners and mines override any other priority. Coal India has a well-defined safety policy to ensure safety in all mines and establishments. There are many preventive measures being pursued against accidents. Safety personnel are exposed to the best practices internationally and are sent for training abroad enabling them to hone up their skills and to sensitize them to approach safety issue in a scientific and holistic manner. We are also inculcating and monitoring a safety culture and attitude. The endeavor is to elevate safety standards radically further, since in this regard there could be only 'Zero Accident' as the goal.

6. Corporate Social Responsibility

Apart from improving the quality of lives of people, Coal India's Corporate Social Responsibility initiatives also take them along towards the company's goal by partnering with them. While pursuing the enhancement of Coal production, CSR is being undertaken for inclusive growth of villagers and the nearby affected communities. Coal India has spent ₹ 489.67 crores in FY ending 2017 on CSR initiatives. Major activities undertaken are :

1) Training and preparation of Sports persons for Olympics and Para Olympics at project outlay of ₹ 75 crores (₹ 25 crores per annum) through Ministry of Youth Affairs, Govt. of India.

2) Setting up 16 Continuous Ambient Air Quality Monitoring Stations in 10 cities at an outlay of ₹ 65 crores.

7. Corporate governance

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

Coal India has conducted Secretarial Audit for 2016-17, as required under Companies Act 2013 and the Secretarial Audit Report is enclosed as a part of Directors report.

8. Vision

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

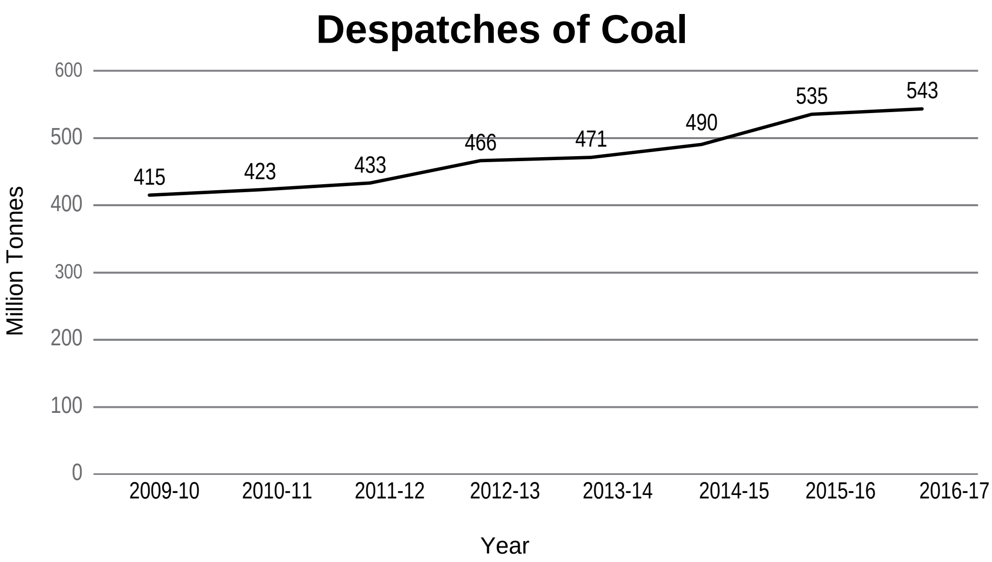
9. Acknowledgement

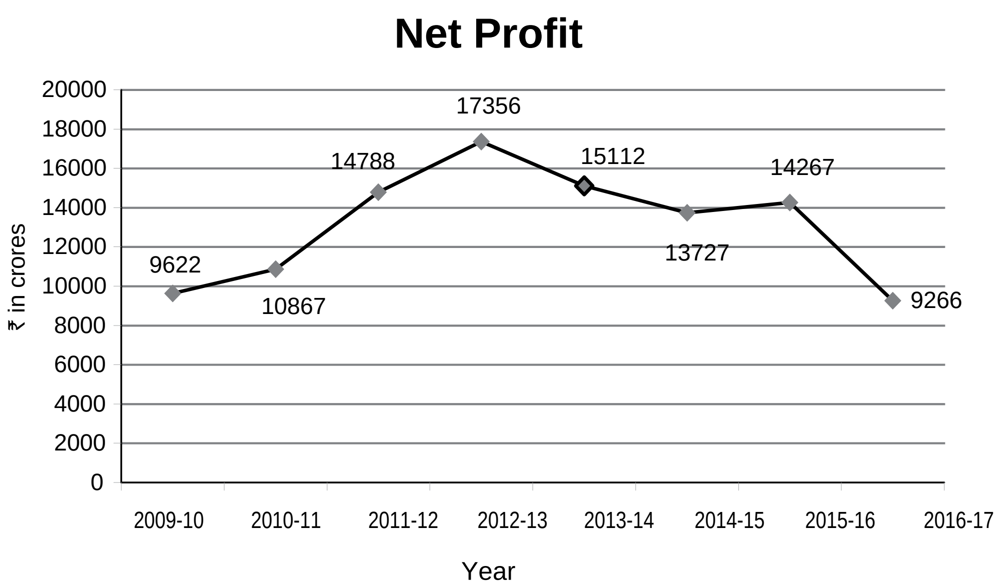
On behalf of your Company's Board of Directors I wish to convey my deep gratitude to you, our valued shareholders, for your continued support and trust. This motivates us to excel in all our pursuits and constantly create value for you as well as for the nation.

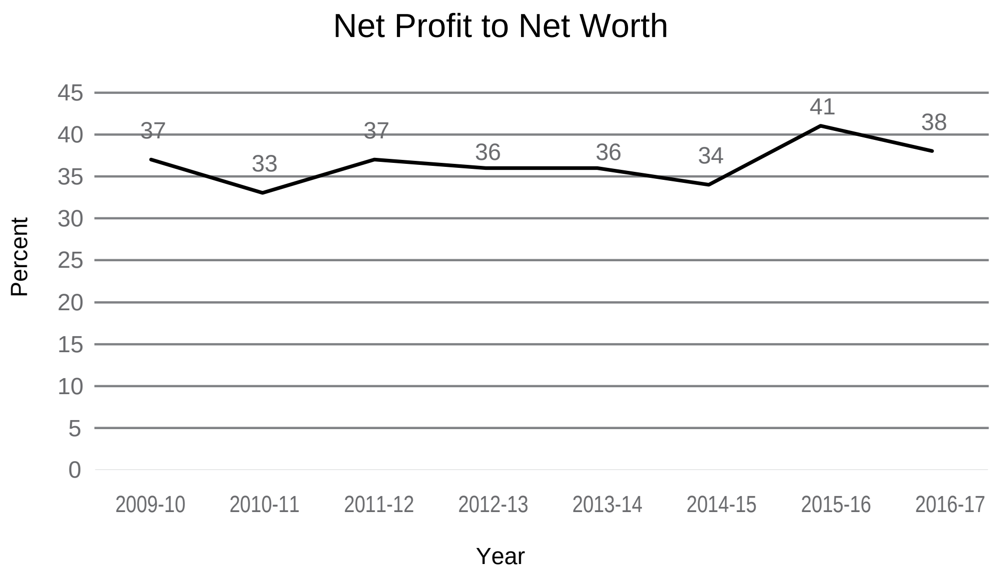
I appreciate the unstinted support and valuable guidance received from the Ministry of Coal, Government of India. I also express my sincere thanks to other Central Government Ministries and Departments, State Governments, all employees, Trade Unions, Auditors, Consumers and Suppliers for their continuous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

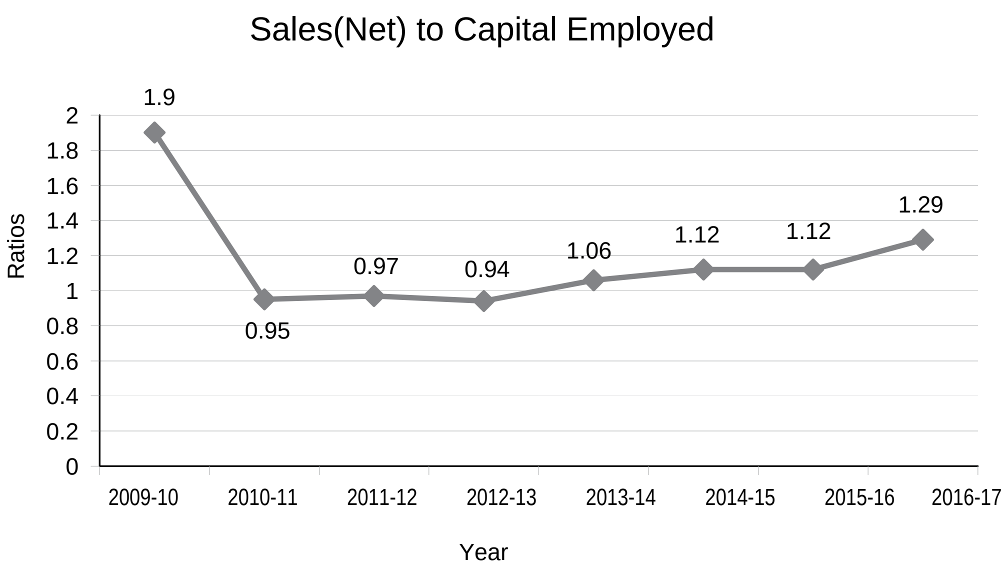
Sd/-
Sutirtha Bhattacharya
Chairman
(DIN 00423572)

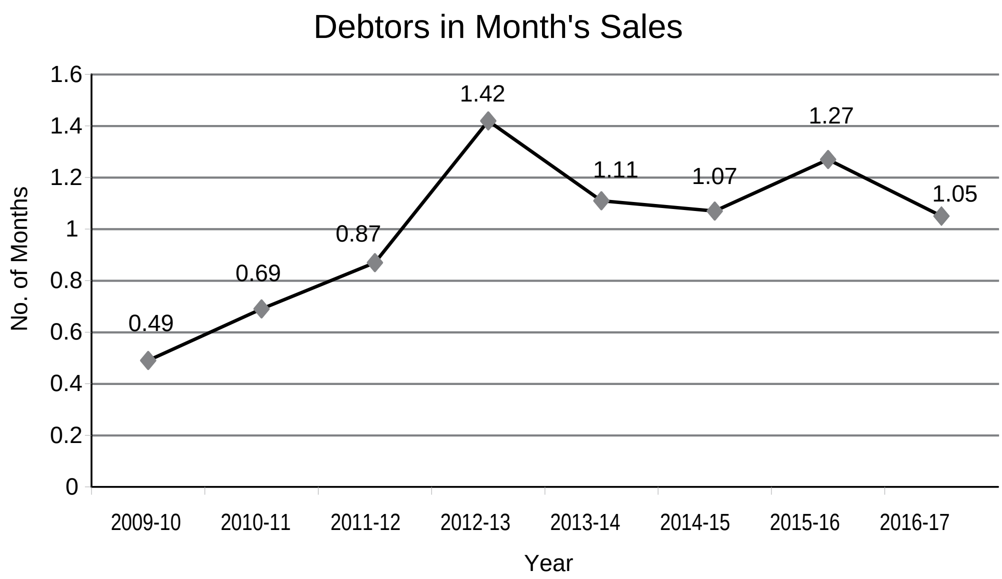
Kolkata
Dated: 9th August' 2017

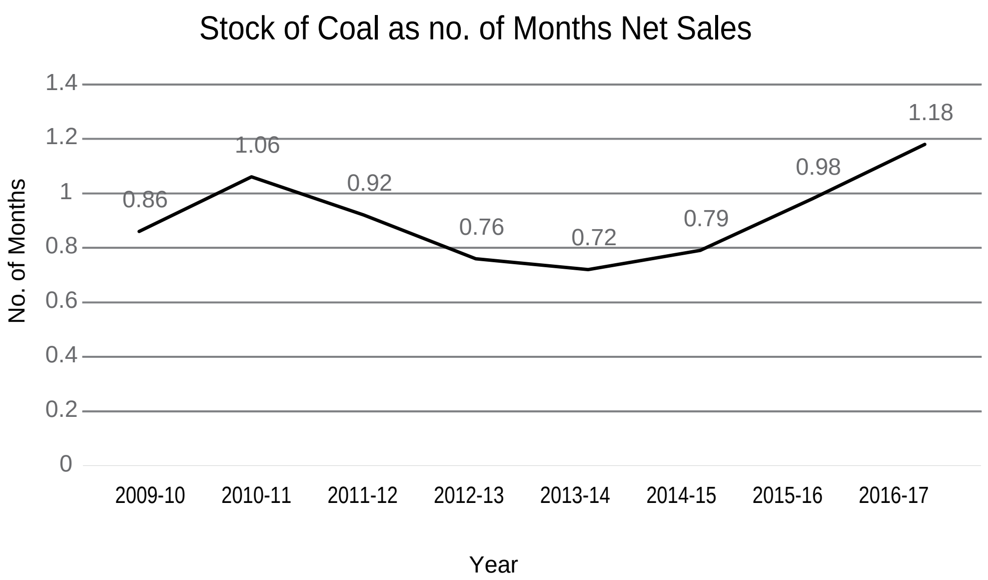

Despatches of Coal
Million Tonnes
600
500
400
300
200
100
0
415
423
433
466
471
490
535
543
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year

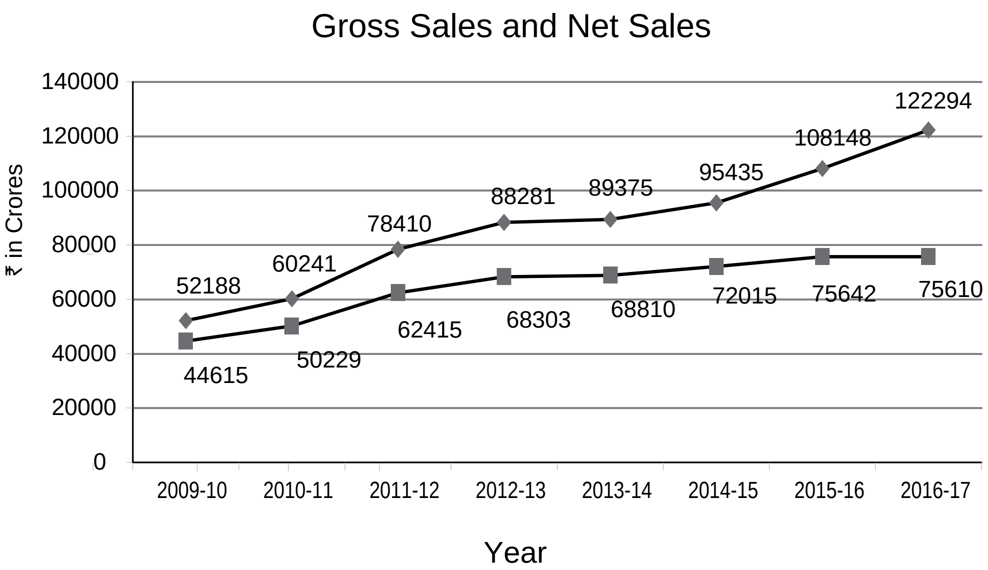

Net Profit
₹ in crores
20000
18000
16000
14000
12000
10000
8000
6000
4000
2000
0
9622
10867
14788
17356
15112
13727
14267
9266
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year

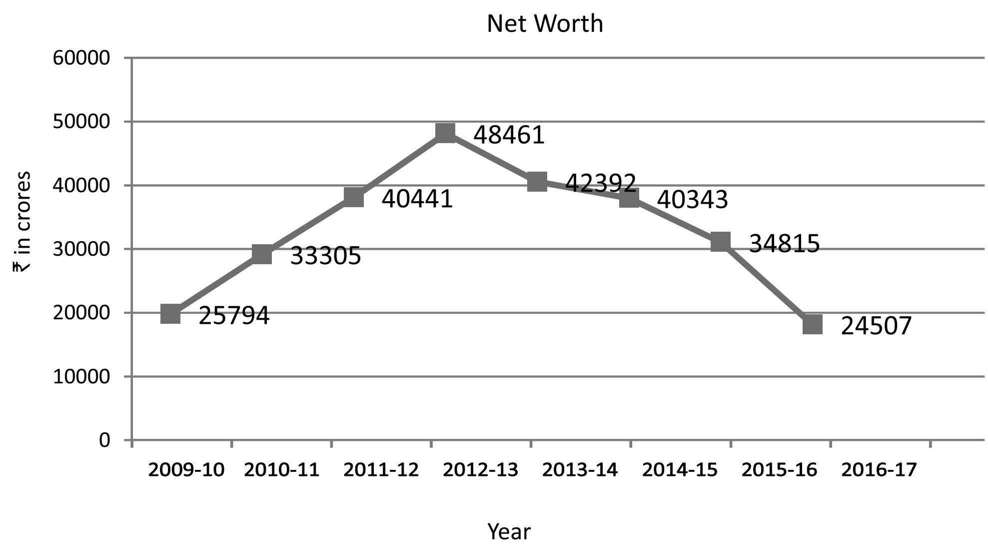

Net Profit to Net Worth
Percent
45
40
35
30
25
20
15
10
5
0
37
33
37
36
36
34
41
38
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year

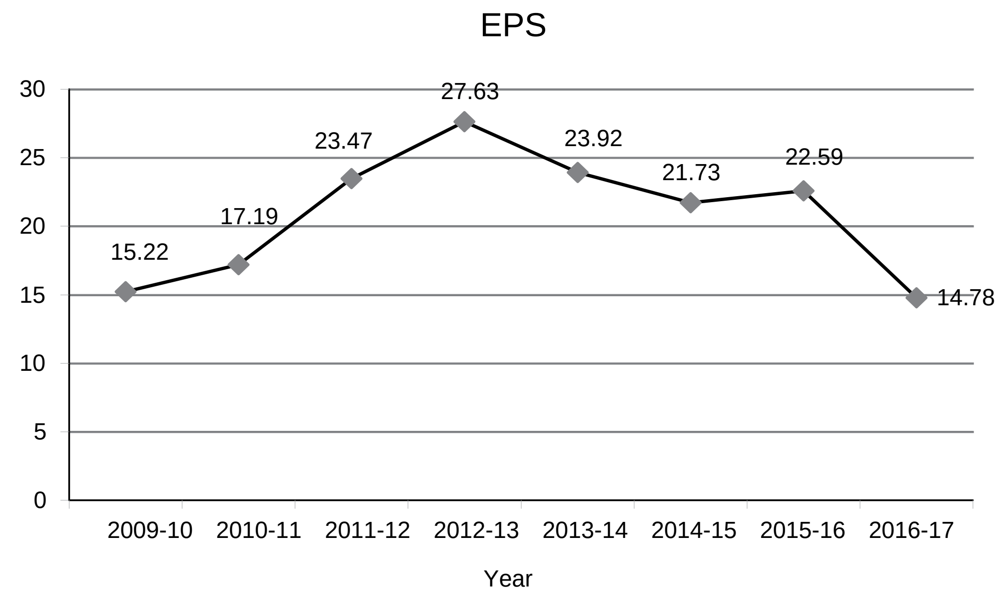

Sales(Net) to Capital Employed
Ratios
2
1.8
1.6
1.4
1.2
1
0.8
0.6
0.4
0.2
0
1.9
0.95
0.97
0.94
1.06
1.12
1.12
1.29
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year

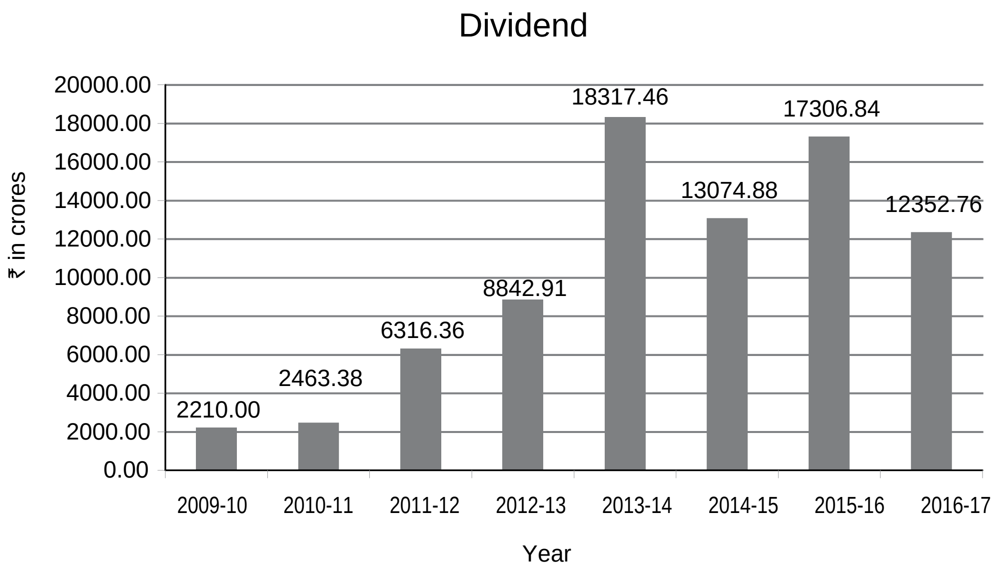

Debtors in Month's Sales
No. of Months
Year
1.6
1.4
1.2
1
0.8
0.6
0.4
0.2
0
0.49
0.69
0.87
1.42
1.11
1.07
1.27
1.05
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17


Stock of Coal as no. of Months Net Sales
No. of Months
Year
1.4
1.2
1
0.8
0.6
0.4
0.2
0
0.86
1.06
0.92
0.76
0.72
0.79
0.98
1.18
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17


Gross Sales and Net Sales
₹ in Crores
140000
120000
100000
80000
60000
40000
20000
0
52188
60241
78410
88281
89375
95435
108148
122294
44615
50229
62415
68303
68810
72015
75642
75610
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year


Net Worth
₹ in crores
60000
50000
40000
30000
20000
10000
0
25794
33305
40441
48461
42392
40343
34815
24507
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year


EPS
30
25
20
15
10
5
0
15.22
17.19
23.47
27.63
23.92
21.73
22.59
14.78
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year


Dividend
₹ in crores
20000.00
18000.00
16000.00
14000.00
12000.00
10000.00
8000.00
6000.00
4000.00
2000.00
0.00
2210.00
2463.38
6316.36
8842.91
18317.46
13074.88
17306.84
12352.76
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
Year

OPERATIONAL STATISTICS

Year Ending 31st March	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
1. a) Production of Raw Coal											
(MillionTonnes)											
Underground	31.477	33.786	35.042	36.11	37.776	38.39	40.02	43.25	43.96	43.54	43.32
Opencast	522.663	504.968	459.196	426.31	414.435	397.45	391.30	388.01	359.77	335.92	317.59
Total	**554.140**	**538.754**	**494.238**	**462.42**	**452.211**	**435.84**	**431.32**	**431.26**	**403.73**	**379.46**	**360.91**
b) Overburden Removal	1156.377	1148.908	886.528	806.54	746.702	735.14	732.13	682.03	645.13	607.56	537.65
(million Cum)											
2. Off take (Raw Coal)											
(MillionTonnes)											
Power	426.294	407.648	385.852	354.62	345.32	312.05	304.30	298.87	296.74	280.15	262.14
Steel/Hard Coke	6.759	7.668	6.994	6.75	8.04	7.76	9.50	8.92	9.00	10.01	9.85
Others	110.266	119.180	96.531	110.211	111.818	113.27	110.70	108.09	95.72	85.17	79.15
Total	**543.319**	**534.496**	**489.377**	**471.581**	**465.178**	**433.08**	**424.50**	**415.88**	**401.46**	**375.33**	**351.14**
3. Average Manpower	316210	327750	339867	352282	364736	377447	390243	404744	419214	432710	445815
4. Year-end Manpower	310016	322404	333097	346638	357926	371546	383347	397138	412350	426077	439343
5. Productivity											
A) Average per Man per Year (tonnes)	1787	1671	1484	1334	1263	1173	1125.1	1085.93	979.11	890.59	821.48
B) Output per manshift (OMS)											
i) Under Ground (Tonnes)	0.80	0.80	0.79	0.76	0.77	0.75	0.77	0.78	0.76	0.73	0.71
ii) Open Cast (Tonnes)	15.26	14.35	13.13	12.18	11.48	10.40	10.06	9.51	8.95	8.6	8
iii) Overall (Tonnes)	7.53	6.95	6.20	5.62	5.32	4.89	4.73	4.47	4.09	3.79	3.54

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

FINANCIAL POSITION after IND AS

(₹ in Crore)

Sl. No.	As at 31st March Particulars	2017	2016
	ASSETS		
A	**Non-Current Assets**		
	(a) Property, Plant & Equipments	22032.20	20662.55
	(b) Capital Work in Progress	8590.10	4553.22
	(c) Exploration and Evaluation Assets	1717.74	1351.13
	(d) Intangible assets	57.75	68.81
	(e) Financial Assets		
	(i) Investments	969.39	966.11
	(ii) Loans	23.32	80.60
	(iii) Other Financial Assets	9453.67	8883.05
	(f) Deferred Tax Assets (net)	2732.76	2044.54
	(g) Other non-current assets	2238.88	1891.67
	Total Non-Current Assets (A)	**47815.81**	**40501.68**
B	**Current Assets**		
	(a) Inventories	8945.27	7569.17
	(b) Financial Assets		
	(i) Investments	513.47	1939.96
	(ii) Trade Receivables	10735.85	11447.61
	(iii) Cash & Cash equivalents	3579.93	4876.40
	(iv) Other Bank Balances	27649.88	33138.51
	(v) Loans	12.48	21.80
	(vi) Other Financial Assets	2822.73	2491.07
	(c) Current Tax Assets (Net)	7462.95	4397.87
	(d) Other Current Assets	6540.50	6444.13
	Total Current Assets (B)	**68263.06**	**72326.52**
	Total Assets (A+B)	**116078.87**	**112828.20**
	EQUITY AND LIABILITIES		
A	**Equity**		
1	**Issued, Subscribed and Paid-up Equity Share Capital**	6207.41	6316.36
2	**Capital Redemption Reserve**		
	Restated Balance at opening	1,808.36	1808.36
	Buyback of Equity Shares	256.15	0.00
	Balance at Closing	2,064.51	1808.36
3	**Capital Reserve**	19.81	18.18
4	**General Reserve**		
	Restated Balance at opening	23,139.53	21511.02
	Transfer to/from General reserve	510.75	1628.51
	Buyback of Equity Shares	(3,797.20)	
	Balance at Closing	19,853.08	23139.53

(₹ in Crore)

Sl. No.	As at 31st March Particulars	2017	2016
5	**Retained Earnings**		
	Restated Balance at opening	3,550.73	11455.93
	Adjustments	(0.04)	(7.77)
	Total comprehensive income during the period	9,348.23	14561.23
	Appropriations		
	Transfer to/from General reserve	(510.75)	(1628.51)
	Transfer to other reserves		
	Interim Dividend	(12,352.76)	(17306.84)
	Final Dividend		
	Corporate Dividend Tax	(2,750.36)	(3523.31)
	Tax on Buyback	(903.08)	
	Balance at Closing	(3618.03)	3550.73
6	**Other Equity**	**18,319.37**	**28516.80**
7	**Equity Attributable to Equityholders of the company**	**24,526.78**	**34833.16**
8	**Non-controlling Interest**	**345.92**	**104.78**
	TOTAL EQUITY (A)	**24,872.70**	**34937.94**
	Liabilities		
B	**Non-Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	294.80	263.06
	(ii) Other Financial Liabilities	1042.48	1219.41
	(b) Provisions	43817.20	41542.71
	(c) Other Non-Current Liabilities	3819.71	3510.92
	Total Non-Current Liabilities (B)	**48974.19**	**46536.10**
C	**Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	2713.00	929.03
	(ii) Trade payables	3900.24	3297.15
	(iii) Other Financial Liabilities	4556.99	3988.14
	(b) Other Current Liabilities	21675.70	15092.01
	(c) Provisions	9386.05	8047.83
	Total Current Liabilities (C)	**42231.98**	**31354.16**
	Total Equity and Liabilities (A+B+C)	**116078.87**	**112828.20**

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

INCOME AND EXPENDITURE STATEMENT after IND AS

(₹ in Crore)

	For The Year Ending 31st March		2017	2016
A	**Earned From**			
	1	Gross Sales (Coal)	122,294.46	108,147.54
		Less: Excise Duty & Other Levies	46,684.10	32,505.76
	2	Net Sales	75,610.36	75,641.78
	3.i	Facilitation charges for coal import	0.00	0.38
	3.ii	Subsidy for Sand Stowing & Protective Works	126.84	126.85
	3.iii	Recovery of Transportation & Loading Cost (Net of Excise Duty)	2,483.41	2,238.62
	3	Other Operating Revenue (Net)	2,610.25	2,365.85
	4.i	Interest on Deposits & Investments	3,536.12	4,747.97
	4.ii	Dividend from Mutual Funds	194.49	265.09
	4.iii	Other non-operating Income	1,784.99	927.52
	4	Other Income	5,515.60	5,940.58
	TOTAL (A)		**83,736.21**	**83,948.21**
B	**Paid to / Provided for**			
	1.i	Salary, Wages, Allowances ,Bonus etc.	25,995.43	23,675.76
	1.ii	Contribution to P.F. & Other Funds	2,666.44	2,635.76
	1.iii	Gratuity	1,029.68	912.12
	1.iv	Leave Encashment	1,349.67	754.07
	1.v	Others	2,473.07	2,149.07
	1	Employee Benefits Expenses	33,514.29	30,126.78
	2	Cost of Materials Consumed	6,963.40	7,039.76
	3	Changes in inventories of finished goods/work in progress and Stock in trade	(1,238.15)	(1,444.22)
	4	Power & Fuel	2,558.07	2,490.54
	5	Corporate Social Responsibility Expenses	489.67	1,082.16
	6	Repairs	1,287.65	1,241.67
	7	Contractual Expenses	12,304.09	11,128.42
	8	Finance Costs:		
		Unwinding of discounts	381.10	365.51
		Other finance costs	30.63	20.65
	9	Depreciation/Amortization/Impairment	2,910.07	2,825.91
	10	Stripping Activity Adjustment	2,672.21	2,811.42

(₹ in Crore)

For The Year Ending 31st March		2017	2016
11	Provisions & Write Off	2,070.58	884.57
12	Other Expenses	5,358.89	3,935.24
TOTAL (B)		**69,302.50**	**62,508.41**
13	Profit before exceptional items and Tax (A-B)	14,433.71	21,439.80
14	Exceptional Items		
15	Profit Before Tax	14,433.71	21,439.80
16	Less: Tax Expenses	(5,165.96)	(7,171.87)
17	Profit for the period from continuing operations	9,267.75	14,267.93
18	Profit/(Loss) from discontinued operations (after Tax)	(0.01)	(0.01)
19	Share in JV's/Associate's profit/(loss)	(1.76)	(1.14)
20	Profit For the Period	9,265.98	14,266.78
21	Other Comprehensive Income		
	A (i) Items that will not be reclassified to profit or loss	140.15	455.01
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(58.16)	(160.89)
	B (i) Items that will be reclassified to profit or loss	0.01	0.29
	(ii) Income tax relating to items that will be reclassified to profit or loss		
22	Total Other Comprehensive Income [(21A)+(21B)]	82.00	294.41
Total Comprehensive Income for the period (20+22) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		9,347.98	14,561.19
23	Profit attributable to:		
	Owners of the company	9,266.23	14,266.82
	Non-controlling interest	(0.25)	(0.04)
		9,265.98	14,266.78
24	Other Comprehensive Income attributable to:		
	Owners of the company	82.00	294.41
	Non-controlling interest		
		82.00	294.41
25	Total Comprehensive Income attributable to:		
	Owners of the company	9,348.23	14,561.23
	Non-controlling interest	(0.25)	(0.04)
		9,347.98	14,561.19

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL INFORMATION

(₹ in Crore)

	For The Year Ending 31st March	2017	2016
A	**Related to Assets & Liabilities**		
	1.i No. of Equity Shares (CIL) of ₹ 10 each	6207409177	6316364400
	1.ii Shareholder's Funds		
	1.ii.a Equity Share Capital	6207.41	6316.36
	1.ii.b Reserves (General & Statutory)	21917.59	24947.89
	1.ii.c Accumulated Profit/Loss	(3618.03)	3550.73
	Net Worth	**24506.97**	**34814.98**
	1.ii.d Capital Reserve	19.81	18.18
	Shareholder's Funds	**24526.78**	**34833.16**
	2.i Long Term Borrowings incl. Current Maturities	410.77	269.76
	2.ii Long Term Borrowings excl. Current Maturities	294.80	263.06
	3.i Gross Property Plant & Eqipment	27623.11	23341.40
	3.ii. Accumulated Depreciation/Impairment	5590.91	2678.85
	3.iii. Net Property Plant & Eqipment	22032.20	20662.55
	4.i Current Assets	68263.06	72326.52
	4.ii Current Liabilities	42231.98	31354.16
	4.iii Net Current Assets / Working Capital	26031.08	40972.36
	5.i Capital Employed (3 + 4.iii)	48063.28	61634.91
	5.ii Net Capital WIP & Intangible Assets under Development	10365.59	5973.16
	5.iii Capital Employed including CWIP (5.i+5.ii)	58428.87	67608.07
	6.i Trade Receivables	10735.85	11447.61
	6.ii Cash & Cash Equivalents	3579.93	4876.40
	6 iii Other Bank Balances	27649.88	33138.51
	7.i Closing Stock of Coal (Net)	7412.79	6162.54
	7.ii Closing Stock of Stores & Spares (Net)	1316.73	1212.69
	7.iii Closing Stock Others (Net)	215.75	193.94
B	**Related to Proft/Loss**		
	1.i Gross Margin (PBDIT)	17755.51	24651.87
	1.ii Gross Profit (PBIT)	14845.44	21825.96
	1.iii Profit Before Tax	14433.71	21439.80
	1.iv Profit after Tax for the period	9265.98	14266.78
	1.v Net Profit (After Tax & Dividend)	(3086.78)	(3040.06)
	1.vi Total Comprehensive Income	9347.98	14561.19
	2.i Gross Sales of Coal	122294.46	108147.54
	2.ii Net Sales	75610.36	75641.78
	2.iii Sale value of Production	76848.51	77086.00
	3 Cost of Goods Sold (Net Sales-PBT)	61176.65	54201.98
	4 Total Expenditure	69302.50	62508.41
	4.i Employee Benefits Expenses	33514.29	30126.78
	4.ii Cost of Materials Consumed	6963.40	7039.76
	4.iii Power & Fuel	2558.07	2490.54
	4.iv Finance Cost & Depreciations	3321.80	3212.07
	5 Average Consumption of Material per month	580.28	586.65
	6.i Average Manpower Employed during the year	316210	327751
	6.ii CSR Expenses	489.67	1082.16
	6.ii CSR Expenses per employee(₹ 000)	15.49	33.02
	7 Value added	67327.04	67555.70
	7.i Value added per employee (₹ 000)	2129.19	2061.19

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL RELATIVE RATIOS

	For The Year Ending 31st March	2017	2016
A	**PROFITABILITY RATIOS**		
	1 AS % NET SALES		
	1.i Gross Margin (PBDIT)	23.48	32.59
	1.ii Gross Profit (PBIT)	19.63	28.85
	1.iii Profit Before Tax	19.09	28.34
	2 AS % TOTAL EXPENDITURE		
	2.i Employee Benefits Expenses	48.36	48.20
	2.ii Cost of Materials Consumed	10.05	11.26
	2.iii Power & Fuel	3.69	3.98
	3 AS % CAPITAL EMPLOYED		
	3.iGross Margin (PBDIT)	36.94	40.00
	3.iGross Profit (PBIT)	30.89	35.41
	3.iProfit Before Tax	30.03	34.79
	4 OPERATING RATIO (Net Sales-PBT/Net Sales)	**0.81**	**0.72**
B	**LIQUIDITY RATIOS**		
	1 Current Ratio (Current Assets/Current Liability)	1.62	2.31
	2 Quick Ratio (Quick Assets/Current Laibility)	1.40	2.07
C	**TURNOVER RATIOS**		
	1 Capital Turnover Ratio	1.57	1.23
	(Net Sales/Capital Employed)		
	2 Trade Receivables (net) as no of months		
	2.iGross Sales	1.05	1.27
	2.ii Net Sales	1.70	1.82
	3 As Ratio of Net Sales		
	3.i Trade Receivables	0.14	0.15
	3.ii Coal Stock	0.10	0.08
	4 Stock of Coal		
	4.iAs no of month's Value of Production	1.16	0.96
	4.ii As no of month's of cost of goods sold	1.45	1.36
	4.iii As no of month's Net Sales	1.18	0.98
D	**STRUCTURAL RATIOS**		
	1 Long Term Debt : Equity Share Capital	0.05	0.04
	2 Long Term Debt : Net Worth	0.01	0.01
	3 Net Worth : Equity	3.95	5.51
	4 Net Fixed Assets : Net Worth	0.90	0.59
E	**SHARE HOLDER'S INTEREST**		
	1 Book Value of Shares (₹) (Net worth /No of Equity shares)	39.48	55.12
	2 Dividend per Share (₹)	19.90	27.40

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

FINANCIAL POSITION (PRIOR TO IND AS)

(₹ in Crore)

As at 31st March	2016	2015	2014	2013	2012	2011
A What is owned						
Gross Fixed Assets (Tangible & Intangible)	48418.14	44807.98	41479.46	39010.67	38096.41	36714.12
Less: Depreciation, Impairment & Provisions	(30057.37)	(28692.94)	(26695.07)	(25544.91)	(24656.12)	(23870.81)
1 Net Carrying Value of Fixed Assets	**18360.77**	**16115.04**	**14784.39**	**13465.76**	**13440.29**	**12843.31**
2 Capital WIP & Intangible Assets under Development	5894.16	5159.37	4315.81	3495.95	2903.38	2057.16
3 Non-Current Investments	961.98	963.05	1187.58	1400.30	946.99	850.96
4 Deferred Tax Assets (Net)	2044.54	1959.62	1971.74	2255.02	1194.06	873.23
5 Long-Term Loans & Advances	2031.90	1688.22	1163.66	1181.36	1017.25	845.35
6 Other Non-current Assets	8421.41	6776.65	5259.55	2118.00	2000.21	1500.77
7 Current Assets						
7.i.a Inventory of Coal (Net)	6162.54	4712.16	4154.61	4301.16	4801.14	4439.82
7.i.b Inventory of Stores & Spares (Net)	1211.97	1245.17	1167.16	1117.90	1126.45	1038.17
7.i.c Other Inventories	220.83	226.49	246.30	198.77	143.69	107.62
7.ii Trade Receivables	11463.70	8521.88	8241.03	10480.21	5662.84	3456.98
7.iii Cash & Bank Balances	38312.77	47268.89	47722.60	60192.17	56271.86	44382.00
7.iv Current Investments	1939.96	1850.39	2587.32	994.66	1034.41	212.73
7.v Short term Loans & Advances	8278.92	8826.80	6596.06	4919.81	13478.19	11180.14
7.vi Other Current assets	4914.22	5227.73	4844.54	4174.74	2965.50	2125.75
Total Current Assets	72504.91	77879.51	75559.62	86379.42	85484.08	66943.21
8 Current Liabilities & Provisions						
8.i Short Term Borrowings	929.00	200.11	0.32			32.60
8.ii Trade Payables	978.50	920.76	805.08	837.17	829.02	645.45
8.iii Other Current Liabilities	21521.05	20596.67	18070.40	16385.71	17832.16	13601.00
8.iv Short Term Provisions	8025.16	7691.96	6300.60	9761.53	16039.27	12757.37
Total Current Liabilities & Provisions	31453.71	29409.50	25176.40	26984.41	34700.45	27036.42
9 Net Current Assets (7-8)	**41051.20**	**48470.01**	**50383.22**	**59395.01**	**50783.63**	**39906.79**
TOTAL (A)	**78765.96**	**81131.96**	**79065.95**	**83311.40**	**72285.81**	**58877.57**
B What is owed						
Share Capital	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
Reserves & Surplus	27581.24	34036.71	36088.10	42155.63	34136.66	26997.84
1 Shareholders' Fund	**33897.60**	**40353.07**	**42404.46**	**48471.99**	**40453.02**	**33314.20**
2 Long Term Borrowings	263.06	201.83	171.46	1077.79	1305.35	1333.76
3 Other Long Term Liabilities	4334.96	3999.44	3528.94	3137.21	2647.03	2057.39
4 Long Term Provisions	40165.53	36511.79	32897.49	30560.81	27826.81	22139.61
TOTAL (B)	**78661.15**	**81066.13**	**79002.35**	**83247.80**	**72232.21**	**58844.96**
C Minority Interest	**104.81**	**65.83**	**63.60**	**63.60**	**53.60**	**32.61**
TOTAL (B) + (C)	**78765.96**	**81131.96**	**79065.95**	**83311.40**	**72285.81**	**58877.57**
Capital Employed excluding CWIP (A1+A9)	**59411.97**	**64585.05**	**65167.61**	**72860.77**	**64223.92**	**52750.10**
Capital Employed including CWIP (A1+A2+A9)	**65306.13**	**69744.42**	**69483.42**	**76356.72**	**67127.30**	**54807.26**

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

INCOME AND EXPENDITURE STATEMENT (PRIOR TO IND AS)

(₹ in Crore)

			For The Year Ending 31st March	2016	2015	2014	2013	2012	2011
A			**Earned From**						
	1		Gross Sales (Coal)	108150.03	95434.76	89216.86	88281.32	78410.38	60240.90
			Less: Excise Duty & Other Levies	(32505.76)	(23420.14)	(20406.84)	(19978.58)	(15994.95)	(10011.62)
	2		Net Sales	75644.27	72014.62	68810.02	68302.74	62415.43	50229.28
		3.i	Facilitation charges for coal import	0.38	0.30				
		3.ii	Subsidy for Sand Stowing & Protective Works	126.85	78.19	99.89	79.51	67.48	76.83
		3.iii	Recovery of Transportation & Loading Cost (Net)	2238.62	2026.96	1697.61	1469.02	1376.04	1218.88
	3		Other Operating Revenue (Net)	2365.85	2105.45	1797.50	1548.53	1443.52	1295.71
		4.i	Interest on Deposits & Investments	4540.59	5297.89	5566.77	6216.71	5317.77	2964.34
		4.ii	Dividend from Mutual Funds	263.61	279.60	241.63	140.49	27.97	0.33
		4.iii	Other non-operating Income	924.25	993.15	1363.48	840.96	747.64	611.76
	4		Other Income	5728.45	6570.64	7171.88	7198.16	6093.38	3576.43
	TOTAL (A)			**83738.57**	**80690.71**	**77779.40**	**77049.43**	**69952.33**	**55101.42**
B			**Paid to / Provided for**						
	1.i		Salary, Wages, Allowances ,Bonus etc.	21761.12	21217.34	20615.96	18930.24	16571.73	13296.31
	1.ii		Contribution to P.F. & Other Funds	2635.03	2563.73	2470.01	2291.46	1778.31	1697.84
	1.iii		Gratuity	457.11	1121.60	514.51	1456.83	3944.09	1482.09
	1.iv		Leave Encashment	754.79	949.42	601.34	833.21	804.67	686.11
	1.v		Others	4051.78	4022.03	3712.58	4094.26	3317.70	2706.85
	1		Employee Benefits Expenses	29659.83	29874.12	27914.40	27606.00	26416.50	19869.20
	2		Cost of Materials Consumed	7082.55	7256.44	7022.05	6062.11	5504.07	5272.82
	3		Changes in inventories of finished goods/ work in progress and Stock in trade	(1444.21)	(530.48)	92.65	493.92	(381.04)	(1214.97)
	4		Power & Fuel	2503.51	2347.28	2282.23	2333.48	2012.52	1749.48
	5		Corporate Social Responsibility Expenses	1082.07	298.10	409.37	140.13	104.12	94.70
	6		Repairs	1242.33	1122.73	985.18	822.40	645.71	657.36
	7		Contractual Expenses	11129.24	8512.62	6827.53	5801.97	4900.97	4624.50
	8		Finance Costs	20.65	7.32	58.00	45.17	53.98	73.70
	9		Depreciation/Amortization/Impairment	2466.44	2319.80	1996.41	1812.97	1969.22	1765.40
	10		Overburden Removal Adjustment	2811.42	3826.70	3286.56	3201.74	3693.89	2618.47
	11		Provisions & Write Off	1703.29	993.80	1154.53	927.10	1469.84	578.84
	12		Other Expenses	3933.81	3083.36	2872.36	2830.26	2381.04	2501.28
	13		Prior Period Adjustment/ Exceptional Items	(41.45)	(5.00)	(1.41)	(6.86)	(91.15)	47.40
	TOTAL (B)			**62149.48**	**59106.79**	**54899.86**	**52070.39**	**48679.67**	**38638.18**
Profit Before Tax (A - B)				**21589.09**	**21583.92**	**22879.54**	**24979.04**	**21272.66**	**16463.24**
Less: Tax Expenses				(7314.79)	(7857.30)	(7767.90)	(7622.67)	(6484.45)	(5595.88)
Profit/(loss) from discontinuing operation				(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Share of Minority				0.04	0.09	0.04			
Profit After Tax				**14274.33**	**13726.70**	**15111.67**	**17356.36**	**14788.20**	**10867.35**
Dividend for the year				17306.84	13074.88	18317.46	8842.91	6316.36	2463.38
Corporate Dividend Tax				3433.85	2424.55	2825.27	1323.23	1183.56	897.74
Transfer to General Reserve				1628.51	2578.50	2827.44	2508.92	2143.24	1471.94
Transfer to CSR Reserve						231.28	220.82	231.22	168.12
Other Transfers & Adjustments				7.77	410.13	31.30	(70.36)	115.77	7.74
Retained Surplus/ (Deficit) for the year				(8102.64)	(4761.36)	(9121.08)	4530.84	4798.05	5858.43
Cumulative Profit/Loss from Last year				10754.00	15515.36	24636.44	20105.60	15307.55	9449.12
Cumulative Profit/Loss in Balance Sheet				**2651.36**	**10754.00**	**15515.36**	**24636.44**	**20105.60**	**15307.55**

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL INFORMATION (PRIOR TO IND AS)

(₹ in Crore)

		For The Year Ending 31st March	2016	2015	2014	2013	2012	2011
A		**Related to Assets & Liabilities**						
	1.i	No. of Equity Shares (CIL) of ₹ 10 each	6316364400	6316364400	6316364400	6316364400	6316364400	6316364400
	1.ii	**Shareholder's Funds**						
		1.ii.a Equity Share Capital	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
		1.ii.b Reserves (General & Statutory)	24947.89	23319.38	20599.89	17515.47	14023.38	11684.79
		1.ii.c Accumulated Profit/Loss	2651.36	10754.00	15515.36	24636.44	20105.60	15307.55
		1.ii.d Misc. Expenditure	(36.14)	(46.37)	(39.71)	(7.42)	(4.54)	(3.37)
		1.ii.e Reserves & Surplus of Joint Ventures	(0.05)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
		Net Worth	**33879.42**	**40343.33**	**42391.86**	**48460.81**	**40440.76**	**33305.33**
		1.ii.f Capital Reserve	18.18	9.74	12.60	11.18	12.26	8.87
		Shareholder's Funds	**33897.60**	**40353.07**	**42404.46**	**48471.99**	**40453.02**	**33314.20**
	2.i	Long Term Borrowings incl. Current Maturities	269.76	208.21	177.82	1305.30	1527.38	1520.97
	2.ii	Long Term Borrowings excl. Current Maturities	263.06	201.83	171.46	1077.79	1305.35	1333.76
	3	Net Fixed Assets	18360.77	16115.04	14784.39	13465.76	13440.29	12843.31
	4.i	Current Assets	72504.91	77879.51	75559.62	86379.42	85484.08	66943.21
	4.ii	Current Liabilities	31453.71	29409.50	25176.40	26984.41	34700.45	27036.42
	4.iii	**Net Current Assets / Working Capital**	**41051.20**	**48470.01**	**50383.22**	**59395.01**	**50783.63**	**39906.79**
	5.i	**Capital Employed (3 + 4.iii)**	**59411.97**	**64585.05**	**65167.61**	**72860.77**	**64223.92**	**52750.10**
	5.ii	Capital WIP & Intangible Assets under Development	5894.16	5159.37	4315.81	3495.95	2903.38	2057.16
	5.iii	**Capital Employed including CWIP (5.i+5.ii)**	**65306.13**	**69744.42**	**69483.42**	**76356.72**	**67127.30**	**54807.26**
	6.i	Trade Receivables	11463.70	8521.88	8241.03	10480.21	5662.84	3456.98
	6.ii	Cash & Bank Balance	38312.77	47268.89	47722.60	60192.17	56271.86	44382.00
	7.i	Closing Stock of Coal (Net)	6162.54	4712.16	4154.61	4301.16	4801.14	4439.82
	7.ii	Closing Stock of Stores & Spares (Net)	1211.97	1245.17	1167.16	1117.90	1126.45	1038.17
B		**Related to Proft/Loss**						
	1.i	Gross Margin (PBDIT)	24076.18	23911.04	24933.95	26837.18	23295.86	18302.34
	1.ii	Gross Profit (PBIT)	21609.74	21591.24	22937.54	25024.21	21326.64	16536.94
	1.iii	Profit Before Tax	21589.09	21583.92	22879.54	24979.04	21272.66	16463.24
	1.iv	Profit AfterTax	14274.33	13726.70	15111.67	17356.36	14788.20	10867.35
	2.i	Gross Sales of Coal	108150.03	95434.76	89216.86	88281.32	78410.38	60240.90
	2.ii	Net Sales	75644.27	72014.62	68810.02	68302.74	62415.43	50229.28
	2.iii	Sale value of Production	77088.48	72545.10	68717.37	67808.82	62796.47	51444.25
	3	Cost of Goods Sold (Net Sales-PBT)	54055.18	50430.70	45930.48	43323.70	41142.77	33766.04
	4	Total Expediture	62149.48	59106.79	54899.86	52070.39	48679.67	38638.18
	4.i	Employee Benefits Expenses	29659.83	29874.12	27914.40	27606.00	26416.50	19869.20
	4.ii	Cost of Materials Consumed	7082.55	7256.44	7022.05	6062.11	5504.07	5272.82
	4.iii	Power & Fuel	2503.51	2347.28	2282.23	2333.48	2012.52	1749.48
	5	Average Consumption of Material per month	590.21	604.70	585.17	505.18	458.67	439.40
	6.i	Average Manpower Employed during the year	327731	339868	352282	364736	377447	390243
	6.ii	CSR Expenses per employee (₹ 000)	33.02	8.77	11.62	3.84	2.76	2.43
	7	Value added	67502.42	62941.38	59413.09	59413.23	55279.88	44421.95
	7.i	Value added per employee (₹ 000)	2059.57	1851.94	1686.52	1628.94	1464.58	1138.32

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL INFORMATION (PRIOR TO IND AS)

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

OPERATIONAL STATISTICS FINANCIAL POSITION

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

(as per earlier schedule vi)

(₹ in Crore)

For The Year Ending 31st March		**2009-10**	**2008-09**	**2007-08**	**2006-07**	**2005-06**
A) What is owned						
Gross Fixed Assets		34945.32	33256.13	31856.91	30257.42	29223.34
Less Depreciation & Impairment		22909.88	22234.89	21360.32	20040.56	19080.62
(1) Net fixed Assets		12035.44	11021.24	10496.59	10216.86	10142.72
(2) Capital Work-in-progress		2210.67	1919.49	1620.09	1335.18	1205.95
(3) Deferred tax Asset		960.39	926.77	977.72	690.63	650.88
(4) Misc. Expnd.& other payable		0.20	0.00	0.00	0.00	0.00
(5) Investment(internal)		1282.14	1505.18	1717.90	2025.88	2244.52
(6) Current Assets						
i.a) Inventory of Coal, Coke etc.		3186.49	2514.98	2381.24	2137.04	1889.50
b) Inventory of Stores & Spares etc.		1087.54	1055.51	909.36	900.67	921.92
c) Other Inventories		127.74	112.39	93.36	82.76	90.40
ii) Sundry Debtors (Incld.CMPDIL)		2168.65	1826.14	1657.06	1586.41	1804.47
iii) Cash & Bank Balances		39077.76	29695.01	20961.48	15929.27	13427.24
vi) Loans & Advances		8676.20	11244.51	10304.29	8191.88	6278.10
v) O.B.R. Adjustments						
Total Current Assets (6)		54324.38	46448.54	36306.79	28828.03	24411.63
(7) Less Current Liab. & Prov.		42909.08	40505.80	29695.18	22820.97	21741.25
Net Current Assets (6-7)		11415.30	5942.74	6611.61	6007.06	2670.38
TOTAL (A)		**27904.14**	**21315.41**	**21423.91**	**20275.61**	**16914.45**
B) What is owed						
(1) 10% Redeemable Pref.Shares		0.00	0.00	0.00	0.00	0.00
(2) Govt.Loan		0.00	0.00	0.00	0.00	0.00
(3) Interest Accrued & Due		0.00	0.00	0.00	0.18	71.62
(4) Intercorporate Loan		0.00	0.00	0.00	0.00	0.00
(5) Term Loan (F.Intt.& Banks)		0.00	0.00	0.00	0.00	0.00
(6) Bonds		0.00	0.00	0.00	0.00	14.00
(7) Deferred tax liability		0.00	0.00	197.64	242.41	480.64
(8) Others (foreign loan,incld.deffered credit)		1623.68	1980.53	1675.48	1835.88	2018.41
SUB-TOTAL (1 TO 7)		1623.68	1980.53	1873.12	2078.47	2584.67
(9) Bank Borrowings (Incld.O.D.&Oth.)		463.17	167.94	208.43	307.84	214.96
TOTAL (B)		2086.85	2148.47	2081.55	2386.31	2799.63
C) Minority Interest		**23.61**	**1.90**	**0.00**	**0.00**	**0.00**
Net Worth (A-B-C)		**25793.68**	**19165.04**	**19342.36**	**17889.30**	**14114.82**
Represented by:						
(1) Equity Capital		6316.36	6316.36	6316.36	6316.36	6316.36
(2) Reserves		10044.70	8615.86	7676.20	6798.49	5893.98
(3) Profit/Loss	(+)/(-)	9434.15	4232.84	5349.80	4774.45	1904.48
(3) Misc.Expenditure (D\Liab.)		-1.53	-0.02	0.00	0.00	0.00
Net Worth (1 to 4)		**25793.68**	**19165.04**	**19342.36**	**17889.30**	**14114.82**
Capital Employed		23450.74	16963.98	17108.20	16223.74	12741.48

OPERATIONAL STATISTICS INCOME AND EXPENDITURE STATEMENT

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

(as per earlier schedule vi)

(₹ in Crore)

For The Year Ending 31st March			2009-10	2008-09	2007-08	2006-07	2005-06
A)	**Earned From:**						
	Gross Sales		52187.79	46131.24	38865.70	35129.17	33997.19
	Less Coal from development Mines		0.00	11.55	9.25	1.20	8.79
	Less Levies (Royalties,cesses etc.)		7572.54	6996.21	6222.59	5525.78	5286.57
			44615.25	39123.48	32633.86	29602.19	28701.83
	1.	Net Sales	44615.25	39123.48	32633.86	29602.19	28701.83
	2).	Accretion/Decretion in Stocks	667.16	133.61	244.20	247.55	483.77
	3).	Boiler & Domestic Consumption	2069.04	2021.98	1974.54	1940.47	2054.04
	4).	Other Revenue Receipts :					
	TOTAL (A)		**52592.29**	**46057.38**	**38616.70**	**35005.42**	**34008.78**
B)	**Paid to/Provided for**						
	Employees Remu.& benefits(Gross-Rev.)		17191.46	20219.59	12939.48	10350.39	9985.69
	Less:Trans.to oth.rev.heads		572.60	518.76	378.76	355.02	332.06
	1)	Net S & Wages(excld.V.R.S.Payment)	16618.86	19700.83	12560.72	9995.37	9653.63
	2)	V.R.S.Payment(Net ofGrant Recvd.)	36.66	40.69	74.44	102.16	134.36
	3)	SocialOverheads(Incld.LLTC & Dom.Coal)	2049.47	1909.63	1642.15	1491.93	1380.39
		Less: Social Overhead Dep.& Intt.	31.98	22.32	19.29	13.88	12.65
		Social Overheads (Excld. Depr. & Intt.)	2017.49	1887.31	1622.86	1478.05	1367.74
	4)	Stores & Spares (Gross-Rev.)	4975.78	4914.03	4432.11	4182.28	3939.97
		Less:Trans.to oth.rev.heads	48.86	52.73	53.55	56.68	51.22
		Stores & Spares (Net)	4926.92	4861.30	4378.56	4125.60	3888.75
	5)	i. Power & Fuel(excld.coalconsumed)	1739.59	1595.05	1593.70	1600.35	1551.33
		ii. Boiler & Colliery Consumption	1972.11	1992.15	1950.86	1848.05	2013.67
	6)	Contractors (trans & repairs)	4579.78	4125.92	3342.95	2758.31	2624.68
	7)	Misc. Expenses	1953.09	1942.59	1506.70	1287.16	1356.40
	8)	Provision for D/Debts,Obsol.Etc.	209.37	176.00	232.01	116.86	34.41
	9)	Interest(Incld.S/O&P.P)	136.46	156.50	149.93	84.93	90.90
	10)	Depreciation(Incld.S/O, P.P & Impairment.)	1329.45	1690.90	1560.65	1357.81	1357.38
	11)	O.B.R.Adjustment	3053.92	2177.19	1564.03	1686.58	1209.89
	12)	P.P.Adj. (Excl. int. depri & CPRA)	53.66	-33.15	-659.17	-38.28	-62.82
	TOTAL (B)		**38627.36**	**40313.28**	**29878.24**	**26402.95**	**25220.32**
	Profit/loss forthe year (A-B)		13964.93	5744.10	8738.46	8602.47	8788.46
	Investment Allowance Reserve						
	Tax on Profit		-4342.48	-3665.41	-3495.19	-2893.74	-2896.94
	Proposed dividend		-2210.00	-1705.42	-1705.42	-1500.00	-1263.27
	Tax on Dividend		-777.13	-549.35	-885.34	-534.43	-475.64
	Trans. to General Reserve		-1426.31	-933.92	-889.74	-904.61	-798.68
	Pref.Shares & Bond Redmpt Fund		-7.26	-6.99	-6.74	-13.80	-3.09
	Other Adj(deferred tax,excess prov of tax)				-1180.66	114.08	11.03
	Adjustment of impairment Loss		-0.43	0.03	0.00	0.00	0.00
	Cummul.profit/loss from Last year		4232.84	5349.81	4774.44	1904.48	-1457.39
	Cummul. profit/loss to B/Sheet		9434.16	4232.84	5349.81	4774.45	1904.48
	Cummul.P&L (Before transfer to Reserves)		19478.85	12848.70	13026.01	11572.94	7798.46

OPERATIONAL STATISTICS IMPORTANT FINANCIAL INFORMATION

(As per Consolidated Audited Accounts)

(as per earlier schedule vi)

(₹ in Crore)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06
(A) Related to Assets & Liabilities					
1) i) No. of Equity Shares (CIL) of ₹ 10 each / ₹ 1000 each	6316364400.00	63163644.00	63163644.00	63163644.00	63163644.00
ii) Shareholder's Funds					
a) Equity	6316.36	6316.36	6316.36	6316.36	6316.36
b) Reserves	10044.70	8615.86	7676.20	6798.49	5893.98
c) Accumulated Profit/Loss	9434.15	4232.84	5349.80	4774.45	1904.48
d) Misc. Expend. (D/Liab.)	1.53	0.02	0.00		
Net Worth	25793.68	19165.04	19342.36	17889.30	14114.82
2) Loan	1623.68	1980.53	1675.48	1836.06	2104.03
3) Capital Employed	23450.74	16963.97	17108.20	16223.74	12741.48
4) (i) Net Fixed Assets	12035.44	11021.23	10496.59	10216.86	10142.72
(ii) Current Assets	54324.38	46448.55	36306.79	28828.03	24411.63
(iii) Net Current Assets (W/C)	11415.30	5942.74	6611.61	6007.06	2670.38
5) Current Liabilities (Excl. Intt. accrued & Due)	42909.08	40505.81	29695.18	22820.97	21741.25
6) a) Sundry Debtors (Net) (Excl. CMPDIL)	2110.40	1780.71	1456.43	1459.29	1690.93
b) Cash & Bank	39077.76	29695.01	20961.48	15929.27	13427.24
7) Closing Stock of :-					
a) Stores & Spares (Net)	1087.54	1055.51	909.36	900.67	921.92
b) Coal,Cokes etc.(Net)	3186.49	2514.98	2381.24	2137.04	1889.50
8) Average Stock of Stores & Spares (Net)	1071.53	982.44	905.02	911.30	918.84
(B) Related to Proft/Loss					
1) a) Gross Margin	15430.84	7591.50	10449.04	10045.21	10236.74
b) Gross Profit	14101.39	5900.60	8888.39	8687.40	8879.36
c) Net Profit (before Tax & Invt.allow.etc)	13964.93	5744.10	8738.46	8602.47	8788.46
d) Net Profit (AfterTax)	9622.45	2078.69	5243.27	5708.73	5891.52
e) Net Profit (After Tax & Div. on Pref. & Equity)	7412.45	373.27	3537.85	4208.73	4628.25
2) a) Gross Sales	52187.79	46131.24	38865.70	35129.17	33997.19
b) Net Sales (after.levies & dev. etc)	44615.25	39123.48	32633.86	29602.19	28701.83
c) Sale value of Production	47351.45	41279.07	34852.60	31790.21	31239.64
3) Cost of Goods Sold (Sales-Profit)	30650.32	33379.38	23895.40	20999.72	19913.37
4) a) Total expeditures (excld.recoveries)	35891.16	38157.69	27659.50	24214.93	22682.51
b) Sal & Wages (Gross-rev.only)	17191.46	20219.59	12939.48	10350.39	9985.69
c) Stores & Spares (Gross-rev.only)	4975.78	4914.03	4432.11	4182.28	3939.97
d) Power & Fuel	1739.59	1595.05	1593.70	1600.35	1551.33
e) Int. & Depreciations (Gross-rev.only)	1465.91	1847.40	1710.58	1442.74	1448.28
5) Avg. Consump. of Stores & Spares (gross) per month	414.65	409.50	369.34	348.52	328.33
6) a) Average Manpower Employed during the year	404744.00	419213.50	432710.00	445815.00	460369.00
b) Social Overheads (incld. LTC/LLTC)	2049.47	1909.63	1642.15	1491.93	1380.39
c) S/Overhead expnd.per employee (₹ 000)	50.64	45.55	37.95	33.47	29.98
7 a) Value added	38712.83	32830.57	26929.48	24216.21	23785.89
b) Value added per employee (₹ 000)	956.48	783.15	622.34	543.19	516.67

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

(as per earlier schedule vi)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06
(A) PROFITABILITY RATIOS					
1) AS % NET SALES					
a) Gross Margin	34.59	19.40	32.02	33.93	35.67
b) Gross Profit	31.61	15.08	27.24	29.35	30.94
c) Net Profit	31.30	14.68	26.78	29.06	30.62
2) AS % TOTAL EXPENDITURES					
a) Sal & Wages(Gross-Rev.)	47.90	52.99	46.78	42.74	44.02
b) Store&Spares(Gross-Rev.)	13.86	12.88	16.02	17.27	17.37
c) Power & Fuel	4.85	4.18	5.76	6.61	6.84
d) Interest & Depreciation(Gross-Rev.)	4.08	4.84	6.18	5.96	6.39
3) AS % CAPITAL EMPLOYED					
a) Gross Margin	65.80	44.75	61.08	61.92	80.34
b) Gross Profit	60.13	34.78	51.95	53.55	69.69
c) Net Profit	59.55	33.86	51.08	53.02	68.98
4) OPERATING RATIO (SALES-PROFIT/SALES)	0.69	0.85	0.73	0.71	0.69
(B) LIQUIDITY RATIOS					
(1) Current Ratio	1.27	1.15	1.22	1.26	1.12
(Current Asset/Current Liability)					
(2) Quick Ratio	0.96	0.78	0.75	0.76	0.70
(Quick Asset/Current Laibility)					
(C) TURNOVER RATIOS					
(1) Capital Turnover Ratio	1.90	2.31	1.91	1.82	2.25
(Net Sales/Capital Employed)					
2) Sundry Debtors(net) as no of months					
a) Gross Sales	0.49	0.46	0.45	0.50	0.60
b) Net Sales	0.57	0.55	0.54	0.59	0.71
3) As Ratio of Net Sales					
a) Sundry Debtors	0.05	0.05	0.04	0.05	0.06
b) Coal Stocks	0.07	0.06	0.07	0.07	0.07
4) Stock of Stores & Spares					
a) Avg. Stock/Annual Cosumption	0.22	0.20	0.20	0.22	0.23
b)C.Stocks in terms of no.of Month's Consumpt.	2.62	2.58	2.46	2.58	2.81
5) Stock of Coal,Coke,W/coal etc.					
a) As no ofMonth's Value of production	0.81	0.73	0.82	0.81	0.73
b) As no of Month's of cost of goods sold.	1.25	0.90	1.20	1.22	1.14
c) As no of month's NetSales	0.86	0.77	0.88	0.87	0.79
(C) STRUCTURAL RATIOS					
1) Debt : Equity	0.26	0.31	0.27	0.29	0.33
2) Debt : NetWorth	0.06	0.10	0.09	0.10	0.15
3) Networth : Equity	4.08	3.03	3.06	2.83	2.23
4) Net Fixed Assets :Net Worth	0.47	0.58	0.54	0.57	0.72
(D) SHARE HOLDER'S INTEREST					
1) Book Value of Shares(₹)	40.84	3034.19	3062.26	2832.21	2234.64
(Networth /No of Equity)					
2) Dividend per Share (₹) (₹ 10 from 2009-10)	3.50	270.00	270.00	237.50	200.00

BRIEF PROFILE OF DIRECTORS

Shri Sutirtha Bhattacharya(59),(DIN-00423572) an IAS officer of 1985 (Telangana cadre), had assumed charge as Chairman-cum-Managing Director of the coal mining monolith Coal India Limited on 5 January 2015. A Physics graduate from Presidency College, Kolkata. Shri Bhattacharya has vast and varied experience in different sectors in governance. He had been Managing Director of Nizam Sugar Factories, Commissioner of Industries, Secretary in-charge of Irrigation Department, the biggest infrastructure department in Andhra Pradesh. As CMD, TRANSCO he had been chairman of A.P. Coordination Committee reviewing all AP DISCOMS. He had been Principal Secretary (Energy) and in that capacity Chairman, APGENCO. As Principal Secretary (Infrastructure & Investment) he had been associated with port, airport, natural gas and public private partnership projects implementation. Prior to this, he was CMD of Telangana based Singareni Collieries Company Limited since 10 May 2012.

Shri Chandan Kumar Dey (58),(DIN-03204505) Director (Finance), of our company was born in Kolkata on 10th September, 1958. Prior to joining Coal India Limited on 1st March, 2015, Shri Dey served Eastern Coalfields Limited as Director (Finance) from 01.02.2013 to 28.02.2015. Shri Dey completed his schooling from Kendriya Vidyalaya in 1975 and graduated from Calcutta University in Commerce with Honours in Accountancy in the year 1978. Shri Dey is a Chartered Accountant and Cost Accountant. Shri Dey has wide experience of over 34 years and served in different organisations of repute including Lovelock & Lewes, Dunlop India Limited, NICCO Group, Balmer Lawrie & Co. Limited and Oil India Limited. During his professional career Shri Dey headed the Accounts, Treasury, Taxation and Internal Audit functions and served as Chief Finance Officer. Shri Dey also headed the operations of Balmer Lawrie (UK) Limited for 3 years as Chief Operating officer based in United Kingdom. Shri Dey has travelled extensively within India and Foreign countries like UK, France, Germany, Switzerland, USA, Canada, Hong Kong, Singapore, UAE and the Central Asian Republic on official assignments. Shri Dey is interested in reading books and loves music. He holds Directorship at Eastern Coalfields Ltd, South-eastern Coalfields Ltd & CMPDI. From 1st June'15 till 22nd Nov' 2016 Sri. Dey was holding an additional charge of Chairman cum Managing Director of Eastern Coalfields Ltd. He was Chairman of HURL from 10th Nov 16 to 12th April' 2017. and at present Vice-chairman of HURL, a JV company incorporated for revival of 3 defunct fertilizer plants in Eastern India among CIL, NTPC, IOCL, FCIL & HFCL.

Shri Shyam Nandan Prasad(57),(DIN-07408431) has taken over charge as Director (Marketing) of coal mining monolith Coal India Limited, Kolkata on 1st February'2016. Shri S.N. Prasad is MBA (Marketing) and has joined as Management Trainee (Marketing) in the year 1982 in Coal India Limited. He has been working in the field of marketing for more than 33 years and gained experience from working in the mines - pit heads, coal stock yards, CHPs etc. and to Corporate Office of subsidiaries. He has worked in CIL subsidiaries of Central Coalfields Limited, Western Coalfields Limited and South Eastern Coalfields Limited on various positions including General Manager (S&M) before joining as Director (Marketing) in Coal India Limited. He holds Directorship at Northern Coalfields Limited and Mahanadi Coalfields Limited. He was holding additional charge as Director(P&IR), CIL from 31st March' 2017 till 16th June' 2017.

Shri Rajiv R. Mishra (57) [DIN-05103300] is holding an additional charge as Director(P&IR) with effect from 16th June 2017. Shri Mishra has been appointed as "Permanent Invitee" on the Board of Directors' of Coal India Limited from November, 2015. He joined Western Coalfields Limited as Chairman-cum-Managing Director on 11th October, 2014.Prior to that, he had worked in Central Coalfields Limited as Director (Personnel) and at Central Mine Planning and Design Institute Limited (CMPDIL), Ranchi as Head of Personnel & Administration. He has put in over 30 years of service in the field of Personnel, Human Resources Development etc. in different capacities at various subsidiaries of Coal India Limited. Holding a Master Degree in Geology & Post Graduate Diploma in Personnel Management & Industrial Relations, Shri Mishra began his career with CMPDIL over three decades ago. Shri Mishra also worked in Northern Coalfields Limited, Singrauli, Coal India Limited, Kolkata, Eastern Coalfields Limited, Sanctoria and again with CMPDIL, Ranchi before joining CCL as Director (Personnel). Shri Mishra had also participated in the Advance Management Programme at China conducted jointly by IICM, Ranchi and China Coal Information Institute in the year 2011 and also visited France and China in 2014 conducted by IIPA, New Delhi. Shri Mishra was awarded "Most Powerful HR Professional of India", "IME HR Leadership Award" for 2 (two) consecutive years during Asia Pacific HRM Congress, 2012 and 2013 held at Bangalore. "HR Leadership Award" at 2nd Indian Human Capital Sumit-2012, New Delhi and "30 Most Talented HR Leaders in PSUs Award" at World HRD Congress, 2013, Mumbai. He has also been awarded "Rajbhasha Kirti Samman-2012 & 2013" by Bharatiya Rajbhasha Vikas Sansthan for effective implementation of official Language. During his tenure in Central Coalfields Limited as Director(Personnel), CCL has been awarded the "Best Company for Health & Education in CSR" at Corporate CSR Conclave, 2012 at Ranchi. CCL has also been awarded "1st prize in CSR" among all the subsidiaries of Coal India Ltd during CIL Foundation Day celebrations held at Kolkata on 1st November, 2012 and "IPE CSR Corporate Governance Award, 2012 at World CSR Congress, Mumbai". He has also been awarded Global HR Excellence Award at World HRD Congress, Mumbai – 2014. Shri Mishra has also been awarded with BT-Star PSU Award for Excellence in Human Resource Management by Bureaucracy Today in New Delhi and "Excellent Administrator Coal Mine in India" in Mumbai by R.K. HIV AIDS Research & Care Centre during 2015. Shri Mishra is known for his team building capabilities and strategic management acumen. He has widely travelled in India and abroad and is associated with several professional organizations. He is the Member of Executive Body of Standing Conference of Public Enterprises (SCOPE) and Chairman of Western Regional Chapter of SCOPE. He is a Member of Confederation of Indian Industries, New Delhi – Council on PSEs and Member of Board of Governors of Indian Institute of Coal Management (IICM), Ranchi. He is also the Patron of The National Association for the Blind, Nagpur District Branch, Nagpur. Under his able leadership, WCL has set its way forward to paradigm shift in its operation. He is also a Director in Singreni Collieries Companies Limited.

Shri Shekhar Saran (55)[DIN-06607551] has assumed an additional charge as Director(Technical) with effect from 31st October' 2016. He is the CMD of Central Mine Planning & Design Institute Limited, one of the largest Coal and Mineral Exploration and Consultancy Company across the country. Shri Saran is widely recognized for his path breaking and visionary contributions to the industry as Mechanized Mine Developer and transformed the landscape of the Mines by setting new standards in production and productivity. He joined CMPDIL as Director (Technical) in June, 2013 and looked after Coal Resource Development and then Planning & Design till December, 2015 and then took over as Chairman-cum-Managing Director of CMPDIL on 01.01.2016. Shri Saran graduated from 1981 batch from the Deptt. Of Mining Engineering, Institute of Technology, Banaras Hindu University (BHU), now IIT (BHU). Being the topper of his batch he is the recipient of BHU Gold Medal as well as Roberton Medal from MGMI. Subsequently, during 2013-15, he has added to his credit a Post-Graduate diploma “PG Exp” from IIM, Ranchi. Prior to joining CMPDIL, he worked at Sohagpur, Hasdeo and Bisrampur Areas of SECL as JET to Sub Area Manager, at Kunustoria, Satgram and Sodepur Areas of ECL as Agent to CGM and lastly as CGM(P&P) at Eastern Coalfields Limited, Headquarters. He is having a rich experience of managing large opencast & underground Mines in different subsidiary companies. While working at SECL, he converted many manual UG mines into mechanized mines with introduction of roof bolting/ steel support. He presented number of technical papers in different seminars/ workshops. He had also been a rescue trained member for more than 26 years and had attended a number of rescue and recovery operations in underground mines. He has visited number of foreign countries viz. U.K, Germany, France, Netherlands, USA, Canada & Switzerland etc. He is an NCC Certificate holder & a good sportsman. He is widely credited with conceptualizing a unique and innovative techniques in Coal Mining Production. He has been a firm believer in corporate life and its superiority in the development of human resources.

Shri Rajesh Kumar Sinha (52),(DIN-05351383) is an IAS officer of 1994 Batch, Kerala Cadre. Presently he is posted as Joint Secretary, Ministry of Coal, Government of India. Prior to this, Shri Sinha has also held the post of Collector, Idukki, and GM, Kerala Fin Corpn. Director, Ministry of Urban Development, Registrar of Delhi University, Secretary Finance (Exp.) Govt. of Kerala before joining as Joint Secretary in Ministry of Coal. He has been appointed as Official part time Director on NCL Board w.e.f 20/04/2015 till 9th June’17. He also holds Directorship in MCL from 9th June’17.

Smt. Reena Sinha Puri[53][DIN:07753040] is an officer of Indian Revenue Service. She has held various positions in Income Tax Department and has worked in Mumbai, Kolkata, Delhi, Nagpur & Muzaffarnagar. She has also worked on secondment with Department of Taxes, Government of Botswana. She completed her Bachelor & Masters in Political Science from Punjab University, Chandigarh. She holds Bachelor law degree from Delhi University and Master’s degree in Public Policy from LKY School of Public Policy, NUS, Singapore. He is also a director in Northern Coalfields Ltd, Hindustan Zinc Ltd, Bharat Aluminium Co Ltd.

Ms. Loretta Mary Vas (63) (DIN-02544627) is graduate in B.A. (English), B.Ed., M.A.(Economics), Masters Diploma in Public Administration, M. Phil (Social Sciences) and LLB. She has joined Indian Administrative Service in 1977 and allotted to U.P. cadre. She has worked as Secretary, Ministry of Panchayati Raj, GoI, during 2012-14. She was Special Secretary, Addl. Secretary, Department of Economics Affairs, Ministry of Finance during 2008-2011. She was Joint Secretary (Budget) in Ministry of Finance, during 2005-2008. She was Export Commissioner/Joint Secretary in Ministry of Commerce, during 1993-98 and Under Secretary/Dy. Secretary, Festival of India, Department of Culture in 1984-88. She was Vice Chairperson of Ghaziabad Development Authority during 1999-2000 and 2001-2002, Addl. CEO, Greater NOIDA Industrial Development Authority during 1991-93. She had worked in Departments of Health, Education in U.P. Govt., and District Magistrate of Hardoi, Addl. District Magistrate of Lakhimpur Kheri and Sub-Divisional Magistrate of Malihabad, Lucknow.

Dr. S.B. Agnihotri (62), (DIN-03390553) is an IAS officer of Odisha cadre from 1980 batch. He has done his Master’s degree in Physics followed by M.Tech in Environment Science and Engineering from IIT, Bombay. He later did an MA in Rural Development followed by a Ph.D on sex ratio patterns in Indian Population from School of Development Studies, University of East Anglia, Norwich UK. Dr. Satish B. Agnihotri retired as Secretary (Coordination & Public Grievances), Cabinet Secretariat. Prior to this he was Secretary, Ministry of New & Renewable Energy, Director General (Acquisition) in the Ministry of Defence, Additional Secretary in the Ministry of Agriculture discharging the role of Financial Advisor and Director General of Shipping during 2010-12. He has worked as Joint Secretary in the Cabinet Secretariat, Transport Commissioner, Odisha and Secretary, Women and Child Development and General Administration Department. He was Vice Chairman, Cuttack Urban Development Authority, CEO of Odisha Renewable Energy Development Agency, Director Industries and District Magistrate in Dhenkanal District. He also worked with UNICEF, Kolkata as Consultant on Child Nutrition and Health. Dr. S.B. Agnihotri has been appointed as an Independent Director on the Board of Indian Strategic Petroleum Reserves Limited with effect from 28th March 2015.

Dr. D. C. Panigrahi (56), (DIN-07355591) obtained his B. Tech in Mining Engineering in 1984 from Indian School of Mines, Dhanbad. Subsequently he did his M. Tech in Mining Engineering in 1990, M. Tech in Industrial Engineering and Management in 1992 from Indian School of Mines, Dhanbad. He did his Ph. D in Mining Engineering from Indian School of Mines, Dhanbad in the year 1994. After graduating from Indian School of Mines, Dhanbad he served as Assistant Manager in coal mines of Tata Iron and Steel Company Limited for a period of 3 years, as Scientist in erstwhile Central Mining Research Institute, Dhanbad, a CSIR lab., for a period of 4 years and subsequently joined as Assistant Professor in the Department of Mining Engineering, ISM, Dhanbad in 1992. In 1998 he was promoted to Professor in Mining Engineering. He was the Chairman, IIT Joint Entrance Examination during 2004-2007 from ISM, Dhanbad. He was Head, Department of Mining Engineering, Indian School of Mines, Dhanbad from 2007 to 2010. He took over as Director, Indian School of Mines, Dhanbad on 9th September 2011. He specializes in mine ventilation, mine fire control, coal bed methane and other areas related to underground mine environmental engineering. During his period of work, he has executed 13 major research projects as Project Leader and Coordinator and submitted reports as single/main author. He has published 120 research papers in the areas of mine ventilation, coal bed methane and sub-surface mine environmental engineering. He has edited a book containing 64 papers of reputed authors from 9 countries and the book has been published by A. A. Balkema, Rotterdam, Netherlands in 2001. He has edited his second book containing 100 papers from reputed authors of 14 countries and the book has been published by Science Publishers of USA in 2009. He has guided 10 students for their Ph. D degree and 12 students for their M.Tech degree in Mining Engineering. Presently he is guiding 3 students for their Ph. D degree in Mining Engineering. Dr. Panigrahi has successfully executed more than 319 industry sponsored projects as Project Leader and Coordinator for solving the real life problems of 50 different organizations and submitted the reports as single/first author. Prof. Panigrahi has designed the ventilation system for most of the complex coal, metal and also uranium mines of the country upto a depth of 1.2 km from the surface and remained associated with these companies for their implementation in the mines to accrue the benefit to the bottom line of these companies. Prof Panigrahi was nominated as one of the 11 members of the International Mine Ventilation committee representing 11 leading mineral producing countries of the world in 1997, viz. USA, Canada, Australia, South Africa, UK, Germany, Japan, France, China and India. He was also elected as Chairman of the same committee for the duration 2009-14. He has been an honorary member of International Bureau of Mining Thermophysics since 1997 and is a member of International Advisory Board for the Journal Archives of Mining Sciences published by Polish Academy of Sciences, Poland since 2002. Dr. Panigrahi was invited to chair technical sessions in 7th & 10th International Mine Ventilation Congresses in Poland and South Africa. He has received the certificate of appreciation in recognition for contributions to India Education Abroad in 2014 from University of South Florida, USA. He has been nominated as a member of Governing Body and General Body of National Institute of Rock Mechanics, Kolar Gold Fields, Karnataka; member of Governing Council of Association of Indian Universities, New Delhi; member of Executive Council of Central University of Jharkhand under Ministry of Human Resource Development, Govt. of India; Chairman of Sectoral Innovation Council of Occupational Safety and Health of the Ministry of Labour and Employment under the National Innovation Council constituted by the Prime Minister of India; member of the Section 12 Committee under Mines Act constituted by Ministry of Labour and Employment, Govt. of India for formulating Rules and Regulations on safety and health in the Mining and Mineral Sector of the country; member of Mentor Council for Mining and Mineral Sector of the country to bridge the burgeoning gap faced by the Indian economy under the Ministry of Labour and Employment, Govt. of India. He is also a member of PERC (Project Evaluation and Review Committee) and SSAG (Standing Scientific Advisory Group) of Ministry of Mines, Govt. of India. He was also appointed as a member of the expert committee for studying the problems leading to a mine disaster in New Kenda Mine in 1994 in which 55 persons had died and he had also been chosen by the Ministry of Coal as a member of the Expert Committee for Anjan Hill Mine Disaster in 2010 in which 14 persons had died and 34 persons seriously injured. For his significant contributions and distinguished services to the mining industry in India, he has been conferred with prestigious National Mineral Award – 1998 by the Ministry of Mines and Minerals, Govt. of India; S.S.B. Memorial Award – 2005 by ISM, Dhanbad; ASPIRE recognition by Tata Steel Limited in 2005; National Design Award-2012 at Vigyan Bhawan during 27th Indian Engineering Congress by National Design and Research Forum of Institution of Engineers (India); Eminent Mining Engineer award during 23rd National Convention of Mining Engineers at Kolkata in 2012; State Bank of India(SBI) Best Researcher Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon’ble President of India; ISM Alumni Association Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Hon’ble President of India; Indian Mining Engineering Journal Golden Jubilee Award - 2012 for his contribution in the field of Mining Education & Research; Debadutta Memorial Best Academic Management Excellence Award for the year 2011-12 on 22nd May, 2012 during National Technology Day Celebration of the Indian Mineral Industry Journal at Bhubaneswar, Odisha; SBI Best Researcher Award of the year 2011-12 during the Convocation of Indian School of Mines, Dhanbad on 23rd February, 2013; Prof S. K. Bose Memorial Award for the year 2013-14 for excellence in teaching in Mining Engineering by Mining, Geological and Metallurgical Institute of India; the certificate of merit for the year 2004-05 by the Institutions of Engineers (India) for publication of a paper in the Journal of the Institution of Engineers (India); Gopabandhu Memorial Shield for securing 1st position of the University in Intermediate Science in 1979.

Dr. Khanindra Pathak (57) (DIN-07348780) Dr. Khanindra Pathak currently working as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). Dr. Pathak is B. Tech. in Mining Machinery from Indian School of Mines, Dhanbad in 1983 and M. Tech. in Opencast Mining from Indian School of Mines, Dhanbad in 1989. Dr. Pathak is Diploma holder in Mining Engineering from Imperial College of Science, Technology and Medicine, London. He has also done Ph.D in Mining Engineering in the year 1996 from Imperial College of Science, Technology and Medicine, London. Dr. Pathak worked as ‘Assistant Plant Manager(E2)’ in Neyveli Lignite Corporation, Neyveli for two years from 1983 to 1985. He started his career as ‘Graduate Engineer’ in Central Mine Planning & Design Institute, Coal India Ltd., Ranchi in the year 1986. He worked as Research Scholar at Imperial College of Science Technology and Medicine, London during October’1993 to November’1996. He worked as Lecturer in Department of Mining Machinery at Indian School of Mines, Dhanbad from Sept.’1987 to Sept.’1998 and then he became Assistant Professor in the same institution from Sept.’1998 to November’2000. He was Associate Professor at Department of Mining Engineering, IIT, Kharagpur for 3 years from November’2000 to July’2003. At present Dr. Pathak is continuing as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). Dr. Pathak has been conferred with many honours/awards and he has also written many books and journals in Mining.

Shri Vinod Jain(61), (DIN-00003572) is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Intermediate Examination in November’1977 with 7th Rank in all India Merit List, Final Examination in November’1979 with 13th Rank on All India merit list and became a Fellow Member of The Institute of Chartered Accountants of India. He qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India. He is also a qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is a Diploma holder in Information System Audit(DISA) from the Institute of Chartered Accountants of India in 2004. CA Vinod Jain has about 38 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law Education and strategic planning and business management. Shri Vinod Jain started his career with Apollo Tyres Limited & BST Limited belonging to

Apollo Group of Companies. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants from February 1980 to till date. He was a Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal(SAT), Board of Industrial and Financial Reconstruction(BIFR), Appellate Authority under Sick Industrial Companies Act, Company Law Board and Income Tax Appellate Tribunal(ITAT). He is also Chairman of Inmacs Management Services Limited. Shri Jain was the Chairman of Northern India Regional Council of The Institute of Chartered Accountants of India from September'1983 to September'1984 and also served as its Secretary (1982-83) and Treasurer (1984-1985).He was a Central Council Member of' The Institute of Chartered Accountants of India' from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of The Institute of Chartered Accountants of India from 2010 to 2011 being incharge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee for 5 years, Professional Development Committee, Management Accounting Committee for 4 years &Expert Advisory Committee of ICAI. He had also served as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc. He was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) from July'2009 to February'2013. Shri Jain was Founder and National Director of 3 months Certificate Course on Valuation conducted by The Institute of Chartered Accountants of India. Shri Jain was National Director of Certificate Course on Forex Risk and Treasury Management of ICAI from 2010 to 2013. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and following committees of Securities and Exchange Board of India (SEBI):

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

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

Shri Ambrish Kumar Gupta, belongs to Indian Railway Traffic Service 1980 batch. Shri Gupta has worked in various capacities in the Operating and Commercial departments over North Eastern, South Eastern and Eastern Railways.He has worked as Divisional Railway Manager, Dhanbad over East Central Railway from 2007 to 2009, before being elevated to Chief Operations Manager over Eastern Railways. He has also worked as Chief Commercial Manager, Eastern Railways for about a year and Chief Operations Manager of South Eastern Railway for more than a year during 2015-16. He has visited Moscow for 7 days while working as Executive Director (RM), Railway Board at Kolkata and also European countries, viz Paris, Amsterdam and Rome for about 15 days for Management training while working as DRM/Dhanbad. Shri Gupta is presently working as Addl. Member (Traffic), Ministry of Railways (Railway Board), from April 2016 onwards. During the current stint, he has led a delegation to Bangladesh for Inter-Ministerial meeting and attended General Managers' Training Programme for 5 days at New York, during August, 2016.

GLIMPSES OF 42ND AGM HELD ON 21.09.2016

DIRECTORS' REPORT

To

The Members,

Coal India Limited

Kolkata.

Ladies and Gentlemen,

On behalf of the Board of Directors, I have great pleasure in presenting to you, the 43rd Annual Report of Coal India Limited (CIL) and Audited Accounts for the year ended 31st March, 2017 together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon.

Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal, Government of India with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers with manpower of 3,10,016 (as on 1st April, 2017). CIL operates through 82 mining areas spread over eight provincial states of India. Coal India Limited has 394 mines (as on 1st April, 2017) of which 193 are underground, 177 opencast and 24 mixed mines. CIL further operates 15 coal washeries, (12 coking coal and 3 non-coking coal) and also manages other establishments like workshops, hospitals, and so on. CIL has 27 training Institutes. Indian Institute of Coal Management (IICM) is an excellent training centre operates under CIL and imparts multidisciplinary management development programmes to the executives. Coal India's major consumers are Power and Steel sectors. Others include cement, fertilizer, brick kilns and a host of other industries.

CIL has eight fully owned Indian subsidiary companies:

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

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

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

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

A) Subsidiaries of MCL

1. MJSJ Coal Ltd.

MJSJ Coal Ltd was incorporated on 13th August, 2008 as a Joint Venture Company of MCL. MJSJ Coal Ltd has been formed for Gopalprasad OCP where MCL is having 60% shares, JSW Steel Limited and JSW Energy Limited having 11% share each and Shyam Metalics and Energy Ltd (formerly known as Shyam DRI Power Limited) and Jindal Stainless Limited having 9% shares each. The paid up Share Capital of MJSJ Coal Ltd as on 31st Mar'2017 was ₹ 95.10 Crore. The Hon'ble Supreme Court of India in its judgement dated 25th Aug'14 and order dated 24th Sep'14 declared allocation of Utkal-A coal block allocated to MJSJ Coal Ltd. as illegal and has quashed the allocation.

2. MNH Shakti Ltd.

MNH Shakti Ltd was incorporated on 16th July, 2008 as a Joint Venture Company of MCL. MNH Shakti Ltd has been formed for Talabaria OCP where MCL is having 70% share, Neyveli Lignite Corporation Ltd having 15% share and Hindalco Industries Ltd. having 15% share. The Paid up Share Capital of MNH Shakti Ltd as on 31st Mar'2017 was ₹ 85.10 Crore. The Hon'ble Supreme Court of India in its judgement dated 25th Aug'14 and order dated 24th Sep'14 declared allocation of Talabira – II and Talabira – III coal blocks allocated to MNH Shakti Ltd. as illegal and has quashed the allocation.

3. Mahanadi Basin Power Limited.

Another Company "Mahanadi Basin Power Limited"(MBPL) was incorporated on 2nd December, 2011 and certificate for commencement of business, issued by ROC on 6th Feb'2012. MBPL has been formed as an SPV with 100% shares held by Mahanadi Coalfields Ltd for power generation of 2x800 MW through Pit Head Power plant at Basundhara Coalfields. It is a wholly owned subsidiary of Mahanadi Coalfields Ltd (MCL) having its Registered Office at Bhubaneswar. The Paid-up Share Capital of Mahanadi Basin Power Limited as on 31st Mar'17 was ₹ 5 lakh.

4. Mahanadi Coal Railway Limited

Pursuant to MoU signed between IDCO, MCL and IRCON on 20th May, 2015, a Joint venture Company namely, Mahanadi Coal Railway Limited was formed on 31st August, 2015 with a equity participation in the ratio of 64:26:10 between MCL, IRCON and IDCO to build, construct, operate and maintain identified rail corridor projects including doubling, third line, traffic facility projects important for coal connectivity that are critical for evacuation of coal from mines, in the state of Odisha. The Share Capital of Mahanadi Coal Railway Limited as on 31st Mar'17 was ₹ 5 Lakh.

Neelanchal Power Transmission Company Private Limited –A joint venture of MCL

MCL has ventured into Power Transmission Business in the State of Odisha for better utilisation of surplus funds along with development of infrastructure in the State of Odisha. Accordingly, on 8th January, 2013 another joint Venture Company namely Neelanchal Power Transmission Company Private Limited (NPTCPL) was incorporated in partnership with Odisha Power Transmission Company Ltd (OPTCL) having 50:50 equity participation by virtue of a Joint Venture Agreement.

(B) Subsidiaries of SECL

1. M/s Chhattisgarh East Railway Ltd(CERL)

CERL is a joint venture Company among South Eastern Coalfields Limited, M/s IRCON International Limited and Chhattisgarh State Industrial Development Corporation incorporated on 12th Mar'13 for construction of railway lines for evacuation of coal with 64% shareholding of SECL. During the year 2016-17, the Paid up Capital of the company increased from ₹ 139.05 Crores to ₹ 166.95 Crores and debt from ₹ 150 Crores to ₹ 300 crores.

2. M/s Chhattisgarh East- West Railway Ltd(CEWRL)

CEWRL is a joint venture Company among South Eastern Coalfields Limited, M/s IRCON International Limited and Chhattisgarh State Industrial Development Corporation incorporated on 25th Mar'13 for construction of railway lines for evacuation of coal with 64% shareholding of SECL. During the year 2016-17, the Paid up Capital of the company increased from ₹ 4.05 Crores to ₹ 500 Crores and debt at ₹ 75 Crores

(C) Subsidiary of CCL

Jharkhand Central Railway Limited is a Joint Venture Company among Central Coalfields Limited, M/s IRCON International Limited and Govt. of Jharkhand incorporated on 31st August' 2015 for evacuation of Coal in which CCL holds 64% shares. During the year 2016-17, the Authorised Capital of the company increased from ₹ 5 Crores to ₹ 100 Crores.

The Project Implementation Agreement between JCRL and IRCON International Limited as project management & implementing agency was finalized. The Detailed Project Report has been deliberated in the JCRL Board meetings. IRCON has been directed for submission of modified DPR with various options considering the technical requirements and financial viability of the project. The investment decision shall be taken by JCRL Board after submission of final DPR by M/s IRCON with various options.

1. STATE OF AFFAIRS

1) Company & its subsidiaries produced 554.14 MT. of coal with a growth of 2.85% compared to the last year same period.
2) Company achieved an off-take of 543.32 MT. with a growth of 1.7% compared to the last year same period.
3) CIL has acheived a gross sales of ₹ 1,22,294.46 crores, a landmark achievement.
4) Not a single power-utility was in critical or super-critical condition for want of coal during 2016-17
5) Due to the improved despatch and better quality of coal, import of coal to India had reduced during 2016-17.

AWARDS RECEIVED DURING 2016-17

1. Sri S. Bhattacharya, Chairman, Coal India Limited was conferred with 'Best CEO -PSU' Award in the Sixth edition of the prestigious 'Forbes India Leadership Awards – 2016' in a function held on 8 November in Mumbai.
2. Sri S. Bhattacharya, Chairman, Coal India Limited was conferred with 'g-files Governance Award 2016', the award was presented, on 26th November 2016 in New Delhi, by Shri Chaudhary Birender Singh, Hon'ble Union Minister for Steel, Government of India and Shri Ram Bilas Sharma, Hon'ble Minister, Education and Tourism, Government of Haryana in an event.
3. CIL was conferred with the following awards:
   a. Coal & Coal Products by Dun & Bradstreet in 2017.
   b. Best Implementation of Corporate Social Responsibility by ABP News in 2017.
   c. Most Efficient & Fast Growing Maharatna by Dalal Street Investment Journal Award in Best Maharatna Category by Hindustan PSU Awards in 2016.
   d. Best CFO Award by Financial Express

2. FINANCIAL PERFORMANCE

2.1 Financial Results (CIL Consolidated)

CIL is one of the largest profit making and tax & dividend paying enterprises in India. CIL and its subsidiaries have achieved an aggregate Pre-Tax Profit of ₹ 14,433.71 crores for the year 2016-17 against a pre-tax profit of ₹ 21439.80 crores for the year 2015-16. CIL as a group had achieved a post tax profit of ₹ 9265.98 crores in 2016-17 compared to ₹ 14266.78 crores in 2015-16. Total comprehensive income of ₹ 9347.98 crores in 2016-17 as compared to ₹ 14,561.19 crores in 2015-16 (excluding share of non-controlling interest of ₹ 0.25 crore, previous year: ₹ 0.04 crore). The subsidiary wise details of Pre-tax Profit of CIL are given in **Annexure 1**.

Highlights of performance

The highlights of performance of Coal India Limited Consolidated for the year 2016-17 compared to previous year are shown in the table below:

PARTICULARS	2016-17	2015-16
Production of Coal (in million tonnes)	554.14	538.75*
Off-take of Coal (in million tonnes)	543.32	534.50*
Sales (Gross) (₹/Crores)	122294.46	108147.54
Capital Employed (Rs/Crores) Note- 1	58428.87	67608.07
Capital Employed (₹/Crores)-excluding capital work in progress and intangible assets under development	48063.28	61634.91
Net Worth (₹/Crores)	24506.97	34814.98
Profit Before Tax (₹/Crores)	14433.71	21439.80
Profit for the Period(₹/Crores)	9265.98	14266.78
Total Comprehensive Income attributable to the Owners of the company(₹/Crores)	9347.98	14561.19
PAT / Capital Employed (in %)	15.86	21.10
Profit before Tax / Net Worth (in %)	58.90	61.58
Profit after Tax / Net Worth (in %)	37.81	40.98
Earning Per Share (₹)		
(Considering Face Value of ₹10 per share)	14.78	22.59
Dividend per Share (₹)		
(Considering Face Value of ₹10 per share)	19.90	27.40
Coal Stock (Net) (in terms of No. of months Net Sales)	1.18	0.98
Trade Receivables (Net) (in terms of No of Months Gross Sales)	1.05	1.27

*Production and Offtake of Coal for FY 2016-17 includes 5.324 MT and 4.118MT (FY 2015-16 2.28 MT & 2.15 MT) of Gare Palma IV/2&3 Mine for which Coal India Ltd. has been appointed akin to a designated custodian w.e.f 01.04.2015(through SECL)

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

Transfer to Reserves

During the year 2016-17, a sum of ₹510.75 crores was transferred to General Reserves out of CIL Consolidated profits and amount of ₹ 3650 crores was utilized for buyback of shares. Above amount of ₹ 510.75 crores includes transfer of ₹ 8.01 Crores transferred out of CIL Standalone profits.

2.2 Dividend Income and Pay Outs (CIL Standalone)

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

During the year, CIL Standalone has paid a total dividend (by way of interim dividend) of ₹ 12352.76 crores @ ₹ 19.90 per share on 620,74,09,177 number of Equity Shares of ₹10/- each fully paid up. Out of above total dividend, the share of Govt of India was ₹ 9736.40 crores and for other shareholders, ₹ 2616.36 crores. (In 2015-16 - Govt of India - ₹ 13,784.86 crores and Other shareholders – ₹ 3,521.98 crores)

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

There are no comments issued by the office of the C&AG either on Standalone or Consolidated Financial Statements of the company for the year 2016-17 on supplementary audit conducted under section 143(6)(a)[and also read with Sec 129(4)] of the Companies Act, 2013. The comments on supplementary audit of Standalone and Consolidated Financial Statements are enclosed as **Annexure 3 and Annexure 4** respectively.

2.4 Management Explanation on Statutory Auditor's Report

The Statutory Auditors of the company have given an unqualified report [Annexure 3(A) and Annexure 4(A)] on the Standalone Financial Statements and Consolidated Financial Statements respectively of the company for the financial year 2016-17. However, they have drawn attention under 'Emphasis of Matter' on certain issues. These issues under 'Emphasis of Matter' along with observations of the Auditors elswhere in the annexures of the Audit Report are enclosed as **Annexure 5 & Annexure 5(A)** respectively with Management explanations thereto.

3. COAL MARKETING

3.1 (a) Off-take of Raw Coal

Off-take of raw coal continued to maintain its upward trend and reached 543.32 million tonnes for fiscal ended March 2017, surpassing previous highest figure of 534.50 million tonnes achieved during the last year, i.e., an increase of 1.7 % over the last year. The overall raw coal off-take achieved was 90.8 % of the Annual Action Plan Target. In the year 2016-17, ECL, CCL, NCL, MCL and NEC outperformed their achievement during the last year. NCL had exceeded its target for 2016-17.

Company-wise target vis-à-vis actual off-take for 2016-17 and 2015-16 are shown under **Annexure 6.**

Offtake could have been more, but for the following reasons:

Power houses started the year with huge stock of 38.7 Mt and regulated intake and preferred to consume from stock. Almost 12 Mt stock consumed from the stock by the power stations during the year. Wagon availability also sporadically affected off-take at different subsidiaries.

ECL: Production and dispatch of coal from Rajmahal OCP was adversely affected due to fatal accident. Less demand of higher grade coal from the Power Houses.

CCL: Intermittent Law & Order problem. Logistics bottleneck at Amrapali-Magadh Mines had also come in the way of augmenting off-take.

WCL: TPPs were particularly reluctant to take coal from Cost Plus Sources.

SECL:Less demand of higher grades of Korea Rewa coal.

MCL: Sporadic incidence of law and order problem & less supply of wagons against their indents affected MCL despatch. Less movement through MGR mode also affected overall dispatch.

Initiatives taken for enhancing off-take:

- Regular co-ordination with Railway Board to optimize use of logistics resources available in the subsidiary coal companies, analyzing inputs of the subsidiaries to identify alternate source for coal movement wherever and whenever required to achieve overall sectoral targets and mitigating critical fuel requirement of consuming sectors, particularly power stations.
- Coordination with MOC for various long and short-term policy decisions to overcome coal movement constraints for power and non-power sector consumers and taking operational decisions for moving coal from various sources on contingent situations to meet critical requirements of consuming sectors, particularly power utilities etc.
- Periodic Meetings and follow up with Power producers in addressing issues relating to coal movement.
- Source Rationalization of coal linkage for optimizing coal movement as per the requirement of the consumers and logistics.
- Logistics is one of the major hurdles in reaching coal to the consumers. Capacity constraints both in terms of track and rolling stock are coming in the way for achieving the requisite growth. In order to boost-up the rail transport system, following initiatives have been taken:
  - o SPVs by the coal companies with the State Governments and Railways for creating rail infrastructure - two SPVs have already been formed at Chhattisgarh for creating rail connectivity at Korba/ Raigarh. Similarly, SPVs were also incorporated at Jharkhand and Odisha for similar initiatives.
  - o Three major last mile rail connectivity projects at Jharkhand, Odisha and Chhattisgarh have been brought under PMO Monitoring Mechanism to ensure commissioning as per the schedule.
  - o Special attention is given for improving coal distribution network for small and medium and other sector consumers. CIL organized meeting with State Governments to streamline the process of nominating distribution agencies by them.
  - o Coal companies started supplying 100 mm crushed coal to its consumers w.e.f January'2016.
- **Special E-Auction Schemes**

  From the year 2015-16, Special Forward E-Auction scheme was introduced by MOC for meeting the coal requirement of Power plants is being continued. During 2015-16 & 2016-17, around 13.8 Mill tons & 47 Mill tons coal was booked by consumers under this scheme of e-auction respectively.

  A similar scheme for consumers in the non – power sector was also launched as Exclusive E-auction scheme for non-power . During 2015-16 & 2016-17 , around 1.5 Mill tons & around 6.2 Mill tons coal was booked by non power consumers under this e-auction respectively .

  Special Spot e-auction was also conducted once in 2016-17 with the objective for liquidating coal stock especially from the high stock mines and to provide scope for procuring coal at a competitive price by the consumers of non-specified end use. Around 6.2 Mill tons coal was booked in this e-auction.
- **Web Portal for MSME Sector-**

  The web portal "Coal Allocation Monitoring System" was launched on 17th March'2016 by Minister of State with independent charge for Power, Coal and New & Renewable Energy along with the officials from Ministry of Coal and Coal India Limited at New Delhi. The portal aims to ease the conduct of business for small and medium sector consumers having annual requirement of less than 10,000 tonnes of coal. The portal will make the system of distribution of coal to such consumers through State Nominated Agencies, more transparent. It has the following advantages:

  a. Ease of doing business for consumers

  b. Accountability on the part of the Govt. and its enterprises

  c. 24 x 7 access of information on supply and distribution of coal in public domain

  d. Online registration and feedback system for consumers for improving the system

  e. Transparent coal distribution

  f. State and consumer awareness

  g. Peer audit among stakeholders

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

In the year 2016-17, CIL dispatched 542.494 MT of Coal & Coal Products against the AAP target of 598.031 MT i.e., an achievement of 90.7%. CIL has dispatched 7.9 MT of coal and coal products more than last year with a growth of 1.5%.

425.397 MT of coal and coal products, including despatches under special forward e-auction to power was despatched to the power utilities against the target of 450.990 MT i.e., an achievement of 94.3%. This is 12.3 MT more than last year's dispatch of 413.109 MT, which also includes despatches under special forward e-auction to power, resulting in a growth of 3%.

Sector-wise break-up of dispatch of coal & coal products for 2016-17 against the target and last year's actual is disclosed in **Annexure 7.**

3.2 Dispatches of coal and coal products by various modes:

Dispatches of coal and coal products during 2016-17 went upto 542.494 million tonnes from 534.624 million tonnes registering a growth of 1.5%. Overall dispatch by Non-Rail mode had been 91.9% of the target. Growth in despatches via Rail mode was 3.9 % whereas in the overall Non-Rail mode it decreased by 1.4 %. Road despatches decreased by 0.6% compared to the previous year. Movement by MGR also decreased by 3.5% compared to last year. Despatches through other modes, like belt & rope increased by 5.7 % compared to the last year.

Dispatch of coal and coal products by various modes for the years 2016-17 and 2015-16 is disclosed in **Annexure 8.**

3.3 Wagon Loading

Overall wagon loading materialization was 90.9 % of the target. This was achieved due to sustained efforts and regular coordination with railways at different levels. The increase in loading over last year was of 9.1 rakes per day. Company wise performance showed that NCL exceeded its target. All the subsidiaries except BCCL exceeded last year's level of loading.

Wagon loading could have been even better but for the regulated lifting by Power Utilities almost in all the subsidiaries; less demand for higher grade coal from ECL and SECL, intermittent law and order problem in CCL and MCL also affected rail dispatch.

Wagon loading performance of 2016-17 vis-à-vis 2015-16 is disclosed in **Annexure 9.**

3.4 Consumer Satisfaction

i. For enhanced customer satisfaction, special emphasis given to Quality Management. Attuned to this objective, it was decided that 2017-18 will be declared as 'Quality Year'.

ii. In order to monitor quality right at the coalface, Officer in charge of mining have been given target to contain grade slippages within 10%.

iii. Another big step to ensure proper quality was independent assessment of grades of 871 mines/ loading points/ fractions through various academic institutes of national repute by CCO. Based on the analysis reports received from these institutions, CCO finalized the grades of different mines/sidings for the year 2017-18. Although the results of re-gradation of about 49% mines/ loading points/ fractions were not encouraging, correction would enhance the confidence of consumers.

iv. In order to monitor coal quality internally, a portal has been designed by CIL to capture entire life cycle of sample. With the help of portal, analysis of coal quality on regular basis will be possible.

v. CIL has enhanced coal handling plant capacity of about 320 MT per annum so as to maximize dispatches of crushed/ sized coal to Power sector. CIL is supplying (-) 100mm sized coal to all power plants w. e. f. 01.01.2016 except those at pit head. In addition, mobile crushers have been installed to meet the additional crushing requirement.

vi. Emphasis has been given for maximum production through surface miners. For this, surface miners have been deployed for production of coal in mines wherever technically / commercially feasible. About 50% of CIL's production is being mined through surface miners. Deployment of this technology at OCP mines is bound to improve coal quality. At present 75 Surface Miners are working in opencast mines.

vii. In addition, the Washeries at BCCL, CCL, WCL and NCL have crushing/ sizing facilities to the tune of about 36.8 million tonnes. 22 new coal washeries and renovation of 05 existing washeries combined capacity of 123.7 MTPA are in various stages of planning/ commissioning.

viii. Measures like picking of shale/stone, selective mining by conventional mode, adopting proper blasting procedure/ technique for reducing the possibility of admixture of coal with over-burden material & improved sizing of coal etc. are being taken. For those mines having large inter bands of shale/stone, installation of deshaler has been planned.

ix. Joint/ Third Party sampling & analysis is in vogue for major consuming sectors e.g. power utilities, steel, cement and sponge iron. Entire supplies to Power sector are covered under third party sampling / analysis, large consumers having annual quantity of 0.4 MT or more and having FSA covered under sampling. For the first time, sampling facility has been extended to consumers of Special e-Auction for power sector and Linkage Auction through IIT-ISM and QCI. Consequent to issuance of Letter of Intent, these agencies have been advised to enter into tripartite agreement with consumers and coal companies to start the process.

x. Area laboratories of subsidiary coal companies have been equipped with 121 Bomb Calorimeters for accurate and transparent results of analysis of coal samples. 28 labs. across the subsidiary companies have already got NABL accreditation and another 27 labs, accreditation process is underway. It is expected that standardization of the process as per NABL standard will go in a long way to enhance customers' confidence about the process of assessment of coal quality and facilitate quality monitoring.

xi. The guidelines/ SOP issued by MoC vide letter dated 26.11.2015 on third party sampling at loading ends has already been implemented through Central Institute of Mining and Fuel Research (CIMFR). Sampling for almost entire quantity covered under FSA is continuing across various loading points of coal companies.

xii. 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 157 rail weighbridges in the Railway Sidings and 569 road weighbridges for weighment of trucks. Coal Companies have also taken action for installation of standby weighbridges to ensure 100% weighment.

xiii. 24 Auto Mechanical Samplers (AMS) are also working in subsidiary coal companies for coal sampling, eliminating chances of biasness in sampling process. Procurement of further AMSs is under process. The process has already been initiated to deploy Augur Sampling for drawing more representative samples. One online analyzer in each subsidiary company has been envisaged on trial basis.

xiv. In order to ensure consumer satisfaction and resolve consumer complaints, special emphasis has been given to quality management and redressal of consumer complaint. On-line filing and redressal of complaints has been initiated. Percentage of consumer complaints resolved is 99.42 % during the year 2016-17.

3.5 Marketing of Coal:

Status of execution of Fuel Supply Agreements and performance of e-auction:

Supply of coal was made to various consumers including Power Sector under the applicable provisions of New Coal Distribution Policy. Due to overall deficit in availability of coal, considering the projected coal production from domestic sources and commitments made through signing of FSAs/issuance of Letter of Assurances (LOA), supplies under FSAs has been pegged at various level of commitments (trigger). Power sector being the major consuming sector having significant importance in the economy, supplies to power sector has been guided as per the various Government directives and polices.

(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'17 was about 295 million tonnes.

(ii) Apart from the above, 180 Letter of Assurances have been issued to power plants by subsidiary companies of CIL, as per the recommendations of various SLC (LT) Meetings about 433.80 Million tonnes. Further, as per Presidential Directives dated 16th April'2012 and revised directive dated 17-7-2013, a list of Power Plants having an aggregate capacity of 78535 MW was notified for signing of FSA. A total 173 TPPs, 149 cases having normal LOA and 24 cases having Tapering LOA (as per MOC OM dated 30.06.2015, tapering linkages are not existent as on date), were listed. Till 31st March'2017,out of 149 regular LOAs146 FSAs have been signed. The balance FSAs could not be signed for the reasons not attributable to CIL. However, out of the above, 1 FSA have been transferred to SCCL and 2 FSAs became null and void since the plants have been converted from IPP to CPP.

For post-NCDP Plants (Plants commissioned after March 2009), total FSA commitment of CIL as on date is for an Annual Contracted Quantity (ACQ) of about 216 Million tonnes for the aggregate capacity of about 56750 MW which is backed by long term Power Purchase Agreement (PPA) and qualify for commencement of coal supply subject to commissioning etc.

(iii) As on 1st April, 2017, 679 units other than power and steel plants have operative FSAs with subsidiaries of CIL for about 48.9 million tonnes.

(iv) For supply of coal to Small and Medium Sector Consumers, 8 million tonnes was earmarked by CIL for allocation to agencies nominated by the State Govt's/ UT's. 13 States sent their nomination of 19 State Agencies for the year 2016-17 of which 11 State Agencies of 10 States have signed FSAs for 2.119 mill. tonnes and drawing coal accordingly.

(v) After implementation of NCDP, 417 LOAs were also issued to consumers of sponge iron, CPP and cement as per recommendations of various SLC (LT) meetings for a quantity of 63.95 Million tonnes per annum. Out of these, 337 FSAs have been concluded till date for quantity of about 45.70 Million tonnes per annum. Out of these, 157 FSAs are active as on date with a quantity of 19 Million tonnes per annum.

(vi) CIL conducted the Tranche-I of Auction of Coal Linkages for Sponge Iron, Cement, CPP and 'Others' sub-sectors under Non-Regulated Sector during the period June to October 2016 in accordance with the policy guidelines dated 15.02.2016 issued by Ministry of Coal. The auction has been envisaged as a transparent system of linkage allocation which is based on competitive bidding. Various consumer friendly measures such as 3rd party sampling, exit option, no performance incentive, delivery from specified mine/siding, back-up mine in the event of Force Majeure, etc. have also been introduced. A total of 23.75 Mtpa was earmarked for Tranche-I out of which 22.14 Mtpa has been booked. The auction is followed by signing of Fuel Supply Agreements (FSA) for the booked quantity. The tenure of the FSA is 5 years which can be further extended by another 5 years on mutual agreement.

The Tranche-II of auctions was conducted during the period January to June 2017. Auctions for Sponge Iron, Cement, Others and Steel (coking), Others (coking) and CPP sub-sectors have already been concluded. A total of 14.50 Mtpa of non-coking coal and 0.26 Mtpa of coking coal have been booked under Tranche-II.

(vi) Under Special Forward E Auction scheme during the year ended Mar'17, quantity allocated was around 47 mill tonnes as against 13.8 mill tonnes allocated in the last year. The premium gained through Special Forward E-auction over & above the notified price was 16% during the year 2016-17. In Exclusive E Auction scheme during 2016-17, quantity allocated was around 6.3 mill tonnes as against 1.5 mill tonnes allocated in the last year. The premium gained through Exclusive E-auction over & above the notified price was around 9% during the year 2016-17. During the period under review, around 53.6 mill. tonnes of coal was allocated under Spot E- auction to the successful bidders as against 57.4 mill. tonnes of coal allocated during the 2015-16. The notional gain through Spot E-auction over & above the notified price was 25% during the year 2016-17. About 6.2 Mill tes coal booked under Special Spot E-Auction during 2016-17 with gain of 20% over notified price.

3.6 Coal Beneficiation:

Presently CIL is operating 15 Coal Washeries with a total coal washing capacity of 36.8 million tonnes per year of which 12 are coking and the rest 3 are non-coking with capacity of 23.3 and 13.5 MTY respectively. The total washed coal production from these existing washeries for the year 2016-17 was 17.04 Million Tonnes.

In addition, CIL has planned to set up 22 new Washeries and renovate 5 existing coking coal washeries with state-of-the-art technologies in the field of coal beneficiation with an aggregate throughput capacity of 123.68 MTY.

Out of the 22 new washeries, 13 are planned to wash coking coal with a cumulative capacity of 41.35 Mty, 4 of which are at different stages of construction and LOI has been issued for one. For remaining 9 new non-coking coal washeries with a total capacity of 75.5 MTY, LOA/LOIs has been issued for 3.

The major bottlenecks for setting up of these washeries are mainly Forest, Environmental and other Statutory Clearances, in addition to absence of firm commitment from the intended customers regarding acceptance of washed coal at value added prices.

3.7 Stock of Coal

The stock of coal (net of provisions) at the close of the year 2016-17 was ₹ 7412.79 Crores (earlier year ₹6162.54 crores), which was equivalent to 1.18 months value of net sales (previous year 0.98 months). The company-wise position of stock held on 31st March 2016 & 31st March 2017 are given in **Annexure 10.**

3.8 Trade Receivables

Trade Receivables i.e. net coal sales dues outstanding as on 31.03.2017, after providing ₹ 3782.82 crores (previous year ₹ 2220.20 crores) for bad and doubtful debts, was ₹ 10735.85 crores (previous year reinstated ₹ 11447.61 crores) which is equivalent to 1.05 months gross sales of CIL as a whole (previous year 1.27 months). Subsidiary-wise break-up of trade receivables outstanding as on 31st March 2017 as against 31st March 2016 are shown in **Annexure 11**..

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

During the year 2016-17, CIL and its Subsidiaries paid/adjusted ₹ 44,068.28 crores (previous year ₹ 29,084.11 crores) towards Royalty, Cess, Sales Tax and other levies as detailed below:-

Figures in ₹ Crores

	2016-17	**2015-16**
Royalty	8745.84	8,209.25
Additional Royalty (MMDR Act)	-	434.42
DMF	3964.47	-
NMET	221.16	-
Cess on Coal	1706.37	1,590.67
State Sales Tax / VAT	2787.91	2,444.75
Central Sales Tax	1200.09	1,144.79
Stowing Excise Duty	538.00	525.67
Central Excise Duty	2617.39	3,647.00
Clean Energy Cess	21062.06	9,980.13
Entry Tax	283.82	259.37
Others	941.00	848.06
Total	44068.28	29,084.11

Subsidiary-wise, State wise details are given in **Annexure 12.**

4. COAL PRODUCTION

Raw coal production and production from underground and opencast mines.

Production of raw coal during 2016-17 was 554.14 Mill Te against 538.754 Mill Te produced in 2015-16. Coal production from underground mines in 2016-17 was 31.477 Mill Te compared to 33.786 Mill Te in 2015-16. Production from opencast mines during 2016-17 was 94.32% of total raw coal production. Subsidiary wise production, production from underground and opencast mines and coking and non-coking coal production are disclosed in **Annexure 13**.

Reasons for less production than the target 2016-17:

Despite best and consistent efforts, constraints that have impeded the growth in coal production are as under:

(i) Major mishap at Rajmahal OC affected production at ECL.

(ii) Accumulation of high coal stock at many of the OC mines due to less lifting of coal by Cost Plus consumers at WCL.

(iii) Delayed Stage-II forest clearance at Dhanpuri OC, Amlai OC and Jampali OC and also restricted working space at Amgaon OC due to intervening forest land affected Coal Production at SECL

(iv) Scarcity of working space due to delay in handing over of forest land at Jagannath OC and Ananta OC, delay in Stage II FC at Lajkura OC & R&R issues at Bharatpur OC and Kanhia OC and affected production at MCL.

Washed Coal (Coking) Production

Subsidiary-wise production of Washed Coal (Coking) is given in **Annexure 13A.**

Overburden Removal

The Company-wise overburden removal is disclosed in **Annexure 13B.**

Future Outlook

CIL has envisaged a coal production of 908.10 Mt in the year 2019-20 with a CAGR of 12.98% with respect to 2014-15. In the year 2017-18, the target of coal production has been pegged at 600.00 Mt with an annualized growth of about 8.3% over the achievement of last year. In 2018-19, the envisaged coal production projection is 773.70 Mt with a growth of about 28.95 %.

The capital expenditure for the year 2017-18 has been set at ₹ 8500 crores. Further, Company has planned to invest ₹ 6500 crores in various projects viz. Super Critical Thermal Power Plant (STPP), Solar Power, Revival of Fertilizer Plants, Coal Gasification, Acquisition of coal blocks in India & Abroad, CBM etc. during 2017-18.

In the light of Paris Protocol and consequent changes in world energy scenario, CIL is looking forward to diversify its operations towards Renewable energy like Solar Power and Clean Energy sources like CMM, CBM, CTL, UCG etc following the directives of GoI. Following that mission, MoC/CIL is in the process of formulating ‘Vision Document 2030’ to decide future course of operation for sustainable entity in the nation’s energy sector.

5. POPULATION OF EQUIPMENT

Due to survey-off 5 Draglines at NCL and MCL in 2016-17 population of Dragline reduced to 35 as on 31st Mar’17. There was a reduction of 39 Shovels due to survey off of old Shovels in ECL, BCCL, CCL, NCL, WCL & SECL. CIL and its subsidiaries are planning to procure 87 shovel costing around Rs 1929 crores,515 Dumper costing around Rs 3305 crores, 124 Dozers costing around Rs 314 crores,35 Drill costing around Rs 144 crores & 6 Draglines costing around Rs 1176 crores in next 2/3 years.

Performance of HEC Dragline at NCL was not satisfactory which affected availability & utilization. Matter has been taken up with M/s HEC for improvement. Dragline of Sonepur Bazari Project, ECL was under breakdown since June 16 due to non-supply of imported spares, which is expected to start within next 2 months. Heavy rainfall in NCL & MCL, Land and R&R problems in BCCL, MCL & SECL,were the major reasons for less HEMM utilization. Efforts are being made to improve the availability & utilization.

The population of Major Opencast Equipment (Heavy Earth Moving Machinery) as on 1st April, 16 & on 1st April, 17 along with its performance in terms of availability & utilisation expressed as percentage of CMPDIL norm is disclosed in **Annexure 14**.

6. CAPACITY UTILIZATION

The overall system capacity utilization for the year 2016-17 was 84.51%.It was 99.87% during 2015-16.This was mainly due to low system capacity utilization in ECL, BCCL, NCL, WCL, & MCL.

Due to accident in Rajmahal OCP of ECL, both coal production & OB removal suffered in the last quarter of 2016-17.Due to unprecedented rainfall, OB removal suffered in BCCL & NCL. In WCL,due to exhaustion of reserves in Ghughus OC, the dragline was shifted from Ghughus OC to Mungoli OC and other HEMM to different mines, which affected OB removal. In Talcher coalfields of MCL, due to law & order issues, there was a negative growth in coal production in 2016-17 compared to 2015-16.

Necessary action has already been taken for improvement in capacity utilization in 2017-18 in all the Subsidiaries of Coal India Ltd. Subsidiary wise details of capacity utilization for the year 2016-17 vis-à-vis 2015-16 are disclosed in **Annexure 15**.

7. PROJECT FORMULATION

7.1 Preparation of Reports:

As prioritized by subsidiary companies of Coal India Limited, preparation of Project Reports (PR) for new/expansion/re-organization mines was carried out during the year 2016-17 for building additional coal production capacity to the tune of 57.75 Mty. Revision of Project Reports/Cost Estimates for projects was also taken up along with new PR. During the period, 249 reports were prepared including 16 Geological Reports, 26 Projects Reports, 37 Draft EMPs (including 15 Form-I) and 170 Other Reports.

7.2 Project Implementation:

a) Projects Completed During the year 2016-17:

The following 7 coal projects, each costing Rs 20 Crores and above, with an ultimate capacity of 24.20 Mty and completion cost of Rs 1190.98 Crores have been completed during the year 2016 -17. The subsidiary-wise details of project completed during 2016-17 are disclosed in **Annexure 16**.

b) Projects started Production during the Year 2016-17:

4 projects have started coal production during the year 2016-17.The subsidiary-wise details are disclosed in **Annexure 16.**

c) Status of Ongoing Projects:

120 coal projects and 71 non mining projects costing Rs 20 Crores and above are in different stages of implementation. Out of 120 coal projects, 58 projects are running on schedule and 62 are delayed. Out of 71 non mining projects, 27 are delayed.

Status of Ongoing Projects Costing Rs 20 Crores and above

Projects	Total Projects	Projects on Schedule	Projects Delayed
Mining	120	58	62
Non Mining	71	44	27
Total	**191**	**102**	**89**

Reasons for the Delay:

Mining Projects:

34 coal mining projects are running behind the schedule due to delay in obtaining forestry clearances and 17 are due to delay in acquisition of land and associated R&R issues. In addition, 7 projects are running behind the schedule due to delay or discontinuance of work or non-participation in tender by contractor, 1 project due to law and order problem and 3 projects due to lack of Railway Infrastructure facilities for coal evacuation.

Non Mining Projects:

Non mining projects are running behind the schedule due to discontinuance of work by contractor, law and order problem, acquisition of land and associated problems of rehabilitation and forestry clearances.

7.3 Projects Sanctioned (Costing Rs 20 Crores & above):

a) Projects sanctioned by CIL Board

8 coal mining projects for an ultimate capacity of 56.25 Mty and a total capital investment of ₹ 8931.05 Crores have been sanctioned by CIL Board during the year 2016-17. The subsidiary-wise details of projects sanctioned by CIL Board in 2016-17 is disclosed in **Annexure 16**.

b) Non Mining Projects Sanctioned by CIL & Subsidiaries Board:

No Non-mining projects have been sanctioned by CIL & Subsidiaries Board during the year 2016-17.

Sl. No.	Project	Subsidiary	Date of Approval	Sanctioned Capital (₹ Crores)
NIL				

c) Projects Sanctioned by Subsidiary Company Boards:

11 coal mining projects for an ultimate capacity of 16.74 Mty and capital investment of ₹ 3427.26 Crores have been sanctioned by Subsidiary Coal Companies during the year 2016-17. The subsidiary-wise details of projects sanctioned by their Board in 2016-17 are disclosed in **Annexure 16**.

7.4 Revised Project/RCE Sanctioned by CIL Board:

a) RCE/RPR/UCE sanctioned by the CIL Board during the year 2016- 17: -

Project	Subsidiary	Date of Approval (Mtpa)	Sanctioned Capacity	Sanctioned Capital (₹ Crores)
Khottadih OCP	ECL	03.05.16	1.5	60.10

b) RCE/RPR/UCE sanctioned by the Subsidiary Boards:-

Project	Subsidiary	Date of Approval (Mtpa)	Sanctioned Capacity	Sanctioned Capital (₹ Crores)
Sarapali OC RCE	SECL	04.09.2016	1.40	143.63
Jaganathpur OC RCE	SECL	25.07.2016	3.00	459.59
Total			4.4	603.22

7.5 Key Strategies:

(i) Critical Railway Links:

In order to achieve the planned growth in production and evacuation in future, CIL has undertaken three major Railway Infrastructure Projects, implemented either by Railways or JV Companies formed with IRCON representing Railways, Subsidiary Company representing CIL and concerned State Government.

The three major Railway Infrastructure Projects are:

1. Tori- Shivpur-Kathotia New BG Line
2. Jharsuguda- Barpali- Sardega Rail Link
3. East Rail Corridor and East- West Rail Corridor

Tori- Shivpur railway line is catering to North Karanpura Area of CCL. It is planned to evacuate about 32 MTY of coal. Jharsuguda-Barpali- Sardega Rail Link is Catering to the coalfields of MCL. This Rail line shall evacuate 70 MTY of coal from the coalfields of MCL. The evacuation of coal of Mand- Raigarh and Korba – Gevra Coalfields of SECL, shall be through East Rail Corridor and East- West Rail Corridor respectively. In all, about 180 MTY of coal shall be evacuated through these two corridors.

(ii) Acquisition and Possession of land:

In all subsidiaries of Coal India, the major portion of land is acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957. During 2016-17, notification under section 9 (1) has been issued for 3086.69 Ha and notification under section 11 (1) has been issued for 4196.69 Ha.

During 2016-17, 3826.19 Ha of land has been taken into possession in various subsidiaries of Coal India.

(iii) WEB Based Online Monitoring System:

Web based online monitoring of coal mining projects costing more than Rs 100 Crs has been introduced in Coal India. Exercise for 69 projects costing more than Rs 150 Crs and capacity 3.0 Mty and above have so far been completed during the year 2016-17.

Additionally, monitoring of 67 coal mining projects costing more than Rs 150 Crores with Project monitoring software MS Project has also been started in Coal India Limited during the year 2016-17.Crucial issues are also being uploaded by CIL and its subsidiary companies on MOC e-CPMP portal and MOC is vigorously following up with the state governments and other associated ministries by holding meetings with concerned officials to expedite EC & FC approvals.

7.6 STEPS TAKEN TO ACHIEVE ONE BILLION COAL PRODUCTION IN 2019-20

One Billion Tonne (Bt) production essentially is a synergic effort with coal bearing states and railways to access the resources and speed up logistics for coal evacuation.

Coal India has decided to put its best foot forward with the help of all concerned agencies and take its production into higher growth trajectory. Contribution from identified projects will be 908 Million Tonnes (Mt) and identification of projects for the balance quantity is in progress.

Group wise Production from Projects

Existing coal projects are envisaged to contribute about 165 Mt, projects under implementation are likely to contribute 561 Mt. Future projects are planned to produce 182 Mt during the year 2019-20.

Contribution from Subsidiaries

Projected contribution from MCL and SECL will be to the tune of 250 Mt and 240 Mt respectively during the year 2019-20. Production contribution from the rest of the subsidiaries during the year 2019 - 20 have been projected as under: -

Eastern Coalfields Limited	- 62 Mt
Bharat Coking Coal Limited	- 53 Mt
Central Coalfields Limited	- 133 Mt
Northern Coalfields Limited	- 110 Mt
Western Coalfields Limited	- 60 Mt

Major Challenges

The dream of providing 1Bt of coal (qualitatively & quantitatively) to the Nation will be achieved only through the concerted efforts of CIL, Railways and State Governments. Three critical railway lines, mechanization through latest technology, upgrading skills of employees, speedy acquisition of land, expeditious environmental and forest clearances and fast track state level clearances are crucial for realization of 1 Bt coal production by CIL.

Key Strategies

(I) Technology Development

a. Exploration capacity is planned to be augmented with more use of hydrostatic drills, geophysical loggers, 2D/3D Seismic Survey Technology and Optimization of number of coring boreholes based on the complexity of geology of the block.

b. Introduction of high capacity equipment, Operator Independent Truck Dispatch Systems, Vehicle Tracking System using GPS/GPRS, CHP and SILOS for faster loading and monitoring using laser scanners have been planned to augment coal production from opencast mines.

c. Introduction of Continuous Miner Technology on large scale, Long Wall Technology at selected places, Man Riding system in major mines and Use of Tele - monitoring techniques have been envisaged to increase production from underground mines.

(II) Role of HR

Driving CIL Corporate Vision by building capabilities,creating performance culture & developing talent pool.

(III) System Improvements

Introduction of e-procurement of equipment and spares, e-tender of work and services, implementation of Coal Net, establishment of connectivity, revision of guidelines and manuals, use of GPS for monitoring operational efficiency in road transport of coal have been planned to improve the overall system.

8. CONSERVATION OF ENERGY

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

Even though Coal Production had increased by 2.9% in 2016-17 compared to 2015-16, electricity consumption has however reduced to 4886.83 Million Units vis-à-vis 4971.13 Million Units during 2015-16 with a reduction of 1.7% in absolute terms. Specific Power Consumption (kWh/T) during 2016-17 is 8.82 kWh/T vis-à-vis 9.23 kWh/T during 2015-16 with a reduction of 4.42%. CIL/Subsidiaries endeavor to maintain this trend of reduction in specific power consumption (kWh/T) every year with reference to previous year.

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

- CMPDIL HQ has undertaken energy conservation studies in 2016-17 and carried out Diesel Audit & Benchmarking of specific diesel consumption as well as Electrical Audit & Benchmarking of specific electrical energy consumption in various opencast and underground mines situated in different subsidiaries of Coal India Limited by Bureau of Energy Efficiency (BEE) accredited Energy Auditors.

  Diesel Audit and Benchmarking carried out by CMPDIL in 71 opencast mines in different subsidiary companies revealed an aggregate saving of approximately 16750 kilo litre/year in diesel consumption.

  These 71 opencast mines are selected having composite capacity (Coal+OB) of 1.0 mill.cub.m or more in ECL, 2.0 mill.cub.m or more in BCCL, WCL, CCL and 5.0 mill.cub.m or more in NCL, SECL and MCL respectively.

  Likewise, Electrical Audit and Benchmarking carried out in 08 mines (07 opencast mines and 01 underground mine) revealed an aggregate saving of approx. 110 million units/year.

- MoU has been signed between CIL (Coal India Limited) and EESL (Energy Efficiency Services Limited) on 08.02.2016 for implementation of Energy Efficiency Projects in CIL and its Subsidiaries.

- Accordingly, high watt luminaries / conventional light fittings are being replaced with low power consuming LEDs (of appropriate wattage) in majority of the places for street lighting, Office and other work places, townships etc., thereby creating huge saving potential in electricity consumption. Around 64000 LED Lights have been fitted (new + replacement) in CIL/Subsidiaries for better conservation of energy.

- Air Conditioners (AC) and Refrigerators of 5 Star Rating are procured against replacement of old conventional ACs and refrigerators. Use of Super Energy Efficient Air Conditioners (AC) are also being explored at places having technical capability of saving energy 30% more than the 5 star-rated ACs.

- Energy audit of selected mines / office buildings conducted by CMPDIL / External Agency.

- Installation of power capacitors of appropriate kVAR rating to maintain higher power factor to avail maximum benefit on power factor incentive from power supply agency as well as reduction in Maximum Demand. Aggregate Power Factor maintained at CIL subsidiaries is as high as 95% during 2016-17.

- Auto timer based on-off switches in most of the street lighting / CHPs and township areas to ensure avoiding unnecessary power consumption during odd hours thereby saving in electricity consumption.

- Construction of strata bunkers in underground (UG) mines to eliminate idle running of belt conveyors thereby saving electricity.

- Re-organization of LT (Low Tension) overhead line by Aerial Bunched Cable to avoid unauthorized power tapping.

- Monitoring of load pattern and demand side management of supply points limiting maximum demand wherever practicable by staggering avoidable load from peak hours to off-peak hours.

- Elimination or reduction of stage pumping as far as practicable.

- Re-organization of power distribution system.

- Power supply to underground mines by laying cables directly through bore holes wherever feasible.

  The above measures are indicative and not exhaustive.

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

- In kilo-watt scale, roof top solar plants are in successful operation at various places since their commissioning. Such plants are in operation at Corporate Office of Coal India Ltd, New town, Kolkata (160 kWp), CMPDI HQ, Ranchi (190 kWp), CMPDIL RI-VI, Singrauli (50 kWp), CMPDIL RI-II, Dhanbad (50 kWp), Sodepur (5 kWp) and Bankola (30 kWp) at ECL, Central Repair Shop, Barkakana (25 kWp) at CCL, Nagpur Area (80 kWp) and Ballarpur area (60 kWp) at WCL respectively.

- In megawatt scale, one ground-mounted solar power plant (2.016 MWp) is in operation at MCL HQ since it is commissioning on 13.10.2014.

- In CCL, work order for solar power plant of capacity 400 kWp on the roof top of Darbhanga House, CCL HQ, Ranchi has already been issued to M/s BHEL. Another such plant of capacity 50 kWp has been approved for Kathara Area on the roof top of Executive Hostel Building. Plant of capacity 80kwp has been aprroved for CMPDIL RI-I office building at Asansol.

- In kilo-watt scale, roof top solar power plants have been identified for their commissioning at ECL (aggregate capacity: 60 kWp), MCL (150 kWp) and CMPDIL RI-VII (60 kWp) respectively.

- In mega-watt scale, WCL has planning for installation of 1.257 MWp and 50 MWp solar power projects.

9. CAPITAL EXPENDITURE

Overall Capital Expenditure during 2016-17 was ₹ 7700.06 crores as against ₹ 6,123.03 crores in previous year. Capital Expenditure incurred during 2016-17 is 99.16% of BE (102.21% in 2015-16). Subsidiary-wise details of which are given in **Annexure 17**.

10. CAPITAL STRUCTURE

The authorized share capital of the company as on 31.03.2017 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**

Listing of shares of Coal India Limited in Stock Exchanges:

The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November, 2010.

The details of disinvestment of shares by Govt. of India is furnished below:

Sl No	Financial Year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF
5	2016-17	1.248%	7,88,42,816	Buyback
6	2016-17	0.92%	5,71,56,437	CPSE-ETF

Hence, the number of shares held by Govt. of India as on 31.03.2017 is 4,89,49,71,329 i.e.78.857% of the total 6,20,74,09,177 number of shares (earlier year 5,03,09,70,582 i.e. 79.649% of total number of shares).

During the year the company has not issued any shares. However, pursuant to Public Announcement (PA) published on August 30,2016 and letter of offer dated September 23,2016, the company has bought back its 10,89,55,223 number of equity shares of face value of ₹10/- each fully paid up through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28,2016. Post such buy-back, the number of fully paid equity shares as on stands at 6,20,74,09,177.

Pursuant to above, the shareholding pattern in CIL stood as follows:

	As on 31.03.2017		As on 31.03.2016	
	Shareholding Pattern (%)	Share Capital (Rs Crore)	Shareholding Pattern (%)	Share Capital (Rs Crore)
Government of India	78.857 %	4894.97	79.649 %	5030.97
Other Investors	21.143%	1312.44	20.351%	1285.39
Total	100.000%	6207.41	100.000%	6316.36

During the year 2016-17, three subsidiaries of CIL viz. NCL, SECL and MCL have bought back its shares from CIL. The details of such buy back are as follows:-

Name of the Subsidiary	NCL	SECL	MCL
No. of Shares brought back by subsidiary	411135	609250	451743
Buy back Price	₹ 30260.70	₹ 19699.47	₹ 35796.02
Consideration received by CIL	₹ 1244.12 crore	₹ 1200.19 crore	₹ 1617.06 crore
No. of Shares held by CIL post buy back	1365593	2987750	1412266

11. BORROWINGS

Aggregate borrowings including both current & non-current of CIL stood at ₹ 410.77 crores in 2016-17 from ₹269.76 crores in 2015-16, as detailed below.

Figures in ₹ Crores

Particulars	2016-17	2015-16
Foreign Loans including deferred credits		
- EDC Canada	167.2	174.14
- Liebherr France SA., France	6.64	7.77
- IRCON International Ltd.	171.44	63.92
Chattisgarh State Infrastructure Development Corpn Ltd.	65.49	23.93
TOTAL	**410.77**	**269.76**

In addition to the above Short term Borrowings of CIL stood at ₹ 2603.81 crores in 2016-17 from ₹929.03 crores in 2015-16, as detailed below.

Figures in ₹ Crores

Particulars	2016-17	2015-16
Loan repayable on demand		
- From Banks	2603.78	929.00
- From Other Parties	0.03	0.03
TOTAL	**2603.81**	**929.03**

The debt servicing has been duly met in case of the loans / deferred credits whenever due.

The subsidiary companies of SECL M/s Chhattisgarh East Railway Limited (CERL) & M/s Chhattisgarh East-West Railway Limited (CEWRL) have taken loan from IRCON International Ltd and Chhattisgarh State Infrastructure Development Corpn Ltd. with repayment period of 5 years excluding moratorium period not exceeding 5 years from the date of signing of Loan Agreement.

12. INTERNATIONAL CO-OPERATION

Coal India is envisaged for foreign collaboration with a view to:

- Bring in proven and advanced technologies and management skills for exploiting UG and OC mines, coal preparation and related activities.

- Exploration and exploitation of Methane from Coal bed, abandoned mine, ventilation air, shale gas, coal gasification, etc.
- Locating overseas countries interested in Joint Venture in the field of coal mining with special thrust on coking coal mining.

The priority areas included acquisition of modern and high productive underground mining technology, introduction of high productive opencast mining technology, improvement in working in underground in difficult geological conditions, fire control and mine safety, coal preparation, application of 3D seismic survey for exploration , extraction of coal bed methane, coal gasification, application of Geographical Information System, satellite surveillance, subsidence monitoring, environmental control, overseas ventures in coal mining.

CIL aims to acquire suitable technology through international bidding. Bilateral cooperation is also being encouraged for locating availability of cost effective and latest technologies in the aforesaid areas. CIL, therefore, has been following both the routes.

Following are the details of activities that took place with various countries during 2016-17.

FOREIGN COLLABORATION

Indo-US Collaboration:

Status of On-going Projects:

a) Development of Coal Preparation Plant Simulator

M/s Sharpe International LLC, USA (SI) was awarded the work in October 2009 for development of a Coal Preparation Plant Simulator. Total work was split into 18 activities out of which 11 activities were completed and payment to the tune of 40% value had been released in line with provision of the contract. Later in October 2013, SI expressed their inability to complete the work. US representatives were requested to take up the matter with M/s Sharpe for a meaningful conclusion of the project. US side advised to contact Mr. Carl Jacobson in this regard.

Consequently, Mr. Carl Jacobson was contacted for submission of a proposal for execution of the project within the framework of existing agreement. From perusal of the proposal submitted by him, it was noted that M/s Coal Sim was responsible for the development of software based on the mining engineering expertise provided by Mr. Mark Sharpe. The issue is being examined for meaningful conclusion.

Further, Mr. Manoj Mohanty from Southern Illinois University Carbondale, USA vide his email dated 08.01.2016 expressed desire “to complete the project that SI could not complete”. Mr. Mohanty was requested to submit his proposal through US DoE and MoC, as the project was identified under Indo-US Coal Working Group work plan. Subsequently, a proposal from Mr. Mohanty was received through US DoE and MoC, GoI. Comments of CMPDI in this regard were sent to Advisor (Projects), MoC on 03.10.16 and also to Mr. Smouse Scott of DoE on 27.10.2016.In response to the queries raised by Dr. Mohanty of SIU (vide e-mail dated 07.11.2016 forwarded by Dr. Scott Smouse of US DOE), suitable reply has been sent on 23.11.2016.

On 22.12.2016, Dr. Scott Smouse of US DOE sent reply indicating project direct cost for the subject assignment with Power Plant economics increased substantially to US$ 3,50,000 plus additional 47.5% charge on the project direct cost as research overhead expenses.

CMPDI vide email dated 09.01.2017 requested Dr. Scott Smouse to look into the matter and asked Dr. Mohanty to respond accordingly so that the final proposal can be prepared and submitted at the earliest with due consideration to fund limitation as the balance fund left in the project is US$ 225,000. Necessary reply in this regard is awaited.

b) Cost Effective Technology for Beneficiation and Recovery of Fine Coal

US DOE had identified Virginia Tech University (VTU) for establishing an efficient technique for beneficiation & dewatering of Indian coking coal mines through the testing of coal samples in lab and pilot plants at VTU for identification of state-of-the-art technologies based on which a demonstration plant was to be installed in Sudamdih Washery in BCCL. A joint project proposal was drawn and approved by CIL R&D Board in Dec, 2010. The VTU, however, expressed its inability to sign an international agreement and as such the project could not be started.

During the 10th Indo-US CWG meeting in New Delhi on 10.03.2014, US representatives were requested to take up the matter with VTU for meaningful conclusion of the project. US side had advised to contact Dr. Roe Hoan Yoon of Virginia Tech for further discussion in this regard. Subsequently the issue was taken up with Dr. Roe Hoan Yoon to obtain methodology for execution of the assignment.

On perusal of the correspondences made with Dr. Yoon, it is observed that VTU is not in a position to associate in the project in accordance with the methodology of the approved project. The issue is being examined for meaningful conclusion.

Further, Dr. Yoon vide e-mail dated 08.01.2016 informed that VTU had developed HHS process for fine Coal Cleaning and would be submitting a proposal on the same. However, since the project was identified under Indo-US Coal Working Group work plan, Dr. Yoon was requested to route his proposal through US DoE and MoC. Further, the matter has been followed up from CMPDI’s end. Reply is awaited from Dr. Yoon.

Meanwhile, Shri R B Mathur, President, Business Development & Mining Strategy, Virginia Mining Resources Pvt. Ltd. (VMR) submitted, vide his email dated 09.05.2016, that VMR is a sister concern of Minerals Refining Company (MRC) which is associated with Dr. Yoon in development of Hydrophobic-Hydrophilic Separation (HHS) Technology. He expressed to undertake a pilot project on HHS Technology under S&T Programme in India. He was requested vide email dated 20.05.2016 that a proposal should be sent to this office with details of HHS Technology, its availability and cost etc. for initiating appropriate action.

Subsequently, a Proposal titled **"Application of the Hydrophobic-Hydrophilic Separation (HHS) Process for the Beneficiation of Indian Coals"** from M/s MRC was received through US DoE and MoC, GoI. Comments of CMPDI in this regard has been sent to Advisor (Projects), MoC on 07.10.16 and also to Mr. Smouse Scott of DoE on 27.10.2016 stating the following:

- The promotor of HHS technology may be requested to submit a project proposal for **"Design of a POC-Scale Plant"**. The proposal would initially include the setting up of a POC-Scale Plant at CMPDI(HQ), Ranchi (in Stage-I) to compare yield of different types of Indian coal in HHS process with that obtained through conventional floatation scheme.
- Based on the findings of the study carried out in Stage-I, the technology may be implemented in Stage-II for **"Conceptual Design of a Demonstration Plant"**.

In the meantime, Shri R.B. Mathur, vide e-mail dated 21.11.2016, submitted a revised proposal with incorporation of the PROPOSED BUDGET BY TASK, i.e. the total cost of involvement of US side is USD 1,508,312 as indicated earlier, has been split into different tasks which is related to lab scale testing and consultancy services by the project proponent. It can be summarized from the revised proposal that

o US Cost till Design of a POC-Scale Plant (as indicated under Task 1 to 3) is USD 923,104 and

o US Cost for the Conceptual Design of a Demonstration Plant with retrofit (as indicated under Task 4 to 6) is USD 585,208.

On 02.12.2016, CMPDI responded to Dr. Scott Smouse that in addition to the reply made on 27.10.2016, it may further be noted that the indicated cost mentioned above is towards Laboratory tests on coal samples (to be transported by CMPDI to Virginia Tech Laboratory in USA), detailed characterization for pilot design, design of a POC-scale plant, conceptual design of a Demonstration Plant and developing a flowsheet to Retrofit in existing plant only. It does not include any supply item, not even the cost towards HHS set up required for POC-scale plant, without which the objective of the HHS scheme cannot be accomplished.

In the meantime, Shri R.B. Mathur, President (Business Development & Mining Strategy), Virginia Mining Resources Private Ltd. (vide e-mail dated 16.02.2017) informed that comments on the observation of CMPDI shall be provided through official channels. Accordingly, Dr. Scott Smouse vide email dated 23.03.2017 has submitted a revised proposal as received from Virginia Minerals Refining Corp. Scrutiny of the proposal is done at CMPDI.

New Areas of Collaboration

a) Underground Coal Gasification (UCG): UCG is one of the key areas under Indo-US collaboration. A project brief for capacity building in the field of UCG development has been sent to MoC for consideration in India-US Coal Working Group Meeting held on 16th Sept. 2015 at Washington, USA for the development of UCG in CIL command area. Initially, DoE indicated that UC-CIEE (California Institute for Energy and Env.) can be approached. Thereafter, Lawrence Livermore National Laboratory was requested to associate. US DoE agreed to identify US Experts and will inform the Indian side for further course of direct action. Response from DoE is awaited.

b) Shale Gas: In the Indo US Working Group Meeting held on 16thSeptember, 2015 at Washington, USA, it has been agreed that potential business collaboration will be identified for shale gas assessment in "Barren Measures" above coal seams.

c) Coal Mine Methane (CMM): CMM blocks have been identified in and around active mining areas under CIL command area for commercial exploitation of methane in Raniganj Coalfield (ECL command Area), Jharia Coalfield (BCCL command Area). US Experts are requested to suggest suitable technology providers for commercial extraction of CMM & its utilization.

d) Dynamic planning of large capacity opencast mines: The National Energy Technology Laboratory (NETL), USA has been entrusted with the responsibility for identifying suitable US agencies for cooperation in this area. As advised by US Side, M/s Norwest Corporation and M/s Art Sullivan Mine Services were contacted by CMPDI. Finally, the subject of "large capacity opencast mine planning, norms and standard, safe designs and dump optimization" was finalized with M/s Norwest Corporation.

After many deliberations on the proposal, it was proposed by CMPDI to route the proposal through Indo-US CWG platform prior to submission at the R&D Nodal Agency (i.e. CMPDI) for funding under CIL. A meeting was held at CMPDI with officials from M/s Norwest Corporation on 20th July 2016 and a decision was taken to formulate the proposal in two phases i.e. **Phase-I:** Study & Capacity Building, and **Phase-II:** Implementation in one of the selected OC mines in CCL. (CCL has given consent for study and implementation of the proposal in Amrapali OCP vide letter dated 29th Aug. 2016).

Mr. Pat Akers, representative of Norwest Corporation, again visited CMPDI on 21stDecember 2016 for further discussions and Mr. Akers agreed to reframe the scope of work as desired by CMPDI.

A revised draft proposal was submitted by Mr. Akers on 17th January 2017 and scope of the project has been finalized by CMPDI. A complete proposal with time and cost estimates is expected to be submitted by Mr. Akers. Reminders were sent through e-mails dated 23.02.2017 and 20.03.2017 by CMPDI. In response, a few queries/clarifications were sought by Mr.

Akers on 22.03.2017. Subsequently, query-wise clarification was e-mailed to Mr. Akers on 23.03.2017 for incorporation in the proposal. Detailed proposal is awaited.

e) **Mine Rehabilitation & Reclamation of Indian coal mines:** Projects on sustainable mine closure activities and mining wasteland to be utilized as a source of livelihood for local community were proposed to be carried out with the help of US agencies. In this regard, a proposal was received from M/s Norwest Corporation on 15th Dec, 2015.

After many deliberations on the proposal, CMPDI advised to route the proposal through Indo-US CWG platform prior to its submission to R&D Nodal Agency (i.e. CMPDI) for funding under CIL. Subsequently, a meeting was held at CMPDI with officials from M/s Norwest Corporation on 20th July 2016 and a decision was taken to formulate the proposal in two phases i.e. **Phase-I:** Study & Capacity Building and **Phase-II:** Implementation in one of the selected OC mines in CCL (CCL has given consent for study and implementation of the proposal in Amrapali OCP vide letter dated 29th Aug. 2016). M/s Norwest Corporation has prepared the revised draft proposal and sent to CMPDI (HQ), Ranchi (Implementing Agency) on 06.09.2016 for necessary scrutiny. The proposal was vetted and the observation received on 30.12.2016.

In the meantime, CMPDI has forwarded the same to M/s Norwest Corporation vide email dated 28.11.2016 for incorporating their input before submission of the proposal.

Mr. Pat Akers, representative of M/s Norwest Corporation, had a meeting with CMPDI officials on 20th December 2016 at New Delhi. After detailed discussions on issues raised by CMPDI, Mr. Akers agreed to incorporate the points raised by CMPDI and agreed to submit the revised proposal by January 2017.

The revised draft proposal was submitted by Mr. Akers on 10th January 2017. Reply has been sent by CMPDI on 1st February 2017 for submission of revised proposal incorporating the suggestions made by CMPDI. In response to the email dated 09.03.2017 by Norwest Corporation regarding some issues of service tax, necessary reply has been sent by CMPDI vide e-mail dated 22.03.2017. The revised proposal is awaited.

f) **Advanced Dry Coal Beneficiation technology:** Dry Coal beneficiation is a priority area identified under Indo-US CWG. Mr. Manoj Mohanty of Southern Illinois University Carbondale submitted a short proposal on DryJet Sorting Technologies through US DOE in Aug. 2014, which is based on X-Ray detection and pneumatic sorting technology, similar to Ardee Sort, CMPDI is already trying under R&D Project at Madhub washery, BCCL. During the last CWG meet held in USA on 16th Sept. 2015 at Washington DC, Mr. Manoj Mohanty was contacted to submit a proposal on FGX Dry Coal separator, which he also confirmed through email dated 08.01.2016. The proposal is awaited.

Visit of US delegation at CMPDI(HQ), Ranchi

A delegation from US Consulate (lead by Sri Prasenjit Gupta, US Consul for Political and Economic Affairs) visited CMPDI on 15.02.2017 to discuss Indo-US collaborative projects, CBM/CMM Clearing House functioning and the possibility of future collaboration.

Indo-EU Collaboration:

Status of On-going Project:

a) **Introduction of a new underground mining technology at North-Eastern Coalfields in Assam**

A proposal titled "Introduction of a new underground mining technology at North-East Coalfields in Assam, India" was put forward to the Indo-EU Working Group on clean coal technology for consideration in 2012. The feasibility study to design a suitable mining technology and operation was awarded to Spanish Consortium led by AITEMIN. AITEMIN has already started their work since December 2013. The members from Spanish Consortium visited Tipong UG mine of NEC, Assam during 10th - 14th Feb 2014. During the visit, they had detailed discussion with concerned CMPDI & NEC authorities and collected necessary data/information regarding the aforesaid work. The Feasibility Study Report, as reported by AITEMIN, has already been submitted to the European Commission on 10th Oct.'14 according to the contract terms and recently, the same has been received through M/s AITEMIN. However, the feasibility study report is yet to be made available to CIL/CMPDI by the European Commission.

New Areas of Collaboration

During 8th India-EU CWG meeting held in Chennai from 28th – 29th Nov. 2013, a presentation was made by CMPDI on reclamation practices, land management and utilization of mine voids for storage of mine water which is generally of good quality. Technical knowhow from EU was sought to bring back the post-mining land use pattern as existing before the mining and utilization of the same for income generation for the local community. A presentation on the requirement of the technical assistance was made by CMD, CMPDI during 9th India-EU CWG meeting held in Germany from 10th – 11th Sept. 2014. However, offer of assistance is still awaited from EU side.

Indo-Australian Collaboration

Status of On-going Projects:

CMPDI has a Memorandum of Understanding (MoU) with Commonwealth Scientific and Industrial Research Organisation (CSIRO) signed on 12th June, 2013 for a period of five years for furthering scientific cooperation. A team from CMPDI visited CSIRO, Australia in July 2015 for identifying possible collaborative areas in the field of clean coal technologies.

a) Capacity Building for CMPDI Lab

- CMPDI has established a state of the art Coal Bed Methane (CBM) lab that can carry out parametric studies for resource estimation and reservoir characterization for CBM and Shale gas.
- In March 2016, S&T Project titled **"Capacity building for extraction of CMM Resource within CIL Command areas"** was approved by Ministry of Coal (MoC) under Govt. of India S&T funding which is jointly implemented by CMPDI and CSIRO. The project is of three (03) years project duration. A Collaborative Understanding agreement for execution of the Project has been signed between CSIRO and CMPDI on 22nd December, 2016.
- In February, 2017, CMPDI organised a thorough discussion on lab equipment in CBM lab with CSIRO and GEOGAS representatives. The later visited CBM Lab and emphasized on planning scientifically correct methodology and implementation of new technology driven equipment to be covered under the above S&T project. The team also visited four drilling sites of CMPDI. One of the boreholes had been selected for desorption studies. The team discussed methodology of desorption studies carried out by CMPDI team at site.

b) Ventilation Air Methane (VAM)

- CMPDI has formulated a project jointly with CSIRO titled "Abatement and utilization of Ventilation Air Methane (VAM) from working underground degree–III coal mine in India". The implementing agencies for the project will be CSIRO and CMPDI with BCCL as a sub-implementing agency. Identified project mine is Moonidih Underground Mine in Jharia coalfield of Bharat Coking Coal Ltd. (BCCL).
- CIL R&D Board has approved the project in principle with 100% retroactive funding at present and in due course 40% should be reimbursed from National Clean Energy Fund (NCEF) with a directive to reduce duration of project from 42 to 30 months in consultation with CSIRO. CSIRO has agreed to reduce the project duration to 36 months.
- The revised proposal was placed in the 26th Meeting of R&D Board of CIL held on 27.12.2016 and the Board advised to place the proposal before the Apex Committee with certain modification.

c) SIMTARS engagement in Mining simulation, Explosion testing and Mining safety training

- SIMTARS in collaboration with ISM & CIMFR, Dhanbad has been engaged in mining simulation, explosion testing and mining safety training for Indian coal mines through purchase of mining simulators through an R&D Project funded by CIL.
- For setting up Virtual Reality Centre (VRS) at ISM, a meeting was held on 23.02.2016 which was attended by Additional Secretary, MHRD and Chairman, CIL. ISM in association with SIMTARS formulated a proposal for setting up VRS at ISM, Dhanbad.
- SIMTARS agreed to give details about their requirement, financial involvement, component wise details for different modules for training based on some need analysis in Indian scenario, for establishing the Centre for imparting training of trainers etc. SIMTARS proposal included the following:
  - Identification of training requirements
  - Location, site and building work requirements
  - Mine and infrastructure modelling requirements
  - Immersive display system requirements
  - Implementation of logistic requirements
  - Support requirements
- A space for establishing the Centre has been identified by ISM under the Centre of Excellence in Mining Technology.

New Areas of Collaboration

a) Underground Coal Gasification (UCG): In the India – Australia Energy Security Dialogues held during 8th – 11th February 2016 at Brisbane, for the development of Underground Coal Gasification (UCG), Australian companies like M/s Carbon Energy Limited was asked to look forward for the opportunities coming up in India in view of the recent UCG policy of Government of India. A meeting via Conferencing (Video/Tele) was organized by Austrade / Delhi on 31st May 2016 where M/s Carbon Energy Ltd shared their outcome of Key Seam UCG Technology developed at the Bloodwood Creek UCG Trial Project at QLD in Australia.

It was agreed that in view of constitution of Inter-Ministerial Committee (IMC) for the development of UCG blocks, the proponent may approach to the developer to extend technology to them after the awarding of blocks.

b) CBM/CMM Development in CIL Command Area: In the India – Australia Energy Security Dialogues held during 8th – 11th February 2016 at Brisbane the Australian technology providers and experts from the Australian Universities came forward for participation in developing CBM/CMM areas under the leasehold of CIL in view of new policy of Government of India permitting CIL to explore and exploit CBM/CMM on commercial lines. University of New South Wales (UNSW) has been requested to provide list of experts and technology providers.

c) Review Mining Simulation technologies from Immersive Technologies, Australia: This is technology based software for simulation based training of HEMM. The Immersive Technologies Pty Limited, Australia presented the same at the IMME 2016 in Kolkata.

India-Australia Round table Meeting at CIL(HQ), Kolkata

On the request of Australian High Commission, a round table meeting was jointly organized by IIT-ISM and CIL at CIL (HQ), Kolkata on

19.11.2016 to enhance Indo-Australian collaboration opportunities on coal mining technology, safety, clean-coal technology etc. with the help of Australian Universities and Institutions. The meeting was attended by a number of Australian firms to showcase their technologies and services for possible future collaboration.

Indo-Poland Collaboration

New Areas of Collaboration

Secretary (Coal), Govt. of India led a delegation comprising of Chairman, CIL, Joint Secretary (JS), MoC, and Adviser, MoC to Poland during 6th to 9th June, 2016 to understand the energy policy of Republic of Poland with particular reference to development of coal, coal mining technologies, reclamation of mined-out areas, capture and uses of Coal Mine Methane (CMM) and technologies for development of underground (UG) mines etc.

A 5-membered team of Polish Experts (3 from AGH University, Krakow, Poland & 2 from GIG, Katowice, Poland) visited MoC, CIL (HQ), ECL, BCCL and CMPDI (HQ) along with a team of 4 members from manufacturers of Poland. This visit (4th-7th July 2016) was made by Polish Expert as a sequel to the visit made by an Indian delegation led by the Secretary (Coal) to Poland in the month of June, 2016. In view of the above, a Poland Technology Group (PTG) has been constituted and some of the areas was identified such as Slope stability of overburden dump (using advanced modelling technique), Dry Coal beneficiation, Extraction of remnant coal pillars with surface protection, Pre-drainage of coal mine methane (CMM) and commercial recovery of coal bed methane (CBM) and Control measures for mine fires of Jharia for obtaining the solutions from Polish side. A detailed discussion was held on the identified areas at CMPDI (HQ), Ranchi between Polish Experts and Officials of PTG & other officials of MoC, Coal India Limited/CMPDI, wherein technical co-operation was sought on the identified areas from Polish Experts. A data dossier on the above identified areas has been prepared by CMPDI with necessary technical help from different subsidiaries of CIL and the matter is being taken up at CIL level.

In continuation of the collaborative studies, a team of 4 officers (2 from CMPDI and 1 each from CCL & BCCL) visited Poland from 13th -17th February, 2017 to enhance skill in the field of methane extraction and dry coal beneficiation.

Indo-Japan Collaboration

New Areas of Collaboration

a) **Dry Coal Beneficiation:** M/s Nagata Engg. Co. Ltd. has been requested to provide the detail technology including specification and performance data, commercial availability of the separator and cost thereof with other supports (if any). The response is awaited.

b) **Slope Stability Monitoring:** Dr. Hideki Shimanda of Kyushu University, Japan has been requested to share their technical expertise and valued opinion for Indian geo-mining conditions. Reply is awaited.

c) **Subsidence Measurement & monitoring using DINSAR Technology:** J-Coal delegation led by Mr. Masafumi Uehara visited CMPDI in August 2016 and presented the possible use of DINSAR technology for subsidence monitoring in Jharia Coalfield. The delegation also visited the subsidence sites at BCCL. On query whether a real time monitoring and subsidence prediction was possible through this technology, Mr. Uehara informed that real time monitoring, at present, was not possible through this study as the minimum interval for this study can be one and half months, which is the re-visit time of the satellite to acquire the data and they do not have expertise in subsidence prediction presently. Under such circumstances, the project is kept in abeyance.

Indo-Russian Collaboration

The 21st Meeting of India–Russia Joint Working Group on Energy and Energy Efficiency was held on 7th September 2016 at Delhi. Indian side expressed its interest in technical cooperation with Russian companies in the field of Underground Coal Gasification (UCG) and resource assessment of Coalbed Methane (CBM) in distressed conditions. Russian side agreed to pass on the information to concerned Russian companies.

Indo-Belarus Collaboration

Two proposals regarding trial run of 350 Tonne dump trucks of Belaz make and technology for North Eastern Coalfields by M/s NIVA of Belarus were received from Ministry of Coal through CIL on 14.03.2017. Necessary comments of CMPDI on the above proposals have been sent to CIL on 20.03.2017 for onward communication.

13. COAL VIDESH DIVISION

I. INITIATIVES FOR ACQUISITION OF COAL ASSETS ABROAD

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

Coal India Africana Limitada (CIAL), a wholly owned subsidiary of CIL was granted prospecting licenses for two leaseholds, covering a total area of 224 sq. km. by the Ministry of Mineral resources, Government of Mozambique. Based on exploration activities carried out in the license areas from 2012 to 2014, 170 sq.km area having no occurrence of coaly horizons till a depth of 500m, was surrendered to the Government of Mozambique. The remaining 54 sq.km. area was retained for which new licenses were issued. Based on Geological Report of the license areas, Mineability Study to assess the techno-economic viability of mining of the remaining 54 sq. km. was conducted in 2015-16. The Mineability Study revealed that the leasehold areas are not techno-economically viable for commercial mining. Based on this outcome of the study, CIL Board approved complete surrendering of the prospecting licenses. Pursuant to these directives of the Board, applications for surrendering the remaining 54 sq.km. of the leasehold area for prospecting was submitted to the National Institute of Mines (INAMI), Government of Mozambique. The Government of Mozambique vide their letter dated 16th August 2016 accepted the application for relinquishment of the said licenses.

(B) Acquisition of coking coal assets abroad

Pursuant to the directives of the CIL Board, initiatives for acquisition of coking coal assets, with particular focus on Australia being the prime destination for sourcing coking coal to India, are in process. As part of the preparedness towards acquisition initiatives, empanelment of Merchant Banker (MB)/ Investment Banker (IB) has been done to render assistance in acquisition process.

II. REVIVAL OF FERTILIZER PROJECT(S)

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

In line with the decision in a meeting at PMO on 07.04.2016, a Joint Venture Agreement was signed on 16th May 2016 between CIL and NTPC (shareholding 50:50), to set up new natural gas based ammonia-urea complexes at the premises of closed fertilizer units at Gorakhpur & Sindri of FCIL and HFCL at Barauni. Hindustan Urvarak & Rasayan Limited (HURL) was registered on 15th June 2016 as a Joint Venture Company of NTPC and CIL, with IOCL to join subsequently. The Supplementary Agreement to the JVA was signed amongst CIL, IOCL, NTPC, FCIL and HFCL on 31st Oct, 2016 with share-holding of CIL – 29.67%,NTPC – 29.67%,IOCL – 29.67% and FCIL/HFCL(combined) – 10.99%.The Pre-Feasibility Report for Gorakhpur and Sindri was prepared by Engineers India Limited(EIL) and that for Barauni was prepared by Projects Development India Ltd(PDIL). The Board of Directors of HURL decided to set up ammonia-urea complexes at aforementioned sites through Lump-Sum Turnkey (LSTK) mode and PDIL was appointed as consultant for rendering assistance in the entire process. The pre-qualification process for LSTK contractors has been completed through a global EOI process. Thereafter, NIT for selection of LSTK Contractors for setting up of the ammonia-urea plant at each site was prepared and issued after due approval of the HURL Board to the pre-qualified LSTK contractors for each site. Concurrently, pre-project activities are in progress in all the three sites. Geotechnical investigation, topographic survey, water availability studies and EIA/EMP preparation have been carried out. The Hon'ble Prime Minister has laid the foundation stone at Gorakhpur plant site on 22nd July, 2016.

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

In line with the CCEA decision of August 2011, a Joint Venture company of RCF, GAIL, CIL and FCIL, named Talcher Fertilizers Limited (TFL),has been formed to set up an Ammonia-Urea plant at the site of the defunct fertilizer plant of FCIL at Talcher through Surface Coal Gasification technology. The share-holding of the Promoter companies is RCF – 29.67%, CIL – 29.67%, GAIL – 29.67% and FCIL – 10.99%.

After extensive deliberations for selection of coal gasification technology licensors at PMO, NITI Aayog, Dept. of Fertilizers, etc., it was decided in a meeting chaired by Hon'ble Minister (Chemicals and Fertilizers) on 31.08.2016 to float a fresh Expression of Interest (EOI) for pre-qualification of technology licensors for coal gasification technology. The consultant, PDIL, floated EOI on behalf of TFL on 14th September, 2016 and responses received were evaluated and recommendations placed for approval of TFL Board. As on date, the TFL Board has accorded 'in principle' approval to the Techno-Economic Feasibility Report (TEFR) with the stipulation that investment decision would be taken after establishment of financial viability through a Detailed Feasibility Report (DFR) after due approval of promoting companies.

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

The Master Plan for dealing with fire, subsidence and rehabilitation in the lease hold of Bharat Coking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) was approved on 12th August 2009 by Govt. of India with an estimated investment of ₹7,112.11 crores for Jharia Coalfields and ₹2661.73 crore for Raniganj Coalfields. Implementation period has been delineated as 10+2 years.

High Powered Central Committee meetings were conducted under the chairmanship of Secretary (Coal), MoC to review the activities of implementation of Master Plan. Fourteen meetings were conducted so far; last meeting was held on 13/02/2017.

Jharia Rehabilitation and Development Authority (JRDA) is the implementing agency for rehabilitation of non-BCCL people under Master Plan whereas Asansol Durgapur Development Authority (ADDA) a state Govt. organization has been identified as implementing agency for Rehabilitation of Non-ECL houses.

A. Summarized Status of Implementations of Master Plan in the lease hold of Eastern Coalfields Ltd.

Seven Surface Fires were identified in the approved Master Plan have been doused by blanketing with thick layers of earth to save the life and properties of the inhabitants.

Demographic Survey work has been completed for all 126 locations out of 141 identified locations as 10 locations having no habitation and 3 locations have only ECL population. In 2 locations survey work could not be completed due to public agitation. The final list has already been published which contains 44598 households. Photo Identity Card (PIC) has been distributed to 43087 persons out of total 44598 persons. Most of the ECL employees residing in 3 endangered locations have been shifted and remaining persons were allotted quarters and are in the process of shifting. Chief Secretary, Govt. of W.B. in a meeting with Secretary, MOC on 24.03.2017 advised ADDA to take necessary action to finalize the Demographic Survey and valuation latest by 23/05/2017.According to the approved Master plan, about 896.29 ha. (2214 Acres) land would be required for resettlement of non-ECL families.

In the meeting held on 24.03.2017 at Nabanna under the Chairmanship of Chief Secretary, Govt. of WB where in it was decided that ADDA, ECL & CMPDIL will jointly find out the possibilities of large chunk of land to be used for rehabilitation purpose within a month time. It was also discussed that 15% of population under rehabilitation scheme are to be accommodated in Durgapur for which Bengal Aerotropolis Limited (BAPL) land would be made available. For rest 85% who are to be rehabilitated in Jamuria, Ranigunj, Asansol and Baraboni blocks land in big chunks has to be identified.

W.B. Housing Board (State Government of West Bengal has now approached to the MOC to accord permission to change the responsibility to Housing Dept, Govt. of W.B. in place of ADDA) issued work order for construction of 160 flats on 27/02/2017 for an amount of ₹ 8,83,49,173.00 (₹ Eight Crores Eighty-Three Lakh Forty-Nine Thousand One Hundred Seventy-Three only) at Bijoynagar Mouza of Jamuria Block. Construction of houses has already been started from 10.03.2017.

DPR for construction of 2144 flats (which includes earlier floated tenders for construction of 160 houses) on a land of 26.08 Acres at Bijoynagar Mouza, comprising 16 flats in each block having built up area of 39.13 Sq m per flat has been prepared by Housing Board on 08/03/2017 with an estimated cost of ₹ 164.47 Crores. Housing Board has also planned to construct 7000, 10000, 13000 and 16000 houses in the years 2017, 2018, 2019 & 2020 respectively for implementation of the Rehabilitation Project for shifting of people residing in the unstable locations, within the prescribed time schedule.

i). Diversion of National Highway(NH-2):

National Highway Authority of India (NHAI) suggested for stability test to be carried out for the unstable part of NH-2 by other agency. Work for Geotechnical investigation for stability analysis has been awarded to CIMFR, Dhanbad in March 2016.

In the 14th HPCC meeting ECL informed that about 300m Stretch of NH-2 is under unstable area and therefore, unsafe. Further a study was carried out by CIMFR in which voids were found at a low depth that may cause occurrence of potholes. The report has been sent to NHAI on 07.02.2017 as well as forwarded to DY. DG(EZ), Sitarampur on 23.02.2017 for information.

In the 14 th HPCC meeting it was decided to constitute a committee under the Chairmanship of DGMS with representatives from NHAI, CIMFR, ECL and ADDA to examine and recommend action to be taken by NHAI.

Accordingly, on 20.03.2017 a meeting was held at DGMS, Office Sitarampur under the Chairmanship of Dy. DG(EZ) where representatives of ECL, CMPDIL, NHAI and ADDA were present. It was further suggested that NHAI should approach CIMFR to get idea of blind backfilling and certification of action required for proper stability from CIMFR.

(ii). Diversion of District Board (DB) Roads.

The diversion of DB Road at Mohanpur Colliery of Salanpur area is not required, as the proposed route is coming under mining operations. The existing road between Amdiha and Samdih via Lalgunj will serve the purpose of connection.

In the proposed diversion route of Gorangdih Begunia colliery 3.512 acres of land is required out of which 3.040 acres is Raiyati land and 0.472 acres being WB Govt. vested land. For diversion of this DB road at Jamgram mouza under Barabani PS, public notice has been issued. The District Level Purchase Committee has taken up the issue regarding purchasing of Raiyati land.

For diversion of DB road at Ratibati colliery 4.847 acres land is required (1.207 acres of ECL land+ 0.370 acres of Raiyati + 3.270 acres of DGCA land). NOC for ECL land was placed in the 295th meeting of Board of Directors held on 01.02.17 for according approval. Board directed to obtain NOC from MOC. Proposal to obtain clearance from MOC has been sent on 22.02.2017.

iii) Diversion of Railway line:

Andal-Sitarampur Railway line:

RITES has submitted the 'Revised FSR' to Eastern Railway authority for in- principle approval of the same.

In 14th HPCC meeting representatives of Railways were asked to direct concerned officers of Eastern Railways to examine the revised FSR submitted by RITES on 10.01.2017 for taking further necessary action.

Sr. Divn. Operation Manager, Asansol has informed that the revised FSR has been examined and found the same would be acceptable subject to compliance of certain conditions.

ECL has suggested some amendments in the Revised FSR. The suggested amendments of ECL was submitted separately by M/s RITES to Eastern Railway authority on 01.03.2017 for consideration.

iv). Diversion of Indian Oil Corporation Limited (IOCL) pipeline:

IOCL informed that second tier survey report has been submitted by National Institute of Rock Mechanics (NIRM), Bangalore which is under examination. IOCL informed that regular monitoring is being done by them to detect any deflection of pipe line due to subsidence.

B. Summarized Status of Implementations of Master Plan in the lease hold of Bharat Coking Coal Ltd.

Reduction in Fire area: The coal mine fire survey/ study was instituted by BCCL through National Remote Sensing Centre (NRSC), ISRO, Department of Space, Hyderabad for delineation of surface coal fires in Jharia Coalfield. NRSC has submitted their report in which they have concluded that the present fire area in the coalfield is only 2.18 sq.km. which includes both over burden dump fire and active fire. In Master Plan total surface area affected by fire described as 8.9 sq.km. NRSC has deduced these findings from the State of Art, Satellite based technology. Action is being taken by BCCL for dealing with fire as stipulated in the Approved Master Plan.

NRSC has been requested to repeat the satellite TIR survey. NRSC has confirmed for the survey in 2017. The finding of NRSC will be submitted after the survey is completed. BCCL would improvise the fire action plan for speedier liquidation of fire area. BCCL has signed the MOU and sent to NRSC.Work order has been given to NRSC by BCCL.

As per Master Plan total 54159 families' in 595 nos. sites to be surveyed. CIMFR, ISM, whiz Mantra and JRDA has completed survey of 595 sites for 91879 families of encroachers, survey of private houses to be started.

3360 houses have been constructed in Belgoria Rehabilitation Township "Jharia Vihar" in which 1923 non–families(encroachers) are shifted from affected areas. Construction of 6992 units are in progress out of which 992 units are in completion stage.

In order to shift BCCL employees residing in fire affected areas 6668 houses have been built by BCCL in non-coal bearing zone and 2852 families from fire & subsidence places have been shifted to these houses. Further construction of 9184 units by BCCL is under progress and in different stages of completion.

As per Master Plan 2730 Acres of land would be required for resettlement of non-BCCL families for which JRDA is pursuing for acquisition of land and proposals are now at different stages. NOC of 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 has been given by MoC which has been communicated to JRDA along with all the required mouza plans for developing new Townships by JRDA.

Coal India Ltd has infused ₹161.62 crores to ECL and ₹ 1089 crs to BCCL till March 2017 for implementation of Master Plan.

15. ENVIRONMENTAL MANAGEMENT

15.1 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. During the year 2016-17, CMPDI has prepared a total of 15 Form-I and formulated 22 Draft EIA/ EMPs. 17environmental clearances were also obtained from MoEF for different Projects/Group of Mines, Washeries and Sand mining projects of CIL during the year 2016-17.

15.2 Pollution Control Measures and Their Efficacy

Coal India has been keeping utmost importance in protecting environment by practicing and following sustainable mining so as to ensure that the mining operations has least impact on environment. The various Pollution control measures and initiatives are taken up concurrently with mining operations for maintaining acceptable/permissible limits of major physical and chemical attributes of environment namely air, water, hydrogeology, ground vibrations, noise, land & nearby population.

(A) Air Pollution Control Measures:

To control and reduce dust generation during drilling, blasting, loading and Coal transportation, Coal India Ltd. has taken up various initiatives based on the Environmental Management Plans (EMP) which were already prepared before commencement /enhancement of production of coal mines. This EMP is prepared keeping in mind the impact on existing environment and forest due to coal mining projects through Environment Impact Assessment (EIA) study of each project.

Suitable water spraying systems for arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, coal transfer points and coal stock areas are being installed. Mist spray systems have been introduced along conveyor routes, transfer points and on bunkers. Mobile water sprinkling has been provided in all the haul roads of OC mines. In addition to these, the projects are enhancing the water sprinkling through engagement of contractual water tankers. Automatic sprinklers have also been installed in CHPs. Some of the important initiatives are also mentioned below:

a) Mobile sprinklers have been installed along haul roads to control dust generated by truck and dumpers movements.

b) Optimum level of loading of coal in trucks and railway wagons to avoid spillage on roads and rail.

c) Covering of coal trucks by tarpaulin is being followed to avoid spillage of coal particles during transport.

d) Blacktopping, repairing and strengthening of haul roads are regularly and scientifically carried out.

e) Plantation in surroundings of active mining areas and along the hauls roads are carried out to create green buffers/ green belts in and around the mines.

f) In order to reduce the dust pollution due to road transportation eco-friendly mode of transport are being introduced. Transportation to thermal power stations, who consume more than 80% of thermal coal are carried out by rail / series of belt conveyors. Rail heads are constructed and made available nearer to mine so as to reduce road transportation. CIL have constructed / are constructing integrated CHP for rapid loading of wagons and trucks.

g) Tube conveyors mode of transportation is also being introduced in some mines for transportation of coal to thermal power plants. The wall/sides of CHPs are also covered by side cladding with GI Sheet to control pollution at source.

h) To contain dust emission at source itself, dust extractors / wet drilling systems are being undertaken.

i) Controlled blasting and habitation away from the mines have been introduced as far as possible.

j) Modern technologies like Surface Miners and Continuous Miner at different subsidiaries of CIL which generates lesser air borne pollution as compared to conventional mining have been introduced to the system. During the year 2016-17, CIL has produced about 48.89% (i.e. 255.027 MT) of its production from open cast mines through Surface miners. Continuous miners contributed about 4.689 MT in the production from underground mines.

k) The quality of Ambient air in and around the mine site is being monitored fortnightly. The required and stipulated numbers of ambient air quality monitoring stations are maintained, as per environmental rules and regulations of Environment (Protection) Act, 2006, and its reports are regularly submitted to SPCBs and MoEF&CC.

l) The concept of 'Continuous Ambient Air Quality Monitoring Stations' (CAAQMS) are being introduced and are installed / being installed in large mines of CIL. Continuous Ambient Air Quality Monitoring Stations have been installed at 4 locations in SECL and 01 location of WCL.

(B) Mine Water Management:

Water which pumped out from the underground and open cast mines are being contaminated with suspended particles. Some small quantity of water being contaminated during washing and cleaning of HEMM. CIL also takes initiative by treating this water. The treated water is being supplied to the local villages after mine consumption. Quality of the final effluent is monitored in terms of the relevant Indian standards.

- Domestic Effluent Treatment Plant (DETP): The domestic effluent from major residential colonies is treated in DETP either by activated sludge method or by extended aerated lagoons.

- Mine Discharge Treatment Plants (MDTP) are installed in mines for treatment of mine water. Strata seepage water in mines first gets accumulated in the mine sump which provides for initial settlement of suspended particles. The supernatant water from the sump is then pumped out on surface and treated in surface sedimentation tank, which provides for second stage settlement. The treated mine water is then used partly within the mine premises for dust suppression, fire fighting, plantation, washing and further treated as per drinking water standard for supply to company township and nearby villages through pressure filter / RO, etc. After ensuring maximum re-use within and around mine premises the excess treated mine pumped out water is released onto local nalla / streams which is used by the surrounding local population specially for agricultural use.

- In order to assess the impact of mining activities on ground water, quarterly monitoring of ground water levels is being carried out in and around the coal mines covering the buffer zone (i.e.10 Kms radius). Further, recharging of ground water is also taken up within mine premises as well as in nearby villages through rainwater harvesting, digging of ponds/development of lagoons, de-silting of existing ponds/tanks etc.

- Regular monitoring of mine effluent, workshop effluent, and domestic effluent is carried out every fortnight as per Environment (Protection) Rule – 2006. Reports of the same are regularly submitted to SPCBs and MOEF.

(C) Noise Pollution Control Measure:

For control of noise pollution, following measures are adopted:

i) Proper maintenance of equipment to minimize vibration

ii) Green belt provided around the mine as well as residential area.

iii) Controlled Blasting & blasting in only day time.

iv) Use of Surface Miner, Continuous Miner & High Wall mining which extract coal without blasting.

v) Ear Muff or Ear Plugs provided to Workers at highly noisy areas

(D) Land Reclamation:

Reclamation of the mined out areas and the external OB dumps is a major environmental mitigatory activity taken up by Coal India. In all new mines reclamation of mined out areas are being done as per the Environmental Management Plan and Mine closer plan which are approved by MoEF&CC. Back filling of the OB material in the mine voids is part of the mining operation cycle. Topsoil preservation, storing and use in the plantation areas of the reclaimed areas are being done in the opencast mines wherever necessary. Concurrent reclamation and rehabilitation of mined out areas (subject to technical feasibility as per geo-mining conditions) are taken for gainful land use. Opencast mines are filled up with overburden extracted during the process of extraction of coal and after technical reclamation is completed plantation is carried out which is termed as biological reclamation.

- **Eco-restoration:** For effective Bio- reclamation of disturbed land, scientific studies are carried out to select suitable species of plants for each coalfield and sustainable sequence of reclamation from grass to shrubs, to trees. Forest Research Institute (FRI) have been engaged by CIL for sharing their expertise in the field of eco-restoration in the reclaimed areas. ECO restoration sites are developed in Damoda, Tetulmari of BCCL, with technical guidance of FRI.

- **Eco-park in Reclaimed land:** Eco Parks have been developed in many of the mined out areas of CIL like Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi of NCL, Saoner of WCL, Kayakalp Vatika, Rajarappa Eco Park in CCL etc.

- **Tree plantation:** Green belt is developed through extensive tree plantation programme every year by the subsidiaries of Coal India Ltd. Avenue plantation, plantation on the OB dumps, plantation around mines, residential colonies, and available land is undertaken in existing as well as new projects. The subsidiaries of CIL have planted around 94.015 million of trees covering an area over 37557.458 Ha. till March 2017.

- **Monitoring of Reclamation:** CIL introduced state-of-the-art Satellite Surveillance to monitor land reclamation and restoration for all opencast projects. The land reclamation and rehabilitation operations are being monitored by Satellite Surveillance. 50 major OCPs excavating more than 5 Mm (Coal+OB) per annum are being monitored every year while remaining OCPs excavating less than 5 Mm (Coal+OB) per annum are being monitored every 3rd year. This gives a clear picture of reclamation, which otherwise is difficult to accurately estimate. The study during 2016-17 shows that all the major OCPs (excavating > 5 Mm (Coal+OB) per annum) have reclaimed area of 77.59% and active mining area is only 22.41% of the total excavated area. In addition, CIL is conducting vegetation cover mapping through satellite surveillance in every 3 years.

- **Mine Closer Plan (MCP):** Mine closure plan is an integral part of the project report prepared by CMPDIL for coalmines. This progressive mine closure plan also forms a part of the EIA/EMP prepared and submitted to MOEF for Environmental Clearance. The progressive reclamation of mined out areas inbuilt in the project cost is implemented accordingly. After exhaustion of reserves, statutory obligations in respect of closure are also followed. CIL is practicing mine closure very effectively. CIL is committed for restoration of abandoned / mined out areas in a socially acceptable & environment friendly manner. As on March 2017, out of 454 identified mines for 453 mines were prepared, 445 MCP were approved by concerned Subsidiary board, 422 numbers of Escrow account were opened and an amount of Rs 5487.13 Cr deposited in this account.

- **Strive for continual improvement in environmental performance by setting targets, measuring progress and taking corrective action.**

  CIL has engaged Indian Council of Forestry Research & Education (ICFRE), Dehradun for **Environmental Audit of 20 no. OC Mines of CIL** which is intended for third party inspection, verification of the existing levels of pollution vis-a-vis the laid down standards and to delineate the compliance status of major projects in addition to the inspection carried out by the statutory authorities like CPCB/SPCB etc. ICFRE has submitted final report for 3 mines of MCL and 01 mine of BCCL. ICFRE is conducting study for the remaining mines.

  CIL has also engaged Rain Forest Research Institute for preparation of Bio –diversity Management Plan, Regional Wild life plan and carrying capacity study for Makum coalfields of Assam.

  CIL has signed MoU with National Environmental Research Institute(NEERI), Nagpur to carry out studies, monitoring and collaborative research work for "Sustainable Coal Mining in CIL". NEERI is also studying on the effectiveness of supplying de-shaled/dry-beneficiated / washed coal (reduction in ash content by 5-6%) to power plants following all pollution control measures. NEERI will submit environment management plan for mitigation of impact on regional environmental quality due to supply of deshaled / dry –beneficiated coal to power plants in context of prevailing pollution control practices.

(F) Solar Energy/ Energy efficient Initiative by Coal India Ltd:

CIL has signed MoU with Energy Efficiency Services Limited (EESL) to promote energy efficiency provisions in CIL and its subsidiary companies. CIL has taken steps for using LED lights substituting CFL lights

To promote, Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing **1000 MW Solar Power Projects.** For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India (SECI).

In the 1st phase, tender was floated for setting up of 2x100 MW Solar PV Project in the state of Madhya Pradesh. But, due to current downward trend in prices of solar projects and availability of land in Madhya Pradesh for Solar park the tenders were cancelled and SECI was advised to go for retendering of above projects.

CIL's initiatives has resulted in installation of 3 MW(Approx) capacity in CIL HQ and its Subsidiary Companies.

15.3 Management System Standards

CIL HQ has got certification against ISO 9001 and ISO 50001 (Quality Management System and Energy Management System) from Bureau of Indian Standards and implementation / integration of Environment Management System (ISO 14001) is under progress. As on 31st March'2017 two of our subsidiaries, NCL and MCL are certified for their companywide Integrated Management System (ISO 9001, ISO14001 and OHSAS 18001) and ECL is likely to be certified shortly. CCL, BCCL and WCL are in the process for implementation of company wide Integrated Management System (ISO 9001, ISO 14001 and OHSAS 18001). CMPDIL HQ and its seven RIs are certified for ISO 9001:2015.

15.4 Assessment of Impact of Coal Mining in different coalfields

Vegetation cover mapping of 6 coalfields viz. Jharia, Talcher, Bishrampur, Wardha, Kamptee and Makum have been completed during the year 2016-17 for assessing the regional impact of coal mining on land/vegetation cover in the span of 3 years to take remedial measures required, if any.

15.5 R&R Policy of CIL, 2012.

With changing aspirations of Project Affected Persons (PAPs) and for faster acquisition of land, Resettlement & Rehabilitation Policy of CIL was revised in 2012 making it liberal and PAP friendly with more flexibility to the Board of Subsidiary Companies.

The Policy provides for conducting baseline socio- economic survey to identify PAPs enlisted to receive R&R benefits as well as to formulate Rehabilitation Action Plan (RAP) in consultation with PAPs and State Govt.

The R&R Policy of Coal India Ltd., provides for payment of land compensation and solatium, employment or lump sum monetary compensation and annuity, compensation for homestead, lump sum payment in lieu of alternate house site, subsistence allowance to each affected displaced family etc.

R&R Policy of CIL is being revised specifically in background of the RFCTLARR Act of 2013.

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

16.1 Collaborative commercial development of CBM in Jharia&Raniganj coalfields by the consortium of CIL & ONGC.

The Govt. has allotted two CBM blocks in 2002 namely Raniganj North CBM Block in Raniganj Coalfield and Jharia CBM Block in Jharia Coalfield to the consortium of ONGC–CIL on nomination basis for commercial development of CBM. CMPDI is implementing the projects on behalf of CIL. ONGC is the Operator for both CBM blocks and carrying out the jobs as per contractual agreement with the Govt. of India. On completion of CIL part of work programme by CMPDI and supplemented by appraisal activity by ONGC has resulted in formulation of Field Development Plan (FDP) by the Operator i.e. ONGC.

The FDPs for both the CBM blocks were approved by the Government of India in July, 2013. Petroleum Mining Lease (PML) for Jharia CBM block has been granted by Govt. of Jharkhand in July' 2015, and environment clearance for Jharia Block is likely to be granted soon.

Model Co-development Agreement for Simultaneous Coal Mining and Coalbed Methane (CBM) Operations in the Overlapping Areas has been issued by MoP&NG in February, 2017. Matter of Co-development agreement in regard to Jharia CBM Block in Parbatpur Central Coal Block overlapping for optimum exploitation of coal by SAIL and CBM by ONGC (operator of the CBM block) is under deliberation between SAIL and ONGC. In the Steering Committee meeting held on 30th March, 2017 at DGH it has been agreed that ONGC will submit revised FDP and cost estimate taking in account all constraints and accordingly in the Operating committee, it will be deliberated for consideration and further perusal for competent approval.

16.2 CBM related studies:

CMPDI and GSI are carrying out studies related to "Assessment of Coalbed Methane Gas-in-Place Resource of Indian Coalfields/Lignite fields" in selected boreholes being drilled under Promotional Regional exploration since X Plan period and XI Plan period respectively under Promotional Regional Exploration (PRE) funding. A total of 60 boreholes (40 by CMPDI and 20 by GSI) have been taken up for CBM specific data generation during the XII Plan. Studies have been completed in forty (40) boreholes by CMPDI and in Nineteen (19) boreholes by GSI. During the year 2016-17, studies has been done in eight (8) boreholes by CMPDI. CMPDI & GSI have completed CBM specific studies in 130 boreholes (92 by CMPDI & 38 by GSI) since commencement of the work.

During the year, one report based on CBM related studies has been submitted by CMPDI for Gondbahera Ujheni block, Singrauli Coalfield.

16.2.1 S&T Project on "CBM Reserve Estimation for Indian coalfields"

S&T project on "CBM Reserve Estimation for Indian Coalfields" has been approved under EoI of Coal S&T project in Feb.'14. The project is of 3 years duration with completion schedule of March, 2017 for which time extension has been considered in SSRC meeting held on 23rd Mar.'17. IIEST (BESU), Shibpur is the main implementing agency and NGRI, Hyderabad; TCE, Kolkata and CMPDI are co-implementing agencies. An area in South Karanpura Coalfield has been taken-up for 2D/3D Seismic survey by NGRI. 75% of study area has been covered by 2D Seismic survey in South Karanpura Coalfield and balance work was taken up by NGRI in January, 2017. 3D Seismic survey is likely to be undertaken in May, 2017.

16.3 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 since XII Plan period under PRE funding of Ministry of Coal. This study create the database for assessment of shale gas potentiality and facilitate delineation of more blocks for Shale Gas development.

CMPDI was to carry out shale gas specific data generation in 25 boreholes during XII Plan period under PRE funding. For the plan period shale gas studies have been completed by CMPDI in twenty five (25) boreholes. During the year 2016-17, target has been achieved by completing the studies in five boreholes by CMPDI.

16.3.1 S&T Project on "Shale gas potentiality of Damodar Valley basins of India"

S&T project on "Shale gas potentiality of Damodar basin of India" is under implementation by NGRI, Hyderabad as the principal implementing agency and CMPDI, Ranchi & CIMFR, Dhanbad as sub implementing agencies. The project completion schedule has been revised to May, 2017 with total project cost of ₹ 20.38 crore. The project objective is to evaluate potentiality of Shale gas in Damodar basin through integrated geophysical, geological, geo-chemical and petro-physical investigations."Automatic Porosimeter cum Permeameter" instrument supplied by M/s Vincy Technologies Inc., France has been commissioned at CBM, Laboratory, CMPDI.

NGRI along with CMPDI & CIMFR selected Rangamati B block (Tumni & Kanchanpur Sector), Raniganj Coalfied and 3D seismic survey in 2.4 sq km out of total 3.2 sq km area has been completed. Interpretation of captured data is in progress. Balance 3D Seismic survey work is likely to be taken up by NGRI. On the findings from 3D seismic survey, CMPDI will take up its part of committed activities i.e. drilling of boreholes.

16.4 Commercial development of Coal Mine Methane (CMM)

Ministry of Coal vide Office Memorandum dated 29th July, 2015 has permitted CIL to explore and exploit CBM from its areas under coal mining lease allotted to Coal India Limited (CIL). Earlier, MoC has appointed CMPDI as Nodal Agency for development of CMM in India. Successful implementation of the Demonstration Project at Moonidih (Jharia Coalfield) of BCCL has already proved the efficacy of the process and to expand the scope of development of CBM in CIL areas. Further studies for "Assessment of CMM Potentiality in CIL Command Area" have been undertaken.

MoP&NG vide notification dated 3rd November, 2015 has issued guidelines for exploration and exploitation of CBM by CIL and its subsidiaries on nomination basis from coal bearing areas for which they possess mining lease. It is under modification by MoP&NG considering applicability of the ORD Act and PNG Rules within coal mining leasehold areas. Assessment exercise for ECL command area and BCCL has been undertaken. These prospective CMM blocks are:

1) **Raniganj CMM Block (ECL Area):** An area of about 57 Sq.Km. under mining leaseholds of Sripur, Satgram and Kunustoria Areas has been delineated for commercial development of CMM for which collateral activities have been initiated by CIL/CMPDI/ECL. A prognosticated resource of CMM around 1.17 BCM may be available for extraction. Techno-economic studies have been undertaken by International Expert. Based on this, detailed project report will be prepared.

2) **Jharia CMM Block (BCCL Area):** A block of about 25 Sq.Km. under mining leaseholds of Kapuria, Moonidih, Jarma, Singra blocks has been delineated for commercial development. A prognosticated resource of CMM resource of around 4 BCM may be available for extraction. Techno-economic studies have been undertaken by International Expert. Based on this, detailed project report will be prepared.

   "Reservoir Modeling & Techno-Economic Feasibility Study for Commercial Development of Coal Mine Methane (CMM)/Coalbed Methane (CBM)" within mining leasehold areas for CMM blocks in (a) Raniganj Coalfield (ECL areas) and (b) Jharia Coalfield (BCCL areas) have been awarded to M/s Advance Resources International Inc., USA in January, 2017 and work is in progress.

   It is proposed to consider available drilling technologies (vertical drilling, directional, horizontal & its combination on case to case basis) and completion methods in such a way that the CBM operation can also be simultaneously taken up with the coal mining operation within overlying seam.

3) **Pre-drainage of methane at Moonidih mine (BCCL), Jharia Coalfield**

   Pre-drainage of methane at Moonidih mine (BCCL) in working Seam XVI has been proposed to recover methane to enhance production and safety. Recovered gas will also be gainfully utilized. Expression of Interest (EoI) has been invited to identify suitable technology provider consultancy organization having experience in development of CBM & CMM for successful implementation of gas drainage from gassy coal seams from concept to commissioning and its utilization on Turn Key Basis i.e. Built Own Operate model or other applicable model against which 15 EoIs were received which is under evaluation.

16.4.1 S&T Project on "Capacity Building for Extraction of CMM Resource within CIL Command Areas"

S&T project on "Capacity Building for Extraction of CMM Resource within CIL Command Areas, being jointly implemented by CMPDI and CSIRO, has been approved under Coal S&T project of MoC. The project is of 3 years duration with effect from 23rdMarch, 2016.

The Collaborative Understanding for execution of the Project has been signed between CSIRO and CMPDI on 22nd December, 2016. CSIRO team visited CMPDI from 8th to 13th Feb.'17 and again on 15th to 17th Mar'17. They will be visiting again in Jul'17. Desk study is in progress.

16.5 Project on VAM

A project proposal on mitigation/utilization of Ventilation Air Methane (VAM) to be taken up at Moonidih (Jharia coalfield) under CIL R&D and National Clean Energy Fund (NCEF) of Government of India is under consideration with CSIRO, Australia and CMPDI as the implementing agencies and BCCL as sub implementing agency. The project has been approved in principle by CIL(R&D) Board and will be taken up upon competent approval of the Government.

16.6 CMM/CBM Clearing house in India

A CMM/CBM clearing house was established at CMPDI, Ranchi under the aegis of Ministry of Coal and USEPA on 17th November, 2008. The clearing house 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 clearing house 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. After completion of initial three years term it was extended for another three years. USEPA has further granted extension of additional term i.e. three years till 2018.

An International Workshop on “Best Practices in Methane Drainage and Use in Coal Mines” was jointly organized by CIL-CMPDI, GMI-US EPA, UNECE under aegis of GoI-MoC from 9thto 10th March, 2017 at Ranchi. Presentations are available at http://www.unece.org/index.php?id=45172#/.

17 ACTIVITIES TAKEN UP BY CBM LABORATORY

CBM Laboratory established at CMPDI has enhanced its capacity and added additional facility of Automatic Porosimeter cum Permeameter (Make Vinci Technologies, France) to generate producibility data on CBM recovery.

CBM Lab has carried out CBM specific data generation in 8 boreholes & Shale gas specific data generation in 5 boreholes during 2016-17.

Relevant studies like Adsorption Isotherm (AI) studies for 51 numbers of coal samples, Total Organic Carbon (ToC) analysis for 66 number of Shale samples have been completed. Further, analysis of 1232 mine air samples received from different collieries of CCL and 39 mine survey sample analysis of SECL have been completed and results submitted.

18 COMMERCIAL DEVELOPMENT OF UNDERGROUND COAL GASIFICATION (UCG)

MoC has constituted Inter Ministerial Committee (IMC) for identification of areas for UCG on the line broadly similar to the existing policy of CBM development. Potential blocks in coal and lignite were identified and considered in the IMC for the commercial development of UCG preferably by PSUs. Identified Coal blocks for UCG development are in Wardha Valley Coalfield (Jogapur–Sirsi), Sohagpur Coalfield (Maiki (North)–Maiki-Merkhi, Pathora, Chainpa), Tatapani-Ramkola Coalfield (Reonti-West), Yellendu Dip,SCCL and Bandha, Singrauli Main basin.

A consultant has been engaged for “Formulation of Bid Document & Model Contract Document for Development of UCG”. Draft documents were submitted and discussed in 3rd and 4th IMC meetings. In the 4th IMC meeting held on 16th February, 2017 at MoC under Chairmanship of AS (Coal), the draft Bid Document and Model Contract Documents were further deliberated and further modification were suggested. It was further considered that in view of amendment in MMDR Act 1957, which was under process, several regulatory changes/ legal amendments are required in lights of approved UCG policy which has been taken up by Ministry of Coal. Also on receipt of comments from IMC members the modified draft document will be re-drafted for deliberation in the next IMC meeting.

A Workshop was organized on ‘Challenges and opportunities for Development of UCG (Deep Seated Coal) in India’ at Delhi on 23rd March, 2017.

19 GEOLOGICAL EXPLORATION & DRILLING

CMPDI has substantially improved the capacity of drilling during XI & XII plan periods. 39 new Mechanical drills & 12 Hi-Tech Hydrostatic drills have been procured since 2008-09, out of which 12 have been deployed as additional drills and 39 as replacement drills. In addition to this, 7 Hi-tech Hydrostatic drills have been received and deployed in 2016-17.

19.1 Drilling Performance in 2016-17

CMPDI deployed its departmental resources for detailed exploration of CIL/Non-CIL blocks whereas State Govts. of MP and Odisha carried out exploration in CIL blocks only. Besides, eight other contractual agencies have also been engaged for detailed drilling/exploration in CIL/Non-CIL blocks. A total of 140 to 160 drills were deployed in 2016-17, out of which, 64 were departmental drills.

As against the achievement of 2.09 lakh metre in 2007-08, CMPDI has achieved 9.94 lakh meter in 2015-16 and11.26 lakh metre in 2016-17 through departmental resources and outsourcing, registering a Growth of 13% over previous year.

Apart from it, CMPDI continued the technical supervision of Promotional Exploration work undertaken by MECL in coal sector on behalf of MoC. A total of 1.045 lakh metre of promotional drilling has been carried out in Coal (0.490 lakh metre) & Lignite (0.555 lakh metre) during 2016-17.

In 2016-17, CMPDI and its contractual agencies took up exploratory drilling in 122 blocks/mines of 22 coalfields situated in 6 States. Out of 122 blocks/mines, 35 were Non-CIL/Captive blocks and 87 CIL blocks/mines. Departmental drills of CMPDI took up exploratory drilling in 56 blocks/mines whereas contractual agencies drilled in 66 blocks/mines.

Due to non-availability of forest clearance, work was stopped in 29 blocks. Due to lack of forest clearance and adverse law & order problem, about 2.91 lakh metre of drilling could not be carried out in departmental and outsourced blocks in 2016-17.

19.2 Geological Reports:

In 2016-17, 16 Geological Reports were prepared on the basis of detailed exploration conducted in previous years. In addition, 2 IGRs/Geological Notes were also prepared. The prepared Geological Reports have brought about 4.6 billion tonnes of additional coal resources under ‘Measured(Proved) category”.

Under Promotional Exploration Programme, GSI and MECL have submitted 9 Geological Reports on coal blocks estimating about 1.04 billion tonnes of coal resources, in 'Indicated' &'Inferred categories', above the specified thickness.

19.3 Hydrogeology

Hydro-geological studies of a number of mining projects/ mines were taken up for preparation of 'Groundwater Clearance Application' for CGWA approval and EMP clearance. Hydro geological studies for 17 mining projects of BCCL, CCL, WCL, SECL, NCL, ECL and MCL were completed during 2016-17.

Total 53 nos. of Hydrogeological studies on GR/PR and others have been completed during this period for WCL, SECL, MCL, ECL, BCCL, NCL and1 outside consultancy job for DVC.

Total 8 nos. of Hydrogeological reports on Location and Design of Piezometers have been prepared during this period for ECL, SECL and CCL.40 Piezometers (23 of Talcher Coalfields and 17 in IB Valley) have also been constructed under the technical supervision of Hydrogeologists of CMPDI. Long duration pumping test (1000 minutes cycle) and yield test were conducted by CMPDI during 2016-17.

Hydro-geological studies in 6 projects of WCL, SECL, NCL and MCL have been carried out for water supply arrangement to mines, colonies and villages. In total 45 nos. of Groundwater Applications have been prepared and submitted online for WCL.

CMPDI is also carrying out groundwater monitoring of MOEF cleared projects viz. 74 nos. of mines of WCL area and 15 nos. Cluster of mines in BCCL area. Water level monitoring in other areas of ECL, CCL, SECL, NCL and MCL were also carried out.

19.4 Geophysical survey

Geophysical Logging: Boreholes drilled for exploratory drilling were geophysically logged to get the in-situ information of different strata encountered in the boreholes. During the year 2016-17, a total of 2,01,628 depth metre of geophysical logging has been carried out in CIL and Non-CIL projects with multi-parametric geophysical logging equipment. Out of this, 1,02,703 depth metre of logging was done by 6 departmental geophysical logging units and 98,925 depth metre of logging was carried out by contractual agencies.

Surface Geophysical Surveys: CMPDI has also undertaken Electrical Resistivity & Magnetic Survey in CIL and Non-CIL blocks for delineation of in-crop of coal seams, delineation of dykes and ground water investigation. A total of 289.65 km of Resistivity profiling, 214 Vertical Electrical Sounding (VES) and 108 km of Magnetic survey have been carried out in 2016-17. With 48-Channel signal enhancement Seismographs, a total of 105 km of High Resolution Shallow Seismic (HRSS) survey has been carried out in Makri Barka block of Singrauli Coalfield and Kewai & Beharab and blocks of Sohagpur Coalfield.

Reports: A total of 31 Geophysical reports have been submitted during the year 2016-17. It includes nine reports on geophysical logging, thirteen on resistivity survey, six on magnetic survey and three on HRSS survey.

20 OUTSIDE-CIL CONSULTANCY SERVICES

During the year 2016-17, 35 outside-CIL consultancy jobs were completed by CMPDI for 26 organisations outside CIL. Some of the major clients/organizations are NMDC, MOIL Ltd., MAHAGENCO, Tata Steel, DVC, SAIL, UCIL, West Bengal Power Development Corporation Limited (WBPDCL), Chhattisgarh State Power Generation Company Limited (CSPGCL), etc.

Presently, 25 outside-CIL consultancy jobs are being executed by CMPDI for 19 organisations like OCPL, NMDC, NALCO, NTPC Ltd., MAHAGENCO, SAIL, Orissa Mining Corporation (OMC), PFC Consulting Limited (PFCCL), Gujarat State Electricity Corporation Limited (GSECL),etc.

During the year 2016-17, 43 outside-CIL consultancy jobs worth ₹141.38 crores from 29 organizations were procured by CMPDI. This is the highest ever value of jobs obtained in a year by CMPDI.

One overseas assignment of "Preparation of Feasibility Study for Benga Coal Project of M/s ICVL in Tete Province of Mozambique" has also been obtained from NMDC.

21 RESEARCH & DEVELOPMENT PROJECTS

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

The Research & Development (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 NLCIL, Director General of DGMS, Directors of concerned CSIR Laboratories, representatives of Department of S&T, NITI Aayog and educational institutions, amongst others. The main functions of SSRC are to plan, program, and 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 production, productivity and safety in coal mines, coal beneficiation and utilization, clean coal technologies, protection of environment and ecology etc.

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, scrutiny and 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 31.3.2017)	-	390
Total no. of S&T projects completed (till 31.3.2017)	-	320

21.2 Physical Performance

The status of Coal S&T projects during 2016-17 is as under:

i)	Projects on-going as on 1.4.2016	18
ii)	Projects approved/in-principle approved (sanction letter awaited)	03
iii)	Projects completed during 2016-17	06
iv)	Projects on-going as on 01.4.2017	12

Following S&T projects were approved (Sl.No.1) /in-principle approved (Sl.No. 2 & 3)in 52nd meeting of SSRC held on 15.3.2017. Sanction letter awaited:

1. "Indigenous development of early warning radar system for predicting failures/slope instabilities in open cast mines" - SAMEER, Mumbai; ARDE, Pune; CSRE; IIT, Mumbai; CMPDI, Ranchi and NCL, Singrauli.
2. "Design of water network to optimize water consumption in coal washeries for removal of impurities from coal" - IIT, Roorkee; CMPDI, Ranchi & CCL, Ranchi;
3. "Electronification of ground water control and conveyor systems in mines" - NLC India Ltd., Neyveli and NITT, Tamil Nadu.

Following Coal S&T projects were completed during 2016-17:

1. Development of tele robotics and remote operation technology for underground coal mines - CIMFR, Durgapur; CIMFR, Dhanbad and CMPDI, Ranchi.
2. Development of indigenous catalyst through pilot scale studies of Coal-to-Liquid (CTL), conversion technology - CIMFR, Dhanbad and CMPDI, Ranchi.
3. Enhancing life of de-watering pipes in coal/lignite mines by prevention of erosion-corrosion with nano-crystalline surface Engineering Treatments
4. Blast design and fragmentation control-key to productivity - CIMFR, Dhanbad
5. Design and development of truck mounted mobile coal sampler for instant coal ash & moisture analyser at site from railway Mechanics - CIMFR, Dhanbad; SCCL, Kothgudem and M/s Pranay Enterprises Pvt. Ltd., Hyderabad
6. Optimization of various parameters of lab scale Coal Winnowing System (Phase-II) - CIMFR, Unit-I, Nagpur and CMPDI, Ranchi

21.3 Financial Status

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

(Rs in Crores)

2015 -16		2016 -17	
RE	**Actual**	**BE**	**Actual**
18.0	17.59	9.0	10.38

21.4 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.

So far, 79 projects have been taken up under the fund of CIL R&D Board, out of which 61 projects have been completed till March 2017.

The status of CIL R&D Board Projects during 2016-17 is as follows:

i)	Projects on-going as on 1.4.2016	10
ii)	Projects approved during 2016-17	06
iii)	Projects completed during 2016-17	03
iv)	Projects on-going as on 01.4.2017	13

Following new R&D projects were approved during 2016-17:

1. Development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol - IIT-ISM, Dhanbad; CIMFR, Dhanbad; S&R Division, CIL(HQ), Kolkata and SIMTARS, Australia.
2. Multiple layer trial blasting for better recovery with less diluted coal - IIT-ISM, Dhanbad and CMPDI, Ranchi. Technical Participation - University of Queensland, Brisbane, Australia.
3. Studies on the Use of Coal and Petcoke as Fuel in the Cement Industry in India - IIT-ISM, Dhanbad and CMPDI, Ranchi.

4. Indigenous Development of Through-The-Earth (TTE) Two-Way Voice Communication System for Underground Mines - IIT, Bombay and CMPDI, Ranchi.
5. Requirement of air in mine for Mass Production Technology - CMPDI, Ranchi.
6. Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations - CMPDI, Ranchi and National Remote Sensing Centre (NRSC), ISRO, Hyderabad.

Following R&D projects were completed during 2016-17:

1. Demonstration of Coal Dry Beneficiation System using Radiometric Technique – CMPDI, Ranchi and Ardee Hi-Tech Pvt. Ltd., Vishakhapatnam.
2. To find a methodology of safe liquidation in thick seams of Raniganj Coalfields: Design & Development & show-casing demonstrative trials at Khottadih colliery, ECL - CIMFR, Dhanbad& ECL, Sanctoria.
3. Development of guidelines to predict distance between toe of the Shovel-Dumper dump and that of Dragline dump with consideration of safety and economical design of both Shovel-Dumper dump and Dragline dump - BIT, Mesra, Ranchi.

22. INFORMATION AND COMMUNICATION TECHNOLOGY IN CIL

CIL and its subsidiaries have utilized communication and Information technology and implemented many systems to achieve faster strategic decision making and optimal utilization of available resources for enhancing production and productivity. Systems have been introduced to minimize pilferage of coal and also to increase transparency for the satisfaction of its stakeholders. In this regard, following key initiatives have been taken:

1. E-office application for CIL and its Subsidiaries has been introduced from 1st July'17. The project intends to enhance the business process management of the organization and aims to improve production, productivity, and increase transparency by replacing the old manual process with an electronic file system.
2. The subsidiaries have CoalNet and other Information systems in place for obligatory accounting, finance, payroll, material management system and other business functions.
3. Coal India is also in the process of implementation of ERP. The detailed project report for the same is ready and steps are in progress for implementation.
4. GPS based Operator Independent Truck Dispatch System (OITDS) with high speed Data and Voice communication is implemented in the targeted eleven Open cast projects to optimize operation of HEMM to enhance the production and productivity of the mine.
5. GPS/GPRS based Vehicle Tracking System across all major mines of Coal India has been implemented at different subsidiaries along with Geo-fencing, boom barriers and RF-ID system to monitor coal transportation and to minimize pilferages.
6. Electronic Surveillance through CCTV at weighbridges, workshops, coal dumps and other strategic locations has been implemented and process has been initiated to cover all projects.
7. In order to improve coal dispatch, electronic weighbridges are connected with Central Servers of respective subsidiaries and initiatives have been taken for implementing online generation of Challans/invoices.
8. E-Auction of coal,E-procurement and Reverse auction systems for all goods, works and services have been implemented to speed up procurement process and to achieve transparency in the system.
9. E-payment to employees and vendors, E-filing of grievances are in operation to embark upon the business process through IT initiatives.
10. Corporate Mail Messaging System is in place for corporate email IDs to all the officers of Coal India and its Subsidiaries.
11. In order to meet the demanding business process, state-of-art IP based EPABX with support of convergent technology for voice and data, Radio communication System and UG communication system at different locations of Coal India and its subsidiary companies are operational.
12. The Web Portal of Coal India is in place in English and Hindi encompassing the features like Tender publication, Vigilance corner, Investor center, Customer corner, etc. to facilitate all stake holders.
13. Multi-Protocol Layered Switching (MPLS) based Video Conferencing between CIL, Subsidiaries, CIL HQ, CIL Office, Delhi and MoC for enhancement of decision making process for better production and productivity has been successfully implemented. CIL and subsidiaries have also implemented Video Conferencing connectivity with External agencies across the globe.
14. CIL has implemented in-house online portals for Performance evaluation, quality analysis, Vigilance clearance, Land Information System, filing of Annual Property Return through web enabled system. Mobile Apps have been developed for public dissemination of information.
15. State–of-art Tier-III Data Center has been established in New building of the corporate office of Coal India Limited for facilitating future IT applications.

23. MINES SAFETY

23.1 Statutory Frame-work for safety in coal mines:

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

In India, the operations in coalmines are regulated by the Mines Act, 1952, Mine Rules –1955, Coal Mine Regulation-1957 and several other statutes framed thereunder. Directorate-General of Mines Safety (DGMS) under the Union Ministry of Labour & Employment (MOL&E) is entrusted to administer these statutes. The following are the statutes that are applicable in coal mines for occupational health and safety (OHS).

SN	Statute
1	The Mines Act -1952
2	The Mines Rules -1955
3	The Coal Mine Regulation -1957
4	The Mines Rescue Rules -1985
5	The Electricity Act- 2003
6	Central Electricity Authority (measures related to safety & supply) Regulations - 2010
7	The Mines Vocational Training Rules -1966
8	The Mines Crèche Rules -1966
9	Indian Explosive Act, 1884
10	The Explosive Rules - 2008
11	Indian Boiler Act, 1923
12	Mines Maternity Benefit Act & Rules -1963
13	The Workmen Compensation Act - 2009
14	The Factories Act - 1948 Chapter -III & IV

23.2 Safety Policy of CIL: Safety is always given prime importance in the operations of CIL as embodied in the mission statement of CIL. CIL has formulated a well-defined Safety Policy for ensuring safety in the mines and implementation of the same is closely monitored at several levels.

1) Operations and system will be planned and designed to eliminate or materially reduce mining hazards.

2) Implement Statutory Rules and Regulations and strenuous efforts made for achieving superior standards of safety;

3) To bring about improvement in working conditions by suitable changes in technology;

4) Provide material and monetary resources needed for the smooth and efficient execution of Safety Plans;

5) Deploy safety personnel wholly for accident prevention work;

6) Organize appropriate forums with employees' representatives for joint consultations on safety matters and secure their motivation and commitment in Safety Management;

7) Prepare annual Safety Plan and long term Safety Plan at the beginning of every calendar year, unit-wise and for the company, to ensure improved safety in operations as per prevailing geo-mining conditions to prepare the units for onset of monsoon, to fulfill implementation of decisions taken by the Committee on Safety in Mines and Safety Conferences and to take measures for overcoming accident proneness as may be reflected through study of accident analysis, keeping priority in sensitive areas of roof-falls, haulage, explosives, machinery etc.

8) Set up a frame work for execution of the Safety Policy and Plans through the General Managers of Areas, Agents, Managers and other safety personnel of the units;

9) Multi-level monitoring of the implementation of the Safety Plans through Internal Safety Organization at the Company Headquarters and Area Safety Officers at area level;

10) All senior executives at all levels of management will continue to inculcate a safety consciousness and develop involvement in practicing safety towards accident prevention in their functioning;

11) Institute continuous education, training and retraining of all employees with the emphasis laid on development of safety oriented skills;

12) Continue efforts to better the living conditions and help all the employees both in and outside the mines.

To implement CIL Safety Policy, the following are provided:

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

6. Ensuring workers' participation in every forum for monitoring safety status in mines.

23.3 Accident Statistics

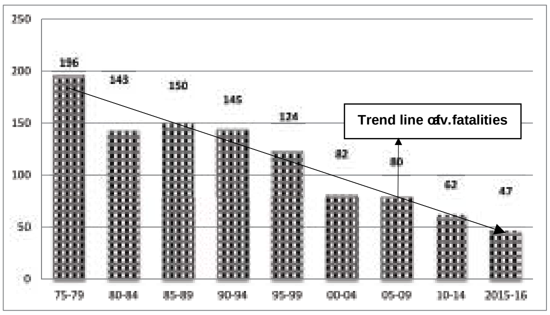
Analysis of Accident Statistics in CIL - Accidents statistics is the relative indicator for safety status in mines. Over the years, the safety performance of CIL in terms of accident has improved significantly.

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

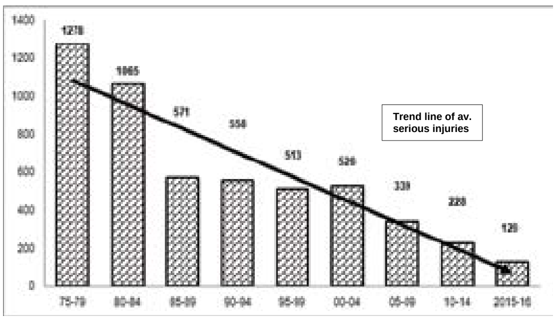
- Collective commitment and synergetic collaboration of the Management, Employees, the regulator (DGMS) and Trade Unions.
- Use of state-of-the-art technology in the field of Mining Methods, Mining Machineries and Safety Monitoring Mechanism.
- Continuous improvement in knowledge, skill and responsiveness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

Salient features of continuous and sustained improvement in CIL's safety performance is disclosed in **Annexure 18**

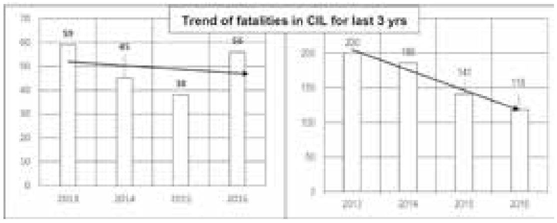
Graph -1 – Trend of 5 Yearly Average of fatalities in CIL since 1975



Graph: 2 – Trend of 5 Yearly Average of Serious Injuries since 1975



Graph-3: Trend of fatalities & serious injuries in CIL for last 3 years:



23.4 Major Activities for Safety & Rescue Division of CIL:

1. Inspection of mines to review safety status & follow up action thereof.
2. Prima-facie fact finding enquiry into fatal accidents and major incidences such as mine fire, subsidence, in-rush of water, slope failure, explosion etc.
3. Organizing meeting of CIL Safety Board and monitoring recommendations / suggestions made during meeting.
4. Framing of internal technical circulars / guidelines related to safety issues and monitoring implementation thereof.
5. Maintenance of accidents / major incidents statistics Database.
6. Publication of Safety Bulletin for disseminating and sharing of knowledge in order to promote safety awareness and inculcate better safety culture.
7. Framing reply of different coal mine safety related parliamentary questions including queries raised by different standing committees such as standing committee on Steel & Coal, standing committee on labour, as well as questions raised by COPU, MOC, CA&G and VIPs.
8. Monitoring safety related R&D activities in CIL.
9. Imparting specialized training by SIMTARS accredited trainers to unit level and Area level executives who are directly engaged in ensuring safety in mine.

23.5 Measures taken for improvement of safety in 2016-17

To improve safety standard, CIL and its subsidiaries have vigorously pursued several measures in the year 2016 along with on-going safety related initiatives apart from compliance of statutory requirements for safety, which are given below.

1. Internal Safety Organization (ISO): Continuous review of safety status of mines is being done by the multi-disciplinary Internal Safety Organization (ISO).

2. Training for preparation of Risk Assessment based SMP: Executives who have been trained by SIMTARS, Australia are engaged for imparting training and upgrading the knowledge of mine level executives as well as members of safety committee of mine to identify the hazards and evaluate the associated risks in the mines and prepare Risk assessment based Safety Management Plans (SMPs).

3. Preparation and Implementation of Risk Assessment based Safety Management Plan (SMP): The Risk assessment based Safety Management Plans (SMPs) have been prepared for all mines of CIL and control measures suggested thereof in SMPs are being implemented. It is a continuous ongoing process.

4. Standard Operating Procedure (SOP): Risk assessment based site specific Standard Operating Procedures (SOP) are formulated and being implemented for various mining and allied operations.

5. Safety Audit of all producing / operative mines have been conducted by multi-disciplinary inter-company teams.

6. Assessment of OB dumps have been conducted by using expertise of CMPDIL and multi-disciplinary ISO teams in most of opencast mines.

7. Guidelines on corrective measures: After analysis of fatal accidents which occurred at different point of time in 2016, several directives / guidelines on corrective measures to be taken for prevention of recurrence of similar type of accidents in future have been issued by the Safety & Rescue Division of CIL.

8. Adoption of the state-of-the art technology in suitable geo-mining locales.

   o Adoption of Mass Production Technology in more number of UG mines.

   o Deployment of more number of Surface Miners to eliminate blasting operation in OCPs.

   o Deployment of relatively higher capacity HEMM in more number of OCPs.

   o Mechanization of UG drilling.

   o Phasing out manual loading in UG mines.

9. Adoption of the state-of-the art mechanism for Strata Management

   o Scientifically determined Rock Mass Rating (RMR) based Support System.

   o Strata Control Cell for monitoring efficacy of strata support system.

   o Roof bolting by using mechanized Drilling for Roof Bolting.

   o Use of Resin capsules in place of Cement capsules.

   o Use of modern Strata Monitoring Instruments.

   o Imparting quality training to support crews & front-line mine officials.

10. Mechanism for monitoring of mine environment:

   o Detection of mine gases by using Methanometer, CO-detector, Multi-gas detector etc.

   o Continuous monitoring of mine environment by installing Environmental Tele Monitoring System (ETMS) & Local Methane Detectors (LMD) etc.

   o Regular Mine Air Sampling and Analysis by Gas Chromatograph.

   o Personal Dust Sampler (PDS).

   o Use of Continuous Ambient Air Quality Monitoring System (CAAQMS) in large OCPs to assess the ambient dust concentration and take suitable mitigation measures.

11. Underground Mine Ventilation:

   o Supply of sufficient quantity air by installing suitable Main Mechanical Ventilator (Surface), Auxiliary Fans, Booster fans (UG), ventilation stoppings, air Crossings etc.

   o Conducting Pressure-Quantity Survey on regular basis.

   o Using Modern gadgets for air measurement.

12. Water Danger Management:

   o Conducting Check Survey to eliminate errors in mine survey.

   o Preparation and maintenance of seam-wise Water Danger Plan.

   o Preparation and implementation of Monsoon Preparation Plan.

   o Adequate Pumping Facilities & adequate capacity of sumps.

   o Liaison with the State Meteorological Dept. & Dam Authority, if any.

   o Construction of embankments with proper design against water bodies.

   o Advance borehole for locating water body in underground.

   o Inter-mine joint survey between adjoining mines to prove inter-mine barriers to prevent transference of danger.

13. Steps for prevention accidents in OCPs:

    o Formulation and implementation of Mine-specific Traffic Rules.

    o Code of Practices for HEMM operators, Maintenance staff & others.

    o Training of Contractor's Workers involved in contractual jobs.

    o Training on Simulators to dumper operators.

    o Lighting arrangement using high mast towers for increasing level of illumination.

    o Eco-friendly Surface Miners for blast free mining and avoidance of associated risks.

    o Dumpers fitted with Proximity Warning Devices, Rear view mirrors and camera, Audio-Visual Alarm (AVA), Automatic Fire Detection & Suppression system etc.

    o Ergonomically designed seats & AC Cabins for operators' comfort.

    o Wet Drilling & water Sprinklers for dust suppression.

    o Use of Shock Tubes & Electronic Detonators for control of ground vibration & fly rocks.

    o GPS based Operator Independent Truck Dispatch System (OITDS) in large OCPs for tracking movement of HEMMs inside OC mine.

14. Mine Safety Inspection:

    o Round-the-clock Supervision of all mining operations by adequate number of competent & statutory Supervisors and mine Officials.

    o Periodic mine Inspections by Head Quarter and Area level senior officials.

    o Surprise back shift mine Inspections by mine and area level officials.

    o Regular Inspection by Workmen Inspectors appointed in each mine.

    o Regular mine Inspection by officials of Internal Safety Organization.

15. Safety Training:

    o Risk Management and preparation of "Safety Management Plan".

    o Initial and Refresher training & On-the-Job Training as per statute.

    o Training on Simulators to dumper operators.

    o Skill up-gradation of frontline mining officials.

    o Sensitization of all employees including members of Safety Committees and contractual workers.

16. Emergency Response System:

    o Emergency Action Plans prepared for each mine.

    o Mock Rehearsals for examining the efficacy of Emergency Action Plan.

    o Demarcating Emergency Escape Routes in belowground.

    o Check list prepared for dealing with an emergency in mine.

    o Flow Chart prepared for sending information regarding crisis / disaster in mines from site of accident to the Ministry of Coal, New Delhi.

24. Mine Rescue Services in CIL:

- CIL is maintaining well established and structured organizations comprising of 6 Mine Rescue Stations, 14 Rescue Rooms-with-Refresher Training facilities (RRRT) and 17 Rescue Rooms to cater the need of mine rescue services as per statute.
- All Mine Rescue Stations / Rescue Rooms are fully equipped with adequate numbers of rescue apparatus as per the Mine Rescue Rules (MRR) - 1985.
- All mine rescue organizations are manned by adequate numbers of Rescue Trained Personnel (RTP)s as per the MRR-1985.
- All RTPs are being periodically retrained to conduct rescue operations in hot, humid and irrespirable atmospheres in modern training galleries as well as challenging conditions in underground mines.
- Permanent Brigade Members and RTPs who are on call 24x7 for rescue & recovery operation.
- The Mine Rescue Station and Rescue Rooms are established at strategic locations spreading across different subsidiaries to cater to the emergencies in their command Area. The details are given in **Annexure 18**.

25. Safety Monitoring Agencies in CIL:

The implementation and monitoring of safety norms stipulated as per statute are being done on constant basis both by the line management as well as ISO officials. Apart from the above, there are several other agencies for monitoring safety, these are as under:

At Mine Level	• Workman inspectors: as per Mines Rule-1955
	• Safety Committee: constituted as per Mines Rule-1955
At Area Level	• Bipartite/Tripartite Safety Committee Meeting
	• Safety Officers' Coordination Meeting
At Subsidiary HQ Level	• Bipartite/Tripartite safety Committee Meeting
	• Area Safety Officers' Coordination Meeting
	• Inspections by ISO Officials
At CIL (HQ) / Corporate Level	• CIL Safety Board.
	• CMD's meet.
	• Director(Tech)'s Co-ordination Meeting.
	• National Dust Prevention Committee Meeting.
At Ministerial / National Level	• Standing Committee on Safety in Coal Mines.
	• National Conference on Safety in mines.
	• Various Parliamentary Standing committees.

26. HUMAN RESOURCE DEVELOPMENT

Coal India Limited has made optimum utilization of the resources and technology both existing and new and also used advanced methods and technology for the enhancement of efficiency and productivity in the company. HRD has been developing new techniques and creating opportunities for employee's self-development which in turn proved to be favouring the company as a whole.

26.1 Overall Performance

In CIL and its subsidiaries, 140490 employees have been trained during 2016-17. Out of which 18757 were executives and 121733 non-executives. These trainings include in- house training (training at subsidiary training centers, VTCs and also at IICM), training in other reputed institutes outside the company and training abroad.

26.2 Trainings

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 Divisions organized these trainings after assessing the training need in the respective category of employees within the subsidiary. Special attention was given for improving skill of the employees keeping in mind the need of Industry. Details of in-house Training imparted during 2016-17 are listed below:-

	Training	Short Training	Workshop/ Seminar	Total
Executive	5060	6877	1800	13737
Non-executive	98567	21837	379	120783
Total	**103627**	**28714**	**2179**	**134520**

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. Employees from eight subsidiary companies and from CIL (HQ) have been trained in those reputed institutes. The break-up is given below:-

	Training	Short Training	Workshop/ Seminar	Total
Executive	1684	2532	683	4899
Non-executive	690	113	147	950
Total	**2374**	**2645**	**830**	**5849**

iii) Training Abroad

Coal India has sent 121 employees to different countries from all the subsidiary companies and CIL (HQ) during the year 2016-17.

	Training	W/Shop/ Seminar/ Conference	Total
Executive	120	1	121
Non-executive	0	0	0
Total	120	1	121

iv) Initiatives

- CIL has been recruiting fresh and dynamic young bloods in different disciplines for the last few years consistently. A 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.

- As MTs of Excavation and E&M disciplines are posted in different Coal Mines, in order to provide them proper exposure to Mining Operations as well as Mining Equipment (both surface and underground) and to make them conversant with the Mining activities, 5 weeks intensive training for 168 AMs/MTs was organized at Indian School of Mines, Dhanbad, the premier Mining Institute of our country during the year 2016-17.

- Training program on General Management for Middle level Executives of Coal India Limited for two weeks is done by making a tie up with Administrative College of India (ASCI), Hyderabad to develop Executives to take up higher responsibilities and occupy senior positions.189 Participants have attended the course for the financial year 2016-17.

- Training program on Executive Development for E4/ E5 executives of Coal India Limited is done by making a tie up with Indian Institute of Management, Lucknow. 126 Participants have attended the course for the financial year 2016-17.
- One Batch consisting of 15 members comprising Mining, E&M are trained in AGH University, Poland.
- A Tripartite MoU has been entered into among National Skill Development Fund(NSDF), National Skill Development Corporation(NSDC) and CIL on 3rd May,2015 to provide training and undertake Recognition of Prior Learning to around 2.7 Lakh persons over a period of 2 years as per National Skills Qualification Framework in CIL's operational areas and neighboring regions.
- For the Year 2016-17, Under RPL(Recognition of Prior Learning) 38,833 employees are trained .

26.3 Recruitment

During FY 2016-17, 38 Medical Specialists and Medical officers joined the Company. CIL also inducted fresh talent into the organization, at the entry level 438 Management Trainees who are selected through campuses have joined. They have been imparted induction training and posted to different subsidiaries based on manpower requirement.

Further, CIL has also promoted 175 non-executives level employees into Executive cadre through departmental selection/promotion process.

27. Manpower

27.1 The total manpower of the Company including its subsidiaries as on 31.03.2017 is 310016 against 3,22,404 as on 31.03.2016. Subsidiary company wise position of manpower is disclosed in **Annexure 19**.

27.2 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 01.01.2015, 01.01.2016 and 01.04.2017 is given below:-

As on	Total Manpower	Scheduled Caste		Scheduled Tribe	
		Nos.	Percentage	Nos.	Percentage
1.1.2015	336675	73527	21.84	41212	12.24
1.1.2016	326032	70502	21.62	39669	12.17
1.4.2017	310016	70513	22.74	39721	12.81

28. INDUSTRIAL RELATIONS AND EMPLOYEES' PARTICIPATION IN MANAGEMENT

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

Strikes and Bandhs:

During 2016-17, a one day Nation-wide General Strike was called by Four Central Trade Unions on 2nd September, 2016 due to which company lost 83368 Man-days and 443834 tonnes of production. There were total 5 instances of Bandh called by regional parties in the area of operation of subsidiary companies viz. MCL, CCL & CMPDIL, where normal working was affected.

Subsidiary wise details of strikes, man-days lost and production lost and other incidents for the year 2015-16 and 2016-17 are furnished in **Annexure 19**.

29. EMPLOYEES' WELFARE AND SOCIAL SECURITY SCHEMES

1) 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 3,97,379. The percentage of housing satisfaction has now reached 100%.

2) WATER SUPPLY:

As against 2.27 Lakhs population having access to potable water at the time of Nationalisation in 1973, presently a populace of 19,61,547 has been covered under water supply scheme.

3) 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 80 Hospitals with 4938 Beds, 376 Dispensaries, 541 Ambulance and 1150 Doctors including Specialists in CIL and its subsidiaries to provide medical services to the employees. Besides 05 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.

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

4) EDUCATIONAL FACILITIES:

The subsidiary companies of CIL have been providing financial assistance by way of deficit grant and infrastructure facilities to certain renowned schools viz. 43 nos.- DAV Public Schools , 14 Nos.- KendriyaVidyalaya, 01 No.- Delhi Public School, 02 Nos. Saraswati Vidya Mandir, 01No. Ram Krishna Vivekanand Vidyapith, 01No. Vivekanand Kendriya Vidyalaya to impart quality education.

In addition to above, grant - in –aid is provided to Privately Managed school in ECL, BCCL & CCL to encourage education in the operational areas of subsidiaries.

Coal India Scholarship Scheme

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

In total 7170 scholarships were awarded and tuition fees & hostel charges were reimbursed to 1142 students. The details of Scholarship and Reimbursement of tuition fees and Hostel charges for studying in Government Engg. & Medical Colleges, IITs & NITs as well as the details of Grant sanctioned for Schools including privately managed school are disclosed in **Annexure 20**.

5) Statutory Welfare Measures:-

In accordance with the provisions 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.

6) 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. 16 Central Co-operatives and 99 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 158 Co-operative Credit Societies are also functioning in the Coal Companies.

7) 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 427 Bank Branches and 48 Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

8) Sports:-

Structured sports policy of CIL and its subsidiaries was approved by CIL Board its 296th Meeting held on 25th March,2013. As per the Sports Policy Coal India Sports Promotion Association (CISPA) has been registered under West Bengal Societies Registration Act, 1961. CISPA has undertaken several sports activities at National Level and International Level.

9) 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 subsidiary companies. 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 the various activities of WIPS comprising of welfare activities, training & development activities, seminars, cultural programme, 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. In recent years, the WIPS cell have done commendable work in reaching out to the grass root level women employees, empowering them by suggesting gainful redeployment, training and uplifting their morale by recognizing outstanding achievement, recognizing and honouring the exceptional talent.

10) Special Cash Award:-

During 2016-17, an amount of ₹1,46,000/-has been provided as Special Cash Award to 26 meritorious Sons and Daughters of employees of CIL(Hqrs.), Kolkata Desk Offices of subsidiary companies @₹7,000/- for 08 (Eight) students who have secured 90% or above marks in the Class-XII Board level examination and @₹5,000/- for 18(Eighteen) students who have secured 90% or above marks in the Class-X Board level examination.

11) Recreational facilities:-

At present there are eight Holiday homes in following places.

(a) Puri

(b) Digha

(c) Goa

(d) Manali

(e) Katra

(f) Ajmer

(g) Darjeeling

(h) Haridwar

Efforts are on to include more holiday home in the other important tourist spots in the country.

12) CIL Welfare Board Meeting:-

Coal India Welfare Board is the decision making forum regarding welfare policies for betterment and improvement of living condition of employees.

The members of CIL welfare board comprising of Central Trade Union representative and representation of Managements meet regularly to discuss on the welfare measures and review the implantation of different welfare scheme.

30. TREE PLANTATION / AFFORESTATION

Plantation and Green belt are developed through extensive tree plantation programme every year by the subsidiaries of Coal India Ltd. Avenue plantation, plantation on the OB dumps, plantation around mines, residential colonies, and available land is undertaken in the existing as well as the new projects.

The subsidiaries of CIL have planted around 94.015 million of trees covering an area over 37557.458 Ha. till March 2017.

31. PROGRESSIVE USE OF HINDI.

Keeping with the spirit of the constitution of India, Coal India Limited continued its efforts to propagate and spread the progressive use of Official Language Hindi during the period under review. The management of Coal India Limited is committed to implement the provisions of the Official Languages Act, Rules and Regulations. For this purpose, periodical meetings and reviews are done regularly by the top officials.

A brief description of the works done during the year under review towards implementation of Rajbhasha is appended below:-

Workshops were organized regularly with a view to create working atmosphere of Rajbhasha and to remove hesitation of officers & employees to work in Hindi. During the year, large number of officers &employees participated in such workshops to refresh their knowledge of Hindi words, Hindi noting & drafting in regular Official works.

In order to promote Hindi as Official Language a “Grand Hasya Kavi Sammelan” was organized on 30.04.2016 in the auditorium of Coal India Ltd., Kolkata where a large number of audiences were present.

With the aim to promote Official language and to foster interest in Official Language among officers and employees, Publication of Hindi Magazine namely “**Koyala Darpan**” has been started from Coal India headquarters. During the year 2016-17, its second & third issue has been published. The purpose of publishing the magazine is to provide a platform to the creative potential of employees and to inform all about the activities of Coal India.

With a view to create conducive atmosphere for working in Hindi and accelerating the use of Hindi as Official Language among officials, ‘Hindi Fortnight’ was observed in all offices of Coal India Ltd. in the month of September, 2016. During the Hindi Fortnight various Hindi Competitions such as Hindi noting and drafting, Hindi Self writing, Hindi Dictation, Hindi Translation, Hindi typing and Lectures competition were organized where a large numbers of employees participated enthusiastically. The winners were honoured with Cash Awards & Certificates. This creates a consciousness among employees to use Rajbhasha in official Work. It is notable that Regional Sales Office, CIL situated at different cities were granted sufficient fund as per their sizes to celebrate Hindi Diwas & Hindi week/fortnight as per the practice.

Supportive literature and dictionaries were provided to the departments on their demand. ‘Today’s Word’ and ‘Today’s Thought’ are displayed on all the signage at the New Office Complex, Rajarhat.

Coal India always lays emphasis on imparting training of Hindi Language under Hindi teaching scheme of Govt. of India by nominating the employees in Hindi Praveen & Pragya classes. For the session starting from January, 2017, sixteen (16) employees have been nominated for attaining working knowledge of Hindi. Further, to promote Hindi, number of employees were also nominated in Hindi Workshop/Training camps organized by certain prestigious institutions.

Different organizations of Govt. of India recognize the best performers by awarding prizes. During the year, Coal India Ltd. was conferred with following Awards:-

A) **1st Prize of TOLIC(PSUs), Kolkata:** Under the Rajbhasha Award Scheme of the Govt. of India, Honourable Governor of West Bengal Shri Kesharinath Tripathi awarded TOLIC (PSUs) Kolkata Sheild - 1st Prize to Coal India Ltd. in the Corporate Offices category for the best implementation of Official Language Policy of the Union on 11.8.2016.

B) **Award to CIL’s Hindi magazine ‘KoyalaDarpan**’:On 3rdJune, 2016 Coal India headquarter’s Hindi magazine ‘Koyala Darpan’ was awarded first prize in the category for the best Hindi magazine by Rajbhasha Seva Sanshthan, New Delhi.

Inspection of offices is a part of the implementation. During the year Officials of Rajbhasha department, CIL (HQ) reviewed the status of implementation of the Official Language of RSO Delhi & Lucknow and suggested remedial measures.

To observe the status of the use of Hindi in official work and to ensure that the provisions of Official Languages Act and Rules made there under are properly complied with, the 3rd sub-committee of Parliament on official Language inspected Delhi office, Regional Sales Office Jaipur & Ahmedabad as well as Coal India Headquarter, Kolkata.

32. VIGILANCE SET UP

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

During the year 2016-17, 49 Intensive Examination of Works/ Contracts (Major works) were undertaken by CIL(HQ) and its subsidiary companies. In addition,379 Surprise checks were carried out. Besides, 68 Departmental Inquiries were disposed of which resulted in punitive action against 185 officials. Such examinations/investigations have resulted into initiation of various system improvement measures.

As per the directives of Central Vigilance Commission, Vigilance Awareness Week – 2016 has been observed in Coal India Limited, IICM- Ranchi, North Eastern Coalfields-Margherita & Regional Sales Offices across the country besides all the Subsidiary Companies w.e.f. **31.10.2016 TO 05.11.2016** emphasizing the theme of **"Public participation in Promoting Integrity and Eradicating Corruption".**

During the week, in order to generate awareness, educate and discuss transparency among officials/stake holders as well as general public to arrest the root cause & threat of corruption and to promote good governance, various activities were organized.

1. **Inauguration -**

   The Vigilance Awareness Week was commenced with the administration of Pledge to the employees by Chairman, CIL while inaugurating the week on 31st October 2016.

2. **Wide Publicity -**

   - **1000 pamphlets** distributed to CIL HQ Employees, Visitors, Contractual Workers/ Drivers and Vendors with Vigilance Message and they were requested to take e-pledge. Throughout the week 20 e-posters displayed in all the digital signage in CIL HQ.
   - The posters / banners / pamphlet / canter / 2D gate specially designed for VAW-2016 and events organised during the week has been uploaded in Company's official Facebook page. Also the same has been posted in CVO, CIL and CIL official twitter account.
   - **40 banners** of 6 ftx 4 ft has been displayed in prominent places across Kolkata. **One large size 16 ft x 10 ft banner** has been displayed in busy VIP Road with message and request the citizens to take e-pledge.
   - **100 Posters** with Anti-corruption and Vigilance Awareness message displayed across Kolkata in public places.
   - **Through News Papers in 3000** Households, Shops and Offices in Salt-lake and Ultadanga Area. **6000 Nos distributed** through Canter Moving prominent places with signature campaign from 02.11.2016 to 05.11.2016 and Flash mob performing skit on Anti-Corruption message on 04.11.2016.

3. **<u>Employees Competitions</u> –**

   i. **Slogan Competition for Employees of CIL HQ on** TOPIC- "PUBLIC PARTICIPATION IN PROMOTING INTEGRITY AND ERADICATING CORRUPTION".

   ii. **Essay Competition for Employees of CIL HQ on** TOPIC- "CHALLENGES THE COUNTRY FACES IN 21st CENTURY IN COMBATING CORRUPTION".

   iii. **Quiz Competition for Employees** of CIL HQ on issues in Vigilance, CVC and other Anti-corruption Laws, Policies, manuals and guidelines of CIL.

   iv. **System Improvement/New Initiatives Competition** for Employees of CIL HQ.

4. **<u>Competitions for Wards and Spouses of Employees</u> –**

   i. **Elocution Competition** for wards of Employees of CIL HQ studying in Class IX to X on topic "Corruption can be tackled only through improving ethical values in society"

   ii. **Essay Competition for Spouses of Employees** of CIL HQ on TOPIC- "ROLE OF FAMILY IN ENHANCING ETHICAL STANDARDS IN SOCIETY"

5. **Training Program for Junior Level Managers of CIL - A** one day orientation program for newly recruited Junior Level Managers of CIL was organized in two batches focusing on Vigilance Administration in PSUs, Conduct, Discipline & Appeal Rules of CIL and Common Irregularities.

6. **Workshops / Sensitization programmes**-500 Vigilance Case Studies Vol-2 unveiled during the Vigilance Awareness Week Valedictory Function for distribution across CIL & Subsidiaries.

7. **Organisation website**

   Organisation website has been used to propagate the messages of CVC and encouraging citizens to take e-pledge.

8. **Stake Holders Meet –**

   1. Stake Holders Meet organised with Vendors and Customers on 03.11.2016 at CIL HQ to redress their issue.
   2. Stake Holder's Online feeback survey conducted through CIL Website.

9. **Workshops / Sensitization programmes**

   1. **Speech of Sadguru of Isha Foundation Coimbatore** on topic " Inner Management " organized at CIL HQ.

2. **Seminar on CVC theme " Public participation in Promoting Integrity and Eradicating Corruption",** Concluding Ceremony and Prize distribution to winners of event organized during the week on 10.11.2016.

Preventive Vigilance/ System Improvement

1. Personnel Division has been advised to create a central repository of service files of executives.
2. It is suggested to get the EIS database & applications tested, audited & certified by reputed certification agency for security & complete database management.
3. CIL may explore the possibility to tie-up with reputed hospitals/Medical Institutes to provide HAT training & qualification & the duration of the training should at least six months duration.
4. Online transfer of EMD amount directly to the dedicated account of Area/Subsidiary/CIL HQ through E-tender portal and automatic refund of EMD to unsuccessful bidders. Alternatively, transfer of EMD amount through RTGS/NEFT to dedicated account of Area/Subsidiary/CIL HQ and necessary information may be filled such as transaction-id, transaction date and EMD amount in the corresponding field of EMD.

➢ System improvement suggestions:

System improvement suggestions were made in many areas:

a. DPC for promotion
b. Procurement of explosives
c. Testing of explosives
d. Use of 3D TLS for survey of OB & Coal with phasing out of Theodolite.
e. Purchase Manual
f. Use of UAV & space technology for prevention of Coal pilferage & illegal mining and monitoring of environment, plantation, vegetation & water bodies.

➢ System Improvement Studies - Studies were taken in the following areas

Sl.	Subject of Study
1	Measurement of OB and Coal in outsourced patches
2	Recording of performance of tyres through maintenance Logbook as per international practices.
3	CSR Policy of CIL and monitoring of projects.
4	Inventory of Land Records
5	Losses due to excessive production of coal in mines having dispatch constraints.
6	RDA initiated on CBI Reports
7	E-surveillance through VTS, CCTV, Weigh-Bridge connectivity, RFID & other IT initiatives.
8	Promotion & Transfer Policy of CIL.
9	Investment of Surplus Fund.
10	Procurement of SDL & LDH machineries and their spare parts.
11	Policy issues in procurement , e-procurement & reverse auction.
12	Standardization of NITs.
13	Recruitment process in CIL & subsidiaries.
14	Standardization of Codes in procurement items.
15	Fixation of normative coal consumption for various non-code sectors as per new coal gradation policy based on GCV system.

33. PARTICULARS OF EMPLOYEES

Employee received remuneration either equal to or in excess of limits prescribed under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during 2016-17 is given in **Annexure 21**. Details of Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on disclosure in the Board Report with reference to remuneration of Managerial Personnel of Top 10 employees is annexed to the Report. **(Annexure 21)**.

34. BOARD OF DIRECTORS

Shri S. Bhattacharya continued as Chairman cum Managing Director throughout the year. Shri C.K. Dey Director (Finance) and Shri S.N.Prasad, Director(Marketing) were on the Board throughout the year. Shri S. Saran, CMD, CMPDIL has assumed the additional charge of Director(Technical), CIL from 31.10.2016 due to untimely demise of N. Kumar, former Director(Technical), CIL on 18.10.2016. Government of India has terminated the services of Shri R.Mohan Das w.e.f. 31.03.2017 and Shri S N Prasad has assumed the additional charge of Director (Personnel) from that date & held the charge till 19.06.17 thereafter Sri R.R.Mishra, CMD, WCL took over the charge from him.

Dr A K Dubey, Special Secretary, MoC and Smt. Sujata Prasad, Joint Secretary & Financial Advisor, MoC continued as part-time official Director on the Board till 05.08.2016 and 20.06.2016 respectively. Shri R P Gupta, Joint Secretary, MoC was on board from 05.08.2016 till 29.08.2016. Shri R.K.Sinha, Joint Secretary, MoC and Shri Vivek Bharadwaj, Joint Secretary, MoC were appointed w.e.f 05.08.2016 and 30.08.2016 respectively and continued throughout the year. Mrs Reena Sinha Puri, JS &FA, MOC was appointed as official part time Director vice Sri Vivek Bharadwaj from 9th Jun,17.

Ms. Loretta Mary Vas, Dr S.B. Agnihotri, Dr D.C. Panigrahi, Dr. Khanindra Pathak and Shri Vinod Jain were appointed as Independent Directors on the Board on 17/11/15 and continued throughout the year.

Shri R.R. Mishra, CMD, WCL and Shri S. Saran, CMD, CMPDIL continued throughout the year as permanent invitees. Shri A.K.Gupta Addl. Member (Traffic transportation), Railway Board has been appointed as permanent invitee from 05.08.2016 and continued throughout the 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.

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

The Board of Directors held 14 meetings during the year 2016-17.

35. Composition of Audit Committee

CIL in pursuance of excellence in corporate governance formed an Audit Committee of its Board of Directors w.e.f. 20-07-2001 and the present Audit Committee was re-constituted by the Board in its 323rd Meeting held on 6th Jan'2016, consisted of four Independent Directors, one Functional Director(additional charge), one Government Nominee Director and one permanent invitee. Details are disclosed in Corporate Governance Report under point number 3.1.

36. Composition of CSR Committee

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

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

The following independent directors have given their consent during 2016-17 that they meet the criteria of independence as stipulated in sub-section (6) of Section 149 of the Companies Act 2013.

i. Ms. Loretta M Vas

ii. Dr. S.B.Agnihotri

iii. Dr. D.C.Panigarhi

iv. Dr. Khanindra Pathak

v. Shri. Vinod Jain

38. Reappointment of Independent Directors- Section 149(10)

No Director was reappointed in terms of section 149(10) of the Companies Act 2013.

39. Recommendation of Audit Committee by the Board.

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

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

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

41. Remuneration policy of directors, KMPs and Senior Management – Section 178(4).

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

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

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

43. Contracts or Arrangements with Related Parties

Related party transactions made with the subsidiary companies and that all such transactions were exempted under Regulation 23(5)(a) and (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 being transactions between two government companies and transactions entered between a holding and its wholly owned subsidiaries whose accounts are consolidated with holding company and placed before the shareholders at the general meeting for approval. However, the remuneration paid to Key Managerial Personnel is being disclosed separately in point no **VI of Annexure 22**.

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

Loan, guarantees and investments made by Coal India Limited in terms of section 186 is enclosed as **Annexure 23**.

45. Familiarization programme of Board Members.

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

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

(b) Business model of the listed entity;

(c) Roles, rights, responsibilities of independent directors; and

(d) Any other relevant information.

As per regulation 46 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the details of the familiarization programmes is to be disclosed on the website of the company. The same is disclosed on company's website. In addition, Independent Directors were nominated to attend the trainings programmes organized by SCOPE and DPE.

https://www.coalindia.in/DesktopModules/DocumentList/documents/Details_of_Familiarization_Programmes_imparted_to_the_Independent_Directors_during_201617_&_Cumulative_till_date_13062017.PDF

46. Sexual Harassment of Women at the Workplace

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

No sexual harassment complaint was received during the year 2016-17.

47. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013, read with the Significant Accounting Policies at Note-33 and Additional Notes on Accounts at Note-34 forming part of:

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

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

It is confirmed that:

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

b) The Accounting Policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and profit & loss of the company for that period;

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

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

e) Internal Financial Controls have been laid down and that such controls are adequate and were operating effectively during the year ended 31st March'2017.

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

48. ACCOUNTS OF THE SUBSIDIARIES

The statement containing the salient features of the financial statements of a company's subsidiaries, associate companies and joint ventures under the first proviso to sub-section(3) of section 129 of Companies Act,2013 is enclosed as AOC 1 in Annexure 24. In terms of General Circular No.2/2011 dated 8th Feb 2011 from Ministry of Corporate Affairs, the Annual Accounts of subsidiary companies shall be made available to the shareholders seeking such information.

49. COST AUDIT

The Cost Audit of your company for the year 2015-16 was conducted by M/s Musib & Co and the Cost Audit Report was approved by the Board of Directors in their 331st meeting held on 3rd August 2016. The Cost Audit Report did not contain any adverse observation/comment or qualification from the Cost Auditor. The above report was filed in XBRL mode with MCA on 29th Aug'16.

M/s. Balwinder & Associates was appointed as Cost auditor for CIL Standalone for the year 2016-17. E-form CRA-2 has been filed with MCA portal vide SRN G10080166 dated 27th Aug'16

50. SECRETARIAL AUDIT

In pursuance to Section 204 of Companies Act 2013, company had conducted Secretarial Audit for the year 2016-17 by a practicing Company Secretary M/s Vinod Kothari & Co, Practising Company Secretaries. Their appointment was approved by the Board. The report of Secretarial Auditor is included in the Corporate Governance Report. The observations of Secretarial Auditor and Management Explanation are enclosed in **Annexure 25**.

51. RISK MANAGEMENT POLICY

A Risk Management Charter has been approved by the CIL

Board. It is being implemented in CIL HQ and its Subsidiaries. Risk Mitigation Measures are under preparation.

52. WEBLINK

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

1. **Corporate Social Responsibility Policy:**

   https://www.coalindia.in/DesktopModules/DocumentList/documents/CIL_CSR_Policy_New_Companies_Act_2013_05022016.pdf

2. **Vigil Mechanism:** https://www.coalindia.in/home/vigilance.aspx

3. **Policy for determining Material Subsidiary:**

   https://www.coalindia.in/DesktopModules/DocumentList/documents/POLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARIES_21032015.pdf

4. **Related Party Transaction Policy:**

   https://www.coalindia.in/DesktopModules/DocumentList/documents/Related_Party_Transaction_Policy'_01122014(1).PDF

5. **Policy on determination of Materiality under SEBI(LODR) Regulations,2015**

   https://www.coalindia.in/DesktopModules/DocumentList/documents/Policy_on_determination_of%20_Materiality_under_SEBI_LODR_%20Regulations_2015_03042017.PDF

6. **Policy on Preservation of documents including Archival Policy under SEBI(LODR) Regulations 2015**

   https://www.coalindia.in/DesktopModules/DocumentList/documents/Policy_on_Preservation_of_documents_including_Archival_Policy_under_SEBI_LODR_Regulations_2015_17052017.pdf

53. Company CONFIRMS THE FOLLOWING:-

1. None of the Directors are disqualified from appointment as per Section 164 of the Companies Act'2013.
2. Company has not issued any Equity shares with differential voting rights, Sweat Equity shares and ESOP.
3. Since shares of CIL were issued in IPO in October'2010 and unclaimed dividend amount is less than seven years, no amount has been transferred to IEPF.
4. No Secretarial, Statutory Auditor resigned during the year 2016-17.
5. No relative of director was appointed to place of profit.
6. As per Regulation 32(4) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 deviation of Proceeds of Public issue is not applicable to the company.
7. There is no deposit covered under Chapter V of Companies Act 2013.
8. There is no deposit which is not under compliance of Chapter V of Companies Act 2013.
9. There is no change in the nature of business.
10. No Director is in receipt of any commission from the subsidiary companies in which he is a director.

54. ADDITIONAL INFORMATION

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

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

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

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

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

   During the financial year 2016-17, a Joint Venture, Hindustan Urvarak & Rasayan Limited was incorporated.. The details of the subsidiaries, Joint Ventures or associates have been furnished under form AOC-1.During the financial year no subsidiaries, Joint Ventures or associates have ceased to be subsidiaries, Joint Ventures or associates.

55. ACKNOWLEDGEMENT:

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

56. ADDENDA

The following are annexed.

i) Pre-tax Profit of CIL & subsidiaries for 2016-17 vis-à-vis 2015-16 **(Annexure 1).**

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

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

iv) Auditors Report on the Standalone Financial Statements for the year ended 31st March, 2017 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**[Annexure 3(A)].**

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

vi) Auditors Report on the Consolidated Financial Statements for the year ended 31st March, 2017 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**[Annexure 4(A)].**

vii) Observations of Auditor on Standalone Financial Statements and Management Explanation. **(Annexure 5).**

viii) Observations of Auditors on Consolidated Financial Statements and Management Explanation **[Annexure 5(A)]**.

ix) Subsidiary wise Coal Off-take. **(Annexure 6)**.

x) Sector-wise dispatch of coal & coal products. **(Annexure 7)**.

xi) Dispatches of coal and coal products by various modes. **(Annexure 8)**.

xii) Wagon Loading in 2016-17. **(Annexure 9)**.

xiii) Subsidiary wise details of Stock of Coal. **(Annexure 10)**

xiv) Subsidiary wise details of Trade Receivables. **(Annexure 11)**

xv) Subsidiary-wise payment of Royalty, Cess, Sales Tax, Stowing Excise Duty, Central Excise Duty, Clean Energy Cess, Entry Tax and Others. **(Annexure 12)**.

xvi) Subsidiary-wise Coking & Non-coking production, Production from underground and opencast mines. **(Annexure 13)**.

xvii) Subsidiary-wise Washed Coal (Coking) Production. **(Annexure 13A)**.

xviii) Subsidiary wise Overburden Removal. **(Annexure 13B)**

xix) Population of equipment. **(Annexure 14)**.

xx) Subsidiary wise System Capacity Utilization. **(Annexure 15)**.

xxi) Project Implementation. **(Annexure 16)**.

xxii) Subsidiary wise details of Capital Expenditure. **(Annexure 17).**

xxiii) Salient features of continuous and sustained improvement in CIL’s safety performance. **(Annexure 18)**.

xxiv) Subsidiary wise position of manpower and strikes and bandhs. **(Annexure 19)**.

xxv) Scholarship and Reimbursement of tuition fees and Hostel Charge and Grants sanctions to schools. **(Annexure 20)**

xxvi) Disclosures under Rule 5(1) and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. **(Annexure 21)**.

xxvii) The extract of the annual return as provided under sub-section (3) of Section 92 in Form No. MGT.9 **(Annexure 22)**.

xxviii) Loan and Advances, Guarantees, Investments made by the company under Section 186(4) of the Companies Act’ 2013 **(Annexure 23)**.

xxix) Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) as at 31st March, 2017. **(Annexure 24)**

xxx) Secretarial Audit Report under Section 204 of Companies Act 2013 and Observation of Secretarial Auditor & Management Explanation **(Annexure 25)**.

xxxi) Foreign Exchange Earning and Outgo under Rule 8 of Companies (Accounts) Rules 2014**(Annexure 26)**.

xxxii) Details about Research and Development of the Company **(Annexure 27)**.

xxxiii) Disclosure as per Section 135 of Companies Act 2013 on Corporate Social Responsibility **(Annexure 28)**.

xxxiv) Significant and Material Orders passed by the Regulators or Courts.**(Annexure 29)**.

xxxv) Corporate Governance Report.**(Annexure 30)**.

For and on behalf of the Board of Directors

Kolkata, 12th August, 2017

S. Bhattacharya

Chairman

(DIN: 00423572)

ANNEXURE 1

Pre-tax Profit of CIL & subsidiaries for 2016-17 vis-à-vis 2015-16

(₹ In crores)

Company	2016-17	2015-16	Increase/(Decrease)
ECL	15.32	1123.19	-1107.87
BCCL	-263.08	605.68	-868.76
CCL	2373.02	3108.61	-735.59
NCL	3120.44	4112.88	-992.44
WCL	-1075.26	394.20	-1469.46
SECL (consolidated)	3186.35	5148.70	-1962.35
MCL (consolidated)	6852.41	6263.18	589.23
CMPDIL	65.53	15.35	50.18
CIL (Standalone)	14511.67	16768.20	-2256.53
CIAL Exchange Loss	-9.02	39.90	-48.92
Sub-Total	28777.38	37579.89	-8802.51
Less: Dividend from Subsidiaries	10429.51	16140.09	-5710.58
Less: Income on Buyback of Shares by Subsidiaries	3914.16	0.00	3914.16
Sub Total	14433.71	21439.80	-7006.09
Less : Tax on PBT	5165.96	7171.87	-2005.91
Total	9267.75	14267.93	-5000.18
Less : Share of Non Controlling Interest in Loss (NCI)	1.77	1.15	0.62
Net Profit after tax, NCI etc	9265.98	14266.78	-5000.80
Add : Other Comprehensive Income (OCI) net of tax	82.00	294.41	-212.41
Total comprehensive income	9347.98	14561.19	-5213.21

ANNEXURE 2

Subsidiary wise details of Dividend income of CIL Standalone

(₹ In crore)

Company (paying subsidiaries)	Dividend Income of CIL Standalone	
	2016-17	**2015-16**
CCL	3634.04	1711.74
NCL	1680.00	3659.92
WCL	-	769.66
SECL	2133.47	6390.32
MCL	2982.00	3608.45
Total	**10429.51**	**16140.09**

ANNEXURE 3

THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON STANDALONE FINANCIAL STATEMENTS OF COAL INDIA LIMITED.

No. 95 /CA/LA-I/Accounts/CIL St. Alone/2016-17

CONFIDENTIAL

सत्यमेव जयते

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य लेखापरीक्षा
बोर्ड - II कोलकाता
पुराना निजाम महल, आचार्य जगदीश चन्द्र बोस रोड,
कोलकाता - 700 020
OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER
AUDIT BOARD - II, KOLKATA
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road,
Kolkata-700 020

Date 20-06-2017

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

Subject : Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Coal India Limited (Standalone) for the year ended 31 March 2017

Sir,

I forward herewith the Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Coal India Limited (Standalone)for the year ended 31 March 2017.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

(Reena Saha)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD – II
KOLKATA

Place: Kolkata,
Dated:20.06.2017

दु० भा० / Phone : 91-33-22875380/7165/2360/8838, 22810043/5654 फैक्स / Fax : 91-33-2280-0062
इ०मेल / E-mail : mabkolkata2@cag.gov.in तार : "कोयलेखा"/ Telegram : "COLADIT"

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF COAL INDIA LIMITED (STANDALONE) FOR THE YEAR ENDED 31 MARCH 2017

The preparation of financial statements of Coal India Limited (Standalone) for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29.05.2017

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Coal India Limited (Standalone) for the year ended 31 March 2017. 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.

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

(Reena Saha)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD – II
KOLKATA

Place: Kolkata
Dated: 20.06.2017

ANNEXURE 3 (A)

AUDITORS REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 INCLUDING REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Independent Auditors' Report

To

The Members of Coal India Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Coal India Limited** (hereinafter referred to as '**the Company'**), which comprise the balance sheet as at 31st March 2017, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following notes:-

a) Note No.3 (1-Land) refers to title deeds/lease deeds and documentary evidences of freehold land amounting ₹11.92 Crores and for leasehold land amounting ₹0.92 Crores have been verified by us and the same are held in the name of the Company. Title deeds/lease deeds and other evidences of title for freehold land for ₹0.13 Crores are not available for our verification. Further as per the details made available to us, title deeds/lease deeds or other evidences of title for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available for our verification;

b) Note No.7 refers to an aggregate Investment of ₹9688.42 Crores (PY: ₹9433.69 Crores) in its two fully owned subsidiary companies which is for long term and strategic in nature. As these subsidiary companies are turning around, the management has not considered any provision under the changing circumstances against the erosion of ₹3169.85 Crores (PY: ₹3042.14 Crores) in the value of Investment.

c) Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed. Consequential impact on confirmation/ reconciliation/adjustment of such balances (which will not be material as per management), if any is not ascertainable;

d) Required number of Independent Director was not appointed in the Board of the Company as per the provisions of Section 149(1) of the Companies Act, 2013 during the year. However the Company meet the number of required Independent Directors as at the date of financial statements;

e) Note No.38(5) (a) Contingent Liability of the accompanying standalone Ind AS financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

   d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

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

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our report in "**Annexure -C**" and

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

      i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – [Refer Note No.38(5)(a) to the standalone Ind AS financial statements];

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

      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.-[Refer Note No.14 to the standalone Ind AS financial statements]

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

"Annexure-A" to the Independent Auditors' Report

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

(i) In respect of Fixed Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for assets at Regional sales offices. Further certain details as regards to purchase orders reference, date of commissioning, location, identification and codifications etc. of some movable tangible assets needs to be updated. Location details and area of freehold and leasehold land also needs to be updated in the fixed asset register and need to be reconciled with the revenue records maintained by the local authority.

(b) The fixed assets located at Head quarter, North Eastern Coalfields, various Regional sales offices and other offices have been physically verified periodically as certified by the management. Pending for reconciliation and adjustment in the books of accounts, discrepancies noticed on such verification were not material as per the management. The process should be further improved by having well defined programme of physical verification to cover all the assets in phased manner.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds, lease deeds and/or other evidences of title of freehold land amounting ₹11.92 Crores and for leasehold land amounting ₹0.92 Crores have been verified by us and the same are held in the name of the Company. Title deeds for freehold land for ₹0.13 Crores are not available for our verification. Further, as per the details made available to us, title deeds/lease deeds or other evidences of title for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available for our verification.

(ii) In respect of Inventories:

(a) The physical verification of inventories at North Eastern Coalfields, the production unit of the Company has been conducted at reasonable intervals during the year by the management.

(b) The inventories have been measured on the basis of volumetric system.

(c) In our opinion, the procedures and frequency of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(iii) According to the information and explanation given to us, the Company has granted unsecured loan aggregating of ₹1200.00 Crores (PY:Nil) to three bodies corporate (Fully owned subsidiary companies) covered in the register maintained under section 189 of the Companies Act, 2013 and balance outstanding in respect of these unsecured loans is ₹1200.00 Crores as at 31st March 2017.(PY:Nil)

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act, were prima facie, not prejudicial to the interest of the Company.

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act, there is no stipulation of schedule of repayment of principal and payment of interest thereon hence unable to make specific comment on the regularity of repayment of principal & payment of interest, in such cases.

(c) According to the information and explanations given to us, in respect of the said loans, there is no demand raised during the year as such no overdue amounts as at the end of the year.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and
investments made.

(v) The Company has not accepted any deposits from the public.

(vi) The maintenance of Cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Mining activities of the Company. We have broadly reviewed the records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sale tax, wealth Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except few cases of delays noticed in deposit of service tax, provident fund and additional MMDR Royalty State Fund. As informed to us, Employee's state insurance is not applicable to the company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, duty of excise, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2017, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and as per the records of the Company examined by us, there are no dues of sale tax, value added tax, duty of customs, duty of excise, cess and other statutory dues were in arrears as at 31st March 2017, which have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following are the dues of income tax which of ₹147.32 Crores have been deposited as "Demand under Protest" and liability of ₹ 161.46 Crores have been provided for in the books of accounts.

Name of the Statute	Nature of Dues	Amount (In Crores)	Period to which the amount relates (FY)	Forum where the dispute is pending
Income Tax Act	Income Tax	55.20	2010-2011	CIT(Appeals)
		64.90	2011-2012	CIT(Appeals)
		80.00	2007-2008	ITAT
		110.15	2005-2006	ITAT
Total		**310.25**		

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

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(xi) Section 197 of the Act regarding managerial remuneration is not applicable to the Company by virtue of Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Govt. of India.

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

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

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as such paragraph 3(xv) of the Order is not applicable.

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

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

“Annexure-B” to the Independent Auditors’ Report
[Referred to in Paragraph 2 of “Other Legal and Regulatory requirements” of our Audit Report]

Part-I

Sl. No.	Details/ Directions	Auditors’ Reply	Action Taken and Impact on Accounts & Financial Statements
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?	According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds, lease deeds and/or other evidences of title of freehold land amounting ₹11.92 Crores and for leasehold land amounting ₹0.92 Crores have been verified by us and the same are held in the name of the Company. Title deeds for freehold land for ₹0.13 Crores are not available for our verification. Further, as per the details made available to us, title deeds/lease deeds or other evidences of title for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available for our verification.	Financial impact cannot be ascertainable.
2.	Whether there are any cases of waiver/ write-off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved.	In view of critically weak financial position of ECL which was under BIFR till December, 2014, expenditure incurred by CMPDIL on exploratory drilling work falling under command area of ECL was funded by CIL and shown as advance against which provisions were also made simultaneously. As per the resolution passed in the meeting of the CIL Board dated 20th July, 2001, such advances, if remains unadjusted for five years from the date the same were accounted for are to be written off. Thus the amount written off during the year in the above context amounts to ₹17.07 Crores which were fully provided for.	There is a financial impact of ₹ 0.13 Crores.

Sl. No.	Details/ Directions	Auditors' Reply	Action Taken and Impact on Accounts & Financial Statements
		In addition, balances of ₹1.01 Crores have been written off against old advances/ receivables which were provided for to the extent of ₹0.88 Crores in the books of accounts	
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	As stated by the management, no inventories are lying with third parties. Further no assets were received as gift from Government or other authorities.	No impact on the financial Statements.

Additional -Directions:-

Part-II

Sl. No.	Details/ Directions	Auditors' Reply	Action Taken and Impact on Accounts & Financial Statements
a)	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	The stock measurement was done along with contour map and the same is available with the reports of stock measurement. Based on the information and explanations given to us, there is no new heaps created during the year.	No impact on Accounts and Financial Statements.
b)	Whether the company conducted the physical verification exercise of asset and properties at the time of merger/split/ restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per the information and explanations available, there is no such merger/ split / restructure of an area during the year as informed to us.	No impact on Accounts and Financial Statements.
c)	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of annual accounts for the year 2016-2017.	As explained to us by the company management, there is no such payment of compensation to PAPs at NEC, the production unit of the company, during the year. No PAPs for subsidiary companies is considered in the accounts.	No impact on the Financial Statements.
d)	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined.	According to the information and explanation given to us, there is no dispute with regard to GCV ranges at NEC.	No impact on the Financial Statements.

e)	If the auditee has computerized its operation or any part of it, you should assess and report, how much of the data in the company is in electronic format. Which of the major areas such as Financial accounting, Sales accounting, Personal information, Pay-roll materials, Inventory Management etc. have been computerized, and its impact on your work in auditing the accounts.	Financial accounting, sales accounting, payroll materials, personal information, inventory management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end copies of certain required documents are kept in hard form. However uniform and comprehensive ERP system needs to be introduced to integrate all offices and units of the company for better management & controls.	No impact on the Financial Statements

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017s

Annexure-C" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Coal India Limited** (hereinafter referred to as '**the Company'**) as of 31st March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us, and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

ANNEXURE 4

THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON CONSOLIDATED FINANCIAL STATEMENTS OF COAL INDIA LIMITED

सत्यमेव जयते

CONFIDENTIAL

No. 153 /CA.L.A-I/Accounts/CIL CFS/2016-17

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य लेखापरीक्षा
बोर्ड - II कोलकाता
पुराना निजाम महल, आचार्य जगदीश चन्द्र बोस रोड,
कोलकाता - 700 020
OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER
AUDIT BOARD - II, KOLKATA
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road,
Kolkata-700 020

Date 27 JUL 2017

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

Sub: Comments of the Comptroller & Auditor General of India under Section 143(6)(b) read with section 129(4) of the Companies Act 2013 on the Consolidated Accounts of Coal India Limited for the year ended 31 March 2017.

Sir,

I forward herewith the comments of the Comptroller & Auditor General of India under Section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Consolidated Accounts of Coal India Limited for the year ended 31 March 2017.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

(Reena Saha)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD - II
KOLKATA

Place: Kolkata,
Dated: 27.07.2017

दु० भा० / Phone : 91-33-22875380/7165/2360/8838, 22810043/5654
फैक्स / Fax : 91-33-2280-0062
ई०मेल / E-mail : mabkolkata2@cag.gov.in
तार : ''कोयलेखा''/ Telegram : "COLADIT"

211

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of consolidated financial statements of Coal India Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 03.07.2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129 (4) of the Act of the consolidated financial statements of Coal India Limited for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of Coal India Limited and its subsidiaries as listed in annexure for the year ended on the date. Further, section 139(5) and 143(6) (b) of the Act are not applicable to Coal India Africana Limited (CIAL)- overseas company) being incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which give rise to any comment upon or supplement to statutory auditors' report.

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

(Reena Saha)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD – II
KOLKATA

Place: Kolkata
Dated: 27.07.2017

212

Annexure

Name of the subsidiary companies	Details of Supplementary Audit for the year 2016-17
Coal India Limited (Standalone)	Supplementary Audit conducted by the O/o the Pr. DCA, MAB-II, Kolkata
Bharat Coking Coal limited (BCCL)	
Eastern Coalfields Limited (ECL)	
Central Coalfields Limited (CCL	
Central Mine Planning & Design Institute Limited (CMPDIL)	
Mahanadi Coalfields Limited (MCL)	
Northern Coalfields Limited (NCL)	
South Eastern Coalfields Limited (SECL)	
Western Coalfields Limited (WCL)	
Joint Venture Companies	
CIL –NTPC Urja Pvt. Limited	Supplementary Audit conducted by the O/o the Pr. DCA, MAB-I, Kolkata
International Coal Ventures Pvt. Ltd. (ICVL)	Supplementary Audit conducted by the O/o the Pr. DCA, MAB, Ranchi
Hindustan Urvarak and Rasayan Limited (HURL)	Supplementary Audit conducted by the O/o the Pr. DCA, MAB-II, Kolkata
Talcher Fertilizers Limited (TFL)	

ANNEXURE 4(A)

AUDITORS REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 INCLUDING REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To

The Members of Coal India Limited

This Audit Report supersedes the earlier Audit Report dated 29th May, 2017 and is being revised on the advice of Comptroller and Auditor General of India to include the word "Group and its jointly controlled entities" in certain paragraphs which were inadvertently omitted in printing of the report.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of Coal India Limited (hereinafter referred to as "the Holding Company") and its nine subsidiary companies (collectively referred to as "the Group") and four jointly controlled entities, which comprise the consolidated balance sheet as at 31stMarch 2017, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub–paragraph (a) and (b) of the "Others Matters" paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the subsidiary companies and jointly controlled entities, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group and its jointly controlled entities as at 31st March 2017, and their consolidated financial performance including other comprehensive income, consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following notes:-

a) Non availability of title deeds, lease deeds for some freehold lands and leasehold lands, rights, interest in Land and Mines for verification;

b) Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, trade payables, other financial liabilities and other current liabilities have not been confirmed. Consequential impact on confirmation/reconciliation/adjustment of such balances (which will not be material as per management), if any is not ascertainable;

c) Required number of Independent Directors and Women director has not been appointed in the Board of the Holding Company and two subsidiary companies respectively as per the provisions of the Companies Act, 2013.

d) Note No.38(6) (a) Contingent Liability of the accompanying consolidated Ind AS financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Group and its jointly controlled entities by various parties and Government authorities;

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of above matters.

Other Matters

a) We did not audit the financial statements of nine subsidiary companies whose financial statements reflect total assets of ₹1,13,067.74 Crores (PY:₹1,05,345.30 Crores) as at 31st March 2017, total revenues of ₹89,484.43 Crores (PY:89,327.49 Crores) for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary companies, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary companies, is based solely on the reports of the other auditors.

b) We did not audit the financial statements of four jointly controlled entities whose financial statements reflect Holding Company's share of loss of ₹ 1.75 Crores (PY:0.85 Crores) for the year ended 31st March 2017 as considered in the consolidated Ind AS financial statements. These financial statements of jointly controlled entities are audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities, is based solely on the reports of the other auditors.

c) The consolidated Ind AS financial statements include the financial statements of one foreign subsidiary company i.e. Coal India Africana Limitada, the accounts of which have been prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and audited by the auditor of Mozambique. No adjustment have been made for the differences between such financial statements prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and Indian Generally Accepted Accounting Principles (GAAP) being insignificant as per the management and which have been relied upon by us. Our opinion is based solely on the report of other auditor. [Refer Note No.38 (2) (xii) of the consolidated Ind AS financial statements]

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1) Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, is not applicable on the consolidated Ind AS financial statements as referred in proviso to Para 2 of the said Order.

2) As required under Section 143(5) of the Companies Act, 2013, we give in the "**Annexure-A**", a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Group. This statement has been prepared incorporating the comments of the Auditors' of the subsidiary companies mentioned in their reports.

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements read with as reported in clause (a) and (b) of the "Emphasis of Matters" paragraph above.

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) the reports on the accounts of the Holding Company audited by us and its subsidiary companies and jointly controlled entities incorporated in India audited under Section 143 (8) of the Act by other auditors, have been properly dealt with in preparing this report;

   d) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of Cash Flows and the Consolidated statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   e) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the relevant rules issued thereunder;

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

   g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "**Annexure-B**".

h) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors in case subsidiary companies and jointly controlled entities as noted in the "Other Matters" paragraph above:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities.[Refer Note No.38(6) (a) of the accompanying consolidated Ind AS financial statements]

ii. The Group and its jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India.

iv. The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the respective Group Companies and jointly controlled entities.[Refer Note No.14 to the consolidated Ind AS financial statements]

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

"Annexure-A"to the Independent Auditors' Report

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

Part-I

Sl. No.	Details/ Directions	Auditors' Reply	Action Taken and Impact on Accounts & Financial Statements
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively?If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?	Title deeds/evidences of titles are available for freehold and leasehold lands substantially. In rest of the cases title deeds for lease hold and freehold lands are not available/not made available during the course of the audit. In absence of proper information, quantification is not possible. In certain cases, value of land not recorded in the books and in some other cases reconciliation is under progress.	Financial impact cannot be ascertainable.
2.	Whether there are any cases of waiver/ write-off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved.	During the year, the Group has written-off ₹369.00 Crores against doubtful debts, doubtful advances etc excluding the amount involved within the Group and against which, provision of ₹342.03 Crores was already made in earlier years.	There is a financial impact of ₹26.97 Crores.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	Based on the information available, no inventories are lying with third parties and no assets were received as gift from Govt. or other authorities. However proper records wherever necessary are maintained for inventories lying with third parties.	There is no impact on the consolidated financial statements.

Additional -Directions:-

Part-II

Sl. No.	Details/ Directions	Auditors' Reply	Action Taken and Impact on Accounts & Financial Statements
a)	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	The stock measurement was done along with contour map and the same is available with the reports of stock measurement. The new heaps have been created with the approval of the competent authority.	Yes. There is no impact on the consolidated financial statements.
b)	Whether the company conducted the physical verification exercise of asset and properties at the time of merger/split/restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per the information and explanations available, there is no such merger/ split / restructure of an area during the year at Holding Company and Subsidiary companies.	No impact on Accounts and consolidated financial statements.
c)	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of annual accounts for the year 2016-2017.	As per the information and explanations given to us, uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries and at NEC, the production units of the Holding Company, have been considered during the preparation of annual accounts for the year 2016-2017.	No impact on Accounts and consolidated financial statements.
d)	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined.	Based on the information and records available, all disputes with regard to GCV ranges at Holding Company and at its subsidiary companies have been properly dealt with in the books of accounts of Holding company and Subsidiary companies respectively.	No impact on Accounts and consolidated financial statements.
e)	If the auditee has computerized its operation or any part of it, you should assess and report, how much of the data in the company is in electronic format. Which of the major areas such as Financial accounting, Sales accounting, Personal information, Pay-roll materials, Inventory Management etc. have been computerized, and its impact on your work in auditing the accounts.	In case of Coal India Limited, Financial Accounting, Sales Accounting, Payroll Materials, Personal Information, Inventory Management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end hard copies of certain required documents are kept in hard form. However uniform and comprehensive ERP system needs to be introduced to integrate all offices and units of the Company for better management and controls. Auditors of the subsidiary companies have not commented on the matter in their respective audit reports.	No impact on the consolidated financial statements.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

"Annexure-B" to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31stMarch 2017, we have audited the internal financial controls over financial reporting of Coal India Limited (hereinafter referred as "**the Holding Company**"), and its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies, and its jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us, and based on our audit, in our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/ conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to eight subsidiary companies, and four jointly controlled entities which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E

S.C.Chaturvedi
Partner
Mem.No.012705

Place: Kolkata
Dated: May 29, 2017

ANNEXURE 5

Observations of Auditors on Standalone Financial Statements and Management Explanation

SL	Observation of Auditor	Management Explanation
	Emphasis of Matters in Audit Report	
1.	Note No.3 (1- Land) refers to title deeds/lease deeds and documentary evidences of freehold land amounting Rs.11.92 Crores and for leasehold land amounting Rs.0.92 Crores have been verified by us and the same are held in the name of the Company. Title deeds/lease deeds and other evidences of title for freehold land for Rs.0.13 Crores are not available for our verification. Further as per the details made available to us, title deeds/lease deeds or other evidences of title for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available for our verification. Note: -The above also appeared in Sl No (i)(c) of "Annexure-A" to the independent Auditors' report – as requiredby companies (Auditors Report) order, 2016 ("the order") and Sl. No 1 in "Annexure-B" to the independent Auditor's report – Audit report on the statement of directions u/s 143(5) of the companies Act 2013 issued by Comptroller and Auditors General of India for the year 2016-2017.	Reconciliation of land records with documentary evidences has been carried out. Steps have been taken to reconcile the total area of land with title deeds/ jamabandi/allotment order of appropriate authority. A large portion of freehold and leasehold land were acquired by the company in the process of nationalization for which no value has been recorded in the books. It may further be stated that on nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973.
2.	Note No.7 which refers to an aggregate Investment of Rs.9688.42 Crores (PY:Rs.9433.69 Crores) in its two fully owned subsidiary companies which is for long term and strategic in nature. As these subsidiary companies are turning around, the management has not considered any provision under the changing circumstances against the erosion of Rs.3169.85 Crores (PY: Rs.3042.14 Crores) in the value of Investment.	No comments –The matter has been explained in foot Note 1 of Note 7 (Investments) in the accounts.
3.	Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed. Consequential impact on confirmation/reconciliation/adjustment of such balances (which will not be material as per management), if any is not ascertainable.	There is an established system of obtaining confirmations from parties. However in many of the cases response from the parties are not received. Trade receivables are reconciled on regular basis and joint reconciliation statements are also signed by both the parties. Adequate provisions have been made in the Accounts for the FY 2016-17 in respect of disputed debts which are doubtful of recovery. The balances are further confirmed with reference to the subsequent receipts. Old Advances/Receivables are regularly scrutinized and written off in appropriate cases when the amounts are confirmed to be non-recoverable. Similarly old payables/liabilities are also scrutinized and written back when no longer required.
4.	Required number of Independent Directors was not appointed in the Board of the Company as per the provisions of Section 149(1) of the Companies Act, 2013 during the year. However, the company meet the number of required Independent Directors as at the date of financial statements.	No comments
5.	Note No.38(5) (a) Contingent Liability of the accompanying standalone Ind AS financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities.	No comments

SL	Observation of Auditor	Management Explanation
	Annexure-A" to the Independent Auditors' Report – As required by the Companies (Auditor's Report) Order,2016 ("the Order)	
6.	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for assets at Regional sales offices. Further certain details as regards to purchase orders reference, date of commissioning, location, identification and codifications etc. of some movable tangible assets needs to be updated. Location details and area of freehold and leasehold land also needs to be updated in the fixed asset register and need to be reconciled with the revenue records maintained by the local authority.	Details of Fixed assets located at the Regional Sales Offices (RSOs) are maintained at the respective RSOs.Certain details as mentioned by the Audit are in the process of updating. Location details and area of freehold and leasehold land are being reconciled with the revenue records maintained by the local authority.
7.	The fixed assets located at Head quarter, North Eastern Coalfields, various Regional sales offices and other offices have been physically verified periodically as certified by the management. Pending for reconciliation and adjustment in the books of accounts, discrepancies noticed on such verification were not material as per the management. The process should be further improved by having well defined programme of physical verification to cover all the assets in phased manner.	Necessary adjustments, if any, are made on reconciliation.Steps are beinginitiated to increase the coverage of physical verification in phased manner.
8.	According to the information and explanation given to us, the Company has granted unsecured loan aggregating of Rs.1200.00 Crores (PY:Nil) to three bodies corporates (fully owned subsidiaries), covered in the register maintained under section 189 of the Companies Act, 2013 and balance outstanding in respect of these unsecured loans is Rs.1200.00 Crores as at 31st March 2017.(PY:Nil) (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act, were prima facie, not prejudicial to the interest of the Company. (b) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act, there is no stipulation of schedule of repayment of principal and payment of interest thereon hence unable to make specific comment on the regularity of repayment of principal & payment of interest, in such cases. (c) According to the information and explanations given to us, in respect of the said loans, there is no demand raised during the (d) year as such no overdue amounts as at the end of the year.	These loans were short term in nature and the entire loan (i.e, principal along with interest) has since been repaid by the subsidiaries and therefore settled.
9.	(a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sale tax, wealth Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except few cases of delay noticed in deposit of service tax, provident fund and additional MMDR Royalty State Fund. As informed to us, Employee's state insurance is not applicable to the company. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, duty of excise, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2017, for a period of more than six months from the date they became payable.	No comments

<table>
<tr><th>SL</th><th>Observation of Auditor</th><th>Management Explanation</th></tr>
<tr><td></td><td>(b) According to the information and explanations given to us, and as per the records of the Company examined by us, there are no dues of sale tax, value added tax, duty of customs, duty of excise, cess and other statutory dues were in arrears as at 31st March 2017, which have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following are the dues of income tax of which Rs.147.32 Crores have been deposited as “Demand under Protest” and liability of Rs. 161.46 Crores have been provided for in the books of accounts.

<table>
<tr><th>Name of the Statute</th><th>Nature of Dues</th><th>Amount (in Crores)</th><th>Period to which the amount relates (FY)</th><th>Forum where the dispute is pending</th></tr>
<tr><td>Income Tax Act</td><td>Income Tax</td><td>55.20</td><td>2010-2011</td><td>CIT (Appeals)</td></tr>
<tr><td></td><td></td><td>64.90</td><td>2011-2012</td><td>CIT (Appeals)</td></tr>
<tr><td></td><td></td><td>80.00</td><td>2007-2008</td><td>ITAT</td></tr>
<tr><td></td><td></td><td>110.15</td><td>2005-2006</td><td>ITAT</td></tr>
<tr><td colspan="2">Total</td><td>310.25</td><td></td><td></td></tr>
</table></td><td>No comments</td></tr>
<tr><td></td><td colspan="2">Annexure-B” to the Independent Auditors’ Report – Audit Report on the Statement of Directions under Section 143(5) of Companies Act,2013 issued by Comptroller & Auditor General of India for the year 2016-17</td></tr>
<tr><td>10.</td><td>Financial accounting, sales accounting, payroll materials, personal information, inventory management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end copies of certain required documents are kept in hard form.

However uniform and comprehensive ERP system needs to be introduced to integrate all offices and units of the company for better management & controls.</td><td>The company has initiated necessary action for introduction of an ERP system to integrate all offices and units for better management and controls.</td></tr>
<tr><td></td><td colspan="2">Annexure-C” to the Independent Auditors’ Report – Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act,2013 (“the Act)</td></tr>
<tr><td>11.</td><td>According to the information and explanations given to us, and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the “Guidance Note on Audit of Internal Financial Controls over Financial Reporting” issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the “Documentation on Internal Financial Controls” by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.</td><td>The Management has already initiated actions for further improvement in designing the documentation of internal financial controls incorporating the business process flow, including procedure of integrating the transactions for its proper translation in the financial records. The company has also initiated necessary action for introduction of an ERP system to integrate the entire business process including the system of accounting, compilation of information or data, to ensure that the financial reporting process is comprehensive.</td></tr>
</table>

ANNEXURE 5(A)

OBSERVATIONS OF AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT EXPLANATION

SL	Observation of Auditor	Management Explanation
	Emphasis of Matters in Audit Report	
1.	Non availability of title deeds, lease deeds for some freehold lands and leasehold lands, rights, interest in Land and Mines for verification.	On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the central government, which on transfer is exercised by the group company. In some cases, detailed reconciliation of land is under process.
2.	Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed. Consequential impact on confirmation/reconciliation/adjustment of such balances (which will not be material as per management), if any, is not ascertainable.	There is an established system of obtaining confirmations from parties. However in many of the cases response from the parties are not received. Trade receivables are reconciled on regular basis and joint reconciliation statements are also signed by both the parties. Adequate provisions have been made in the Accounts for the FY 2016-17 in respect of disputed debts which are doubtful of recovery. The balances are further confirmed with reference to the subsequent receipts. Old Advances/Receivables are regularly scrutinized and written off in appropriate cases when the amounts are confirmed to be non-recoverable. Similarly old payables/liabilities are also scrutinized and written back when no longer required.
3.	Required number of Independent Directors and Women directors have not been appointed in the Board of the holding Company and two subsidiary companies respectively as per the provisions of the Companies Act, 2013.	No comments
4.	Note No.38(6)(a) Contingent Liability of the accompanying consolidated Ind AS financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Group and its jointly controlled entities by various parties and Government authorities.	No comments
	"Annexure-A" to the Independent Auditors' Report – Audit Report on the Statement of Directions under Section 143(5) of Companies Act,2013 issued by Comptroller & Auditor General of India for the year 2016-17	
5.	Title deeds/evidences of titles are available for freehold and leasehold lands substantially. In rest of the cases title deeds for lease hold and freehold lands are not available/not made available during the course of the audit. In absence of proper information, quantification is not possible. In certain cases, value of land not recorded in the books and in some other cases reconciliation is under progress.	On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the central government, which on transfer is exercised by the group company. In some cases, detailed reconciliation of land is under process.

SL	Observation of Auditor	Management Explanation
6.	**Additional Directions** In case of Coal India Limited, Financial Accounting, Sales Accounting, Payroll Materials, Personal Information, Inventory Management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end hard copies of certain required documents are kept in hard form. However uniform and comprehensive ERP system needs to be introduced to integrate all offices and units of the Company for better management and controls. Auditors of the subsidiary companies have not commented on the matter in their respective audit reports.	The company has initiated necessary action for introduction of an ERP system to integrate all offices and units for better management and controls.
	"Annexure-B" to the Independent Auditors' Report – Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act,2013 ("the Act")	
7.	According to the information and explanations given to us, and based on our audit, in our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.	The Management has already initiated actions for further improvement in designing the documentation of internal financial controls incorporating the business process flow, including procedure of integrating the transactions for its proper translation in the financial records. The company has also initiated necessary action for introduction of an ERP system to integrate the entire business process including the system of accounting, compilation of information or data, to ensure that the financial reporting process is comprehensive.

ANNEXURE 6

Subsidiary wise Coal Off-take

Fig in Mill.Tonnes

Company	2016-17			2015-16	Growth over last year	
	AAP Target	Achieved	% Achieved	Achieved	Abs.	%
ECL	46.940	43.019	91.6%	38.607	4.4	11.4%
BCCL	37.000	34.919	94.4%	36.141	-1.2	-3.4%
CCL	67.000	60.934	90.9%	59.582	1.4	2.3%
NCL	82.000	83.491	101.8%	78.532	5.0	6.3%
WCL	48.000	39.497	82.3%	42.310	-2.8	-6.6%
SECL	149.670	137.670	92.0%	138.748	-1.1	-0.8%
MCL	167.000	143.013	85.6%	140.234	2.8	2.0%
NEC	1.000	0.777	77.7%	0.342	0.4	127.3%
CIL	598.610	543.319	90.8%	534.496	8.8	1.7%

ANNEXURE 7

Sector-wise dispatch of coal & coal products

(Figs. In million tonnes)

Year	2016-17			2015-16	Growth over Last Year	
Sector	AAP Target	Despatch	% Satn.	Actual	Abs.	%
Power(Util) #	450.990	425.397	94.3%	413.109	12.3	3.0%
Steel *	2.622	3.345	127.6%	3.415	-0.1	-2.1%
Cement**	5.585	3.672	65.8%	4.671	-1.0	-21.4%
Fertilizer	2.745	2.145	78.2%	2.294	-0.1	-6.5%
Others	136.089	107.934	79.3%	111.135	-3.2	-2.9%
Despatch	598.031	542.494	90.7%	534.624	7.9	1.5%

Power house despatches in 2015-16 and 2016-17 includes despatches under special forward e-auction to power.
* Despatch of washed coking coal & raw coking coal for direct feed, blendable coal to steel plants & to external washeries.
** Despatch to cement plants excluding cement cpp.

ANNEXURE 8

Dispatches of coal and coal products by various modes

(Figs. In million tonnes)

Year	2016-17			2015-16	Growth over Last Year	
Mode	AAP Target	Despatch	% Satn.	Actual	Abs.	%
Rail	334.804	300.503	89.8%	289.254	11.2	3.9%
Road	143.557	138.944	96.8%	139.844	-0.9	-0.6%
MGR	104.900	89.031	84.9%	92.264	-3.2	-3.5%
Other Modes	14.770	14.016	94.9%	13.262	0.8	5.7%
Overall	598.031	542.494	90.7%	534.624	7.9	1.5%
Non Rail Modes	263.227	241.991	91.9%	245.370	-3.4	-1.4%

ANNEXURE 9

Wagon Loading in 2016-17

(Figs. In Rake/day)

	2016-17			2015-16	Growth over last year	
Company	AAP Target	Achieved	% Achieved	Achieved	Abs.	%
ECL	23.3	22.3	96.0%	19.4	2.9	15.1%
BCCL	23.4	21.7	92.7%	23.7	-2.0	-8.5%
CCL	31.1	30.4	97.9%	28.3	2.1	7.5%
NCL	22.4	22.6	100.8%	22.3	0.2	1.1%
WCL	22.1	19.6	88.9%	19.4	0.2	1.2%
SECL	40.4	38.5	95.4%	34.0	4.5	13.3%
MCL	80.7	66.3	82.1%	65.4	0.8	1.3%
NEC	0.7	0.4	57.8%	0.2	0.2	101.5%
CIL *	244.0	221.8	90.9%	212.7	9.1	4.3%

ANNEXURE 10

SUBSIDIARY WISE DETAILS OF STOCK OF COAL

Company	Net Value of stock as on 31.03.2017 (Rs. In Crores)	Net Value of stock as on 31.03.2016 (Rs. In Crores)	Stock in terms of no. of months Net Sales	
			As on 31.03.17	As on 31.03.16
ECL	413.03	568.98	0.52	0.71
BCCL	1226.98	828.60	1.83	1.17
CCL	1925.17	1313.62	2.22	1.49
NCL	552.81	553.93	0.65	0.67
WCL	1681.66	957.52	3.03	1.54
SECL	1291.01	1442.15	0.90	1.03
MCL	254.7	346.82	0.23	0.33
NEC/CIL	67.43	150.92	2.84	11.10
Total	**7412.79**	**6162.54**	**1.18**	**0.98**

ANNEXURE 11

Subsidiary wise details of Trade Receivables

Figures in ₹ Crores

Company	Trade Receivables As on 31.03.2017		Trade Receivables As on 31.03.2016	
	Gross	Net of provisions	Gross	Net of provisions
ECL	1978.59	1607.49	2473.70	1955.53
BCCL	3247.95	2584.73	3059.97	2637.66
CCL	2169.81	1293.79	2094.61	1365.43
NCL	676.31	594.4	963.43	898.26
WCL	1218.69	854.33	934.64	832.13
SECL	4019.12	2721.88	2984.93	2650.61
MCL	1184.39	1066.49	1145.37	1107.61
NEC/CIL	23.81	12.74	11.16	0.38
Total	**14518.67**	**10735.85**	**13667.81**	**11447.61**

ANNEXURE 12

Subsidiary wise Statutory Levies paid/adjusted during the year 2016-17

(₹ in crore)

Company	Particulars	State Exchequer								2016-17	State Exchequer	Central Exchequer
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam			
ECL	Royalty			14.09	475.23					489.32	489.32	
	Addnl Royalty under MMDR Act											
	DMF			7.92	205.98					213.90	213.90	
	NMET			0.38	19.91					20.29		20.29
	Cess on coal			1,641.15						1,641.15	1,641.15	
	State Sales Tax / VAT			232.39	8.94					241.33	241.33	
	Central Sales Tax			109.06	80.81					189.87		189.87
	Stowing Excise Duty			22.50	20.55					43.05		43.05
	Central Excise Duty			254.35	78.29					332.64		332.64
	Clean Energy Cess			877.34	804.49					1,681.83		1,681.83
	Entry Tax			2.42						2.42	2.42	
	Others									-	-	-
	Total	**-**	**-**	**3,161.60**	**1,694.20**	**-**	**-**	**-**	**-**	**4,855.80**	**2,588.12**	**2,267.68**
BCCL	Royalty			5.81	841.19					847.00	847.00	
	Addnl Royalty under MMDR Act									-	-	
	DMF				294.09					294.09	294.09	
	NMET				16.12					16.12		16.12
	Cess on coal			49.59						49.59	49.59	
	State Sales Tax / VAT			27.98	145.60					173.58	173.58	
	Central Sales Tax			2.81	175.52					178.33		178.33
	Stowing Excise Duty			1.99	32.95					34.94		34.94
	Central Excise Duty				136.63					136.63		136.63
	Clean Energy Cess			79.64	1,273.56					1,353.20		1,353.20
	Entry Tax									-	-	
	Others				119.60					119.60	119.60	
	Total	**-**	**-**	**167.82**	**3,035.26**	**-**	**-**	**-**	**-**	**3,203.08**	**1,483.86**	**1,719.22**
CCL	Royalty				1,241.41					1,241.41	1,241.41	
	Addnl Royalty under MMDR Act									-	-	
	DMF				659.72					659.72	659.72	
	NMET				23.38					23.38		23.38
	Cess on coal									-	-	
	State Sales Tax / VAT				183.94					183.94	183.94	
	Central Sales Tax				157.56					157.56		157.56
	Stowing Excise Duty				59.42					59.42		59.42
	Central Excise Duty				365.48					365.48		365.48
	Clean Energy Cess				2,433.23					2,433.23		2,433.23
	Entry Tax									-	-	
	Others				-					-	-	
	Total	**-**	**-**	**-**	**5,124.14**	**-**	**-**	**-**	**-**	**5,124.14**	**2,085.07**	**3,039.07**

(₹ in crore)

Company	Particulars	State Exchequer								2016-17	State Exchequer	Central Exchequer
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam			
NCL	Royalty	1,081.14					309.45			1,390.59	1,390.59	
	Addnl Royalty under MMDR Act										-	
	DMF	661.36								661.36	661.36	
	NMET	21.06					9.14			30.20		30.20
	Cess on coal						12.63			12.63	12.63	
	State Sales Tax / VAT	183.51					226.49			410.00	410.00	
	Central Sales Tax	126.10					14.40			140.50		140.50
	Stowing Excise Duty	62.95					19.69			82.64		82.64
	Central Excise Duty	32.96					92.52			125.48		125.48
	Clean Energy Cess	1,804.62					1,221.86			3,026.48		3,026.48
	Entry Tax	34.97					10.05			45.02	45.02	
	Others	361.70					113.63			475.33	475.33	-
	Total	**4,370.37**	**-**	**-**	**-**	**-**	**2,029.86**	**-**	**-**	**6,400.23**	**2,994.93**	**3,405.30**
WCL	Royalty	121.68				754.37				876.05	876.05	
	Addnl Royalty under MMDR Act										-	
	DMF	65.87				129.70				195.57	195.57	
	NMET	2.65				15.09				17.74		17.74
	Cess on coal										-	
	State Sales Tax / VAT	53.22				343.71				396.93	396.93	
	Central Sales Tax	8.78				28.95				37.73		37.73
	Stowing Excise Duty	4.62				33.09				37.71		37.71
	Central Excise Duty	25.80				135.78				161.58		161.58
	Clean Energy Cess	195.93				1,378.39				1,574.32		1,574.32
	Entry Tax	10.55								10.55	10.55	
	Others											
	Total	**489.10**	**-**	**-**	**-**	**2,819.08**	**-**	**-**	**-**	**3,308.18**	**1,479.10**	**1,829.08**
SECL	Royalty	365.67	1,836.69							2,202.36	2,202.36	
	Addnl Royalty under MMDR Act										-	
	DMF	218.11	851.54							1,069.65	1,069.65	
	NMET	14.10	65.25							79.35		79.35
	Cess on coal									-	-	
	State Sales Tax / VAT	66.31	709.15							775.46	775.46	
	Central Sales Tax	62.04	193.61							255.65		255.65
	Stowing Excise Duty	11.28	125.17							136.45		136.45
	Central Excise Duty	37.68	431.55	0.17						469.40		469.40
	Clean Energy Cess	318.11	4,923.64							5,241.75		5,241.75
	Entry Tax	31.39	124.86							156.25	156.25	
	Others	148.19	197.88							346.07	346.07	
	Total	**1,272.88**	**9,459.34**	**0.17**	**-**	**-**	**-**	**-**	**-**	**10,732.39**	**4,549.79**	**6,182.60**

(₹ in crore)

Company	Particulars	State Exchequer								2016-17	State Exchequer	Central Exchequer
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam			
MCL	Royalty							1,663.66		1,663.66	1,663.66	
	Addnl Royalty under MMDR Act									-		
	DMF							846.77		846.77	846.77	
	NMET							33.37		33.37		33.37
	Cess on coal									-	-	
	State Sales Tax / VAT							599.78		599.78	599.78	
	Central Sales Tax							234.90		234.90		234.90
	Stowing Excise Duty							143.01		143.01		143.01
	Central Excise Duty							1,005.06		1,005.06		1,005.06
	Clean Energy Cess							5,720.34		5,720.34		5,720.34
	Entry Tax							69.58		69.58	69.58	
	Others									-	-	
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**10,316.47**	**-**	**10,316.47**	**3,179.79**	**7,136.68**
NEC	Royalty								35.45	35.45	35.45	
	Addnl Royalty under MMDR Act									-	-	
	DMF								23.41	23.41	23.41	
	NMET								0.71	0.71		0.71
	Cess on coal								3.00	3.00	3.00	
	State Sales Tax / VAT								6.89	6.89	6.89	
	Central Sales Tax								5.55	5.55		5.55
	Stowing Excise Duty								0.78	0.78		0.78
	Central Excise Duty								21.29	21.29		21.29
	Clean Energy Cess								30.91	30.91		30.91
	Entry Tax									-	-	
	Others									-	-	
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**127.99**	**127.99**	**68.75**	**59.24**
Overall	Royalty	1,568.49	1,836.69	19.90	2,557.83	754.37	309.45	1,663.66	35.45	8,745.84	8,745.84	-
	Addnl Royalty under MMDR Act									-	-	-
	DMF	945.34	851.54	7.92	1,159.79	129.70	-	846.77	23.41	3,964.47	3,964.47	-
	NMET	37.81	65.25	0.38	59.41	15.09	9.14	33.37	0.71	221.16	-	221.16
	Cess on coal	-	-	1,690.74	-	-	12.63	-	3.00	1,706.37	1,706.37	-
	State Sales Tax / VAT	303.04	709.15	260.37	338.48	343.71	226.49	599.78	6.89	2,787.91	2,787.91	-
	Central Sales Tax	196.92	193.61	111.87	413.89	28.95	14.40	234.90	5.55	1,200.09	-	1,200.09
	Stowing Excise Duty	78.85	125.17	24.49	112.92	33.09	19.69	143.01	0.78	538.00	-	538.00
	Central Excise Duty	96.44	431.55	254.52	580.40	135.78	92.52	1,005.06	21.29	2,617.56	-	2,617.56
	Clean Energy Cess	2,318.66	4,923.64	956.98	4,511.28	1,378.39	1,221.86	5,720.34	30.91	21,062.06	-	21,062.06
	Entry Tax	76.91	124.86	2.42	-	-	10.05	69.58	-	283.82	283.82	-
	Others	509.89	197.88	-	119.60	-	113.63	-	-	941.00	941.00	-
	Total	**6,132.35**	**9,459.34**	**3,329.59**	**9,853.60**	**2,819.08**	**2,029.86**	**10,316.47**	**127.99**	**44,068.28**	**18,429.41**	**25,638.87**

ANNEXURE 13

Subsidiary-wise Coal Production **(Figures in Million Tones)**

Company	Coking		Non-Coking		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
ECL	0.031	0.012	40.486	40.197	40.517	40.209
BCCL	32.393	32.775	4.644	3.086	37.037	35.861
CCL	21.988	20.697	45.059	40.627	67.047	61.324
NCL	0.000	0.000	84.096	80.224	84.096	80.224
WCL	0.131	0.209	45.501	44.606	45.632	44.815
SECL	0.110	0.135	139.893	137.799	140.003*	137.934
MCL	0.000	0.000	139.208	137.901	139.208	137.901
NEC	0.000	0.000	0.600	0.486	0.600	0.486
CIL	**54.653**	**53.828**	**499.487**	**484.926**	**554.140***	**538.754**

* It includes 4.480 MT from Gare Palma IV/2&3 OC and 0.844 MT from Gare Palma IV/1 OC for which Coal India Ltd. Was appointed akin to a designated custodian w.e.f. 01.04.2015 (through SECL)

Production from underground and opencast mines.

The company-wise production from Underground, Opencast mines are as under:

(Figures in million tonnes)

Company	Underground		Opencast		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
ECL	8.127	7.329	32.390	32.880	40.517	40.209
BCCL	1.679	1.807	35.358	34.054	37.037	35.861
CCL	0.737	0.848	66.310	60.476	67.047	61.324
NCL	0.000	0.000	84.096	80.224	84.096	80.224
WCL	5.368	7.180	40.264	37.635	45.632	44.815
SECL	14.548	15.507	125.455	122.427	140.003	137.934
MCL	1.015	1.112	138.193	136.789	139.208	137.901
NEC	0.003	0.003	0.597	0.483	0.600	0.486
CIL	**31.477**	**33.786**	**522.663**	**504.968**	**554.140**	**538.754**

ANNEXURE 13A

Washed Coal (Coking) Production(in Lakh Te)

Company	Washed Coal (Coking)	
	2016-17	2015-16
ECL	0.00	0.00
BCCL	11.82	5.99
CCL	11.39	14.71
NCL	0.00	0.00
WCL	0.41	0.81
SECL	0.00	0.00
MCL	0.00	0.00
NEC	0.00	0.00
CIL	**23.62**	**21.51**

ANNEXURE 13B

Subsidiary wise Overburden Removal

(Figures in million cubic metres)

Company	2016-17	2015-16	% of growth
ECL	124.637	119.219	4.54
BCCL	131.215	148.591	-11.69
CCL	102.630	106.778	-3.88
NCL	324.136	338.089	-4.13
WCL	166.142	155.146	7.09
SECL	178.791	175.367	1.95
MCL	123.342	98.414	25.33
NEC	5.484	7.304	-24.92
CIL	1156.377	1148.908	0.65

ANNEXURE 14

Population of equipment

Equipment	No. of Equipment		Indicated as % of CMPDIL Norm			
	As on	As on	Availability		Utilisation	
	1.4.2017	1.4.2016	2016-17	2015-16	2016-17	2015-16
Dragline	35	40	93	94	72	78
Shovel	658	697	95	93	72	77
Dumper	2783	2925	109	111	70	73
Dozer	936	978	96	95	53	56
Drill	688	720	106	105	56	60

ANNEXURE 15

Subsidiary wise System Capacity Utilization

The overall system capacity utilization as a whole for the year 2016-17 has worked out to be 84.51%.It was 99.87% during 2015-16.Subsidiary wise details are as under:

Units(%)

Company	2015-16	2016-17
ECL	116.04	86.78
BCCL	141.53	75.08
CCL	114.71	102.16
NCL	103.96	86.21
WCL	99.05	87.12
SECL	84.99	91.97
MCL	77.00	71.06
NEC	65.31	46.12
Total CIL	99.87	84.51

ANNEXURE 16

Project Implementation

a) Projects Completed During the year 2016-17:

Sl no	Subsidiary	Name of The Projects	Type	Sanctioned Capacity (MTY)	Sanctioned Capital (Rs Crores)
1	CCL	Ashoka EPR OCP	OC	10.00	121.94
2	CCL	Topa OCP	OC	1.20	54.78
3	CCL	Tarmi OCP	OC	1.00	17.84
4	NCL	Krishnashila OCP	OC	4.00	749.49
5	MCL	Belpahar OCP	OC	2.00	246.93
6	MCL	Belpahar Expn. OCP Ph-I	OC	1.50	
7	MCL	Belpahar Expn. OCP Ph-II	OC	4.50	
			TOTAL	**24.20**	**1190.98**

b) Project started Production during the Year 2016-17:

Sl no	Sub	Name of The Projects	Type	Sanctioned Capacity (Mty)	Sanctioned Capital (Rs Crores)	Production (MT)
1	ECL	Jhanjra Combined UG	UG	3.50	1441.39	2.44
2	WCL	New Sethia OCP	OC	0.2	2.22	0.168
3	WCL	Inder UG to OC	OC	1.2	143.91	0.8
4	WCL	Niljai Expn (Deep) OC	OC	3.5	404.45	3.5

c) Projects sanctioned by CIL Board

Sl. No.	Project	Subs	Date of Approval	Sanctioned Capacity (Mtpa)	Sanctioned Capital (Rs. Crores)
1	Jhanjra Combined PR	ECL	03-05-2016	3.50	1441.39
2	Hura-C OC	ECL	20-07-2016	3.00	359.69
3	Garjanbahal OCP	MCL	03-05-2016	10.00	1375.38
4	Pelma OCP	SECL	20-07-2016	15.00	1624.59
5	Dinesh OCP	WCL	20-07-2016	4.00	611.16
6	Durgapur OCP	SECL	20-07-2016	6.00	916.24
7	Yekona-I & II OCP	WCL	20-07-2016	2.75	727.28
8	Madannagar OCP	SECL	20-07-2016	12.00	1875.32
	Total			**56.25**	**8931.05**

d) Projects Sanctioned by Subsidiary Company Boards:

Sl No.	Project	Subsidiary	Date of Approval	Sanctioned Capacity (Mtpa)	Sanctioned Capital (Rs.Crores)
1	Kalyani OC	CCL	21.02.2017	2.0	408.68
2	Inder UG to OC	WCL	13.06.2016	1.2	143.90
3	Jamunia UG	WCL	18.07.2016	0.84	409.87
4	Niljai Expn(Deep) OC	WCL	27.08.2016	3.5	404.45
5	Dhankasa UG	WCL	19.09.2016	1.00	458.06
6	Gouri Deep OCP	WCL	25.10.2016	0.4	164.96
7	Saoner UG to OC	WCL	23.11.2016	1.3	162.10
8	Durgapur Extn (Deep) OC	WCL	02.02.2017	3.0	378.87
9	Hindustan Lalpeth Exp OC	WCL	02.02.2017	1.00	65.06
10	Bhanegaon OCP	WCL	02.02.2017	1.00	428.40
11	Kolar pimpri Extn OC	WCL	09.03.2017	1.5	402.91
			Total	**16.74**	**3427.26**

ANNEXURE 17

Subsidiary wise details of Capital Expenditure

Figures in ₹ Crores

Company	2016-17		2015-16	
	BE	Actual	BE	Actual
ECL	1150.00	827.80	1,030.50	754.70
BCCL	600.00	500.80	400.00	485.59
CCL	600.00	1145.80	600.00	638.33
NCL	800.00	1023.30	800.00	704.92
WCL	1435.00	1048.06	750.00	1,163.47
SECL	1400.00	1532.68	1,030.00	890.98
MCL*	1200.00	1279.00	800.00	1,202.82
CMPDIL	30.00	38.80	50.00	54.64
CIL & Others	550.00	303.82	530.00	227.58
Total	**7765.00**	**7700.06**	**5,990.50**	**6,123.03**

* The above figure does not includes ₹ 534 crores payment made for acquisition of land for Railway Project in MCL as the same was shown as Capital Advance in 2015-16 and included in Capital Expenditure of 2015-16.

ANNEXURE 18

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

Table: 1 - Comparative Accidents Statistics of CIL of 5 Yearly Averages since 1975 vis-a-vis 2015

Time frame	Av. Fatal Accidents		Av. Serious Accidents		Av. Fatality Rate		Av. Serious Injury Rate	
	Accident	Fatalities	Accident	Injuries	Per Mill. Te	Per 3 Lac Manshifts	Per Mill. Te	Per 3 Lac Manshifts
1975-79	157	196	1224	1278	2.18	0.44	14.24	2.89
1980-84	122	143	1018	1065	1.29	0.30	9.75	2.26
1985-89	133	150	550	571	0.98	0.30	3.70	1.15
1990-94	120	145	525	558	0.694	0.30	2.70	1.19
1995-99	98	124	481	513	0.50	0.29	2.06	1.14
2000-04	68	82	499	526	0.28	0.22	1.80	1.47
2005-09	60	80	328	339	0.22	0.25	0.92	1.04
2010-14	56	62	219	228	0.138	0.23	0.49	0.80
2015-16#	38	47	123	129	0.09	0.19	0.26	0.53

Average of last two years i.e. 2015 & 2016 (figures are subject to reconciliation with DGMS)

Table - 2: Overall in CIL - All parameters have shown improvement in 2016 vis-a-vis 2015

Sl. No.	Parameters	2016	2015	Change in absolute nos.	% of Change
1	Number of fatal accidents	38	38	0	0
2	Number of fatalities	56	38	+18	+47.37%
3	Number of serious Accidents	113	132	-22	-16.54%
4	Number of serious injuries	118	140	-24	-17.14%
5	Fatality Rate per Mte. of coal production	0.10	0.07	+0.03	+38.96%
6	Fatality Rate per 3 lakhs manshift deployed	0.23	0.15	+0.08	+53.33%
7	Serious injury Rate per Mte.of coal production	0.22	0.27	-0.05	-18.52%
8	Serious injury Rate per 3 lakhs man-shift deployed	0.49	0.56	-0.07	-12.5%

Note: Accident Statistics are maintained calendar year wise in conformity with DGMS and figures for the year 2016 are subject to reconciliation with DGMS

The details of Mine Rescue Station and Rescue Rooms established at strategic locations spreading across different subsidiaries are as under:-

Company	Rescue establishment presently operating		
	Mine Rescue Station (MRS)	**Rescue room with Refreshers Training (RRRT)**	**Rescue Room (RR)**
ECL	Sitarampur	Kenda	Jhanjra ,Kalidaspur Mugma
BCCL	Dhansar	Sudamdih	Moonidih, Murulidih Madhuband
CCL	Ramgarh	Kathara&Churi	Dhori, Kedla&Urimari
SECL	Manindragarh	Sohagpur, Kusmunda, Bisrampur, Baikunthpur, Johilla	Chirimiri, Raigarh, Bhatgaon, Jamuna & Kotma, Korba
WCL	Nagpur	Parasia, Pathakhera,Tadali	Damua , New Majri&Sasti
MCL	Brajraj Nagar	Talcher	-
NEC	-	Tipong	-
Total	6	14	17

Company-wise status of Simulation training imparted to dumper operators as on 31st March'2017 is as under:-

Company	Simulation training imparted to dumper operators as on 31st March'2017
ECL	145
BCCL	746
CCL	25
NCL	964
WCL	105
SECL	232
MCL	66
NEC	0
CIL (Total)	**2283**

ANNEXURE 19

Subsidiary wise position of manpower

Subsidiary company wise position of manpower is as below:- (in numbers)

Company	As on	Total
ECL	31.03.2017	**64029**
	31.03.2016	66238
BCCL	31.03.2017	**51147**
	31.03.2016	53670
CCL	31.03.2017	**42156**
	31.03.2016	43681
WCL	31.03.2017	**47632**
	31.03.2016	49062
SECL	31.03.2017	**61209**
	31.03.2016	64505
MCL	31.03.2017	**22036**
	31.03.2016	22397
NCL	31.03.2017	**15357**
	31.03.2016	16078
NEC	31.03.2017	**1706**
	31.03.2016	1877
CMPDIL	31.03.2017	**3498**
	31.03.2016	3622
DCC	31.03.2017	**378**
	31.03.2016	417
CIL(HQ)	31.03.2017	**868**
	31.03.2016	857
Total (CIL as a whole)	31.03.2017	**310016**
	31.03.2016	322404

Strikes and Bandhs

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

Company	No. of Strikes/Bandhs		No. of other incidents		Man-days Lost		Production Lost (in tonne)	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
ECL	1+0	1+0	45	44	15108	8722	37303	44591
BCCL	1+0	1+0	11	10	16562	25363	49516	68123
CCL	1+0	1+4*	75	98	21528	16983	00	00
WCL	1+0	1+0	00	1	19974	16004	68690	24550
SECL	1+0	1+0	03	0	39300	13855	53172	0
NCL	1+0	1+0	00	9	5617	00	58000	0
MCL	1+0	1+1**	00	6	11330	11611	34904	306570
NEC	1+0	1+0	00	0	762	00	1100	00
CMPDI	1+0	1+4*	00	0	1387	1280	00	00
CIL	1+0	1+0	00	0	00	00	00	00
Total	1+0	1+0	134	168	131568	83368	302685	443834

Bundh-

* On 20.06.2016/31.08.2016/30.09.2016/25.11.2016- Jharkhand/ Local Bandh called by TPC/PLFI/MCC/Local Parties affecting CCL &CMPDIL,Ranchi

** On 16.08.2016/, -Odisha Bandh called by Indian National Congress

Strike-

One day Nation-wide General Strike was called by four Central Trade Unions(AITUC,INTUC,HMS,CITU) on 2ndSeptember, 2016

ANNEXURE 20

Scholarship and Reimbursement of tuition fees and Hostel Charge and Grants sanctions to schools

Company	No. of Scholarship Awardees	No. of students (whose tuition fees and Hostel Charge reimbursed).
ECL	909	89
BCCL	46	116
CCL	777	56
WCL	2113	99
SECL	1862	308
MCL	1081	188
NCL	278	272
CMPDIL	104	14
Total	**7,170**	**1142**

Grant sanctioned for Schools including privately managed school:-

Company	Amount (Figs. in Lakh Rupees)
ECL	963.88
BCCL	186.93
CCL	2375.68
WCL	1155.24
SECL	5371.90
MCL	2759.79
NCL	3004.00
CMPDIL	1.00
Total	**15818.42**

ANNEXURE 21

INFORMATION AS PER RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES,2014

COAL INDIA LIMITED

Name	Designation	Remuneration for F.Y. 2016-17 (In ₹)	Ratio of Remuneration to Median Remuneration of all employees	Increase in Remuneration over LY (%)
SUTIRTHA BHATTACHARYA	CHAIRMAN	3233672.00	3.49	9.53
S N PRASAD**	DIR (M)	4783412.42	5.16	--
CHANDAN KUMAR DEY	DIR (F)	4830264.00	5.21	86.53#
NAGENDRA KUMAR***	Ex-DIR (T)	7333363.48	10.21	105.34#
S. SARAN *	DIR (T)	--	0.00	--
R. MOHAN DAS	Ex-DIR (P & IR)	12281927.00	13.25	162.12#
M. VISWANATHAN	Company Secretary	3971424.13	4.28	53.10#

* Sri S. Saran,Dir(T) was paid salary from CMPDIL,subsidiary of CIL.

**Sri S.N.Prasad, Dir (M) had drawn salary in F.Y. 2015-16 from SECL, subsidiary of CIL.

***Late N.Kumar, Ex-Dir (T) had expired on 17.10.2016.

Increase in Remuneration over Last year is mainly due to payment of PRP and Leave Encashment.

Notes:

1. The number of employees as on 31st Mar 2017 was 3,10,016
2. Compared to the previous year 2015-16, figures for the current year 2016-17 shows that:

a. Gross Turnover has grown by ₹ 14146.92 crores

b. Median Remuneration of all employees have increased by 0.1% and Average Remuneration of all employees has decreased by 3.19% .

c. Salaries paid to executives are as per Deptt of Public Enterprises, GOI guidelines and to non-executives as per National Coal Wage Agreement IX. Average remuneration of company decreased by 3.19% during F.Y. 2016-17. Main factors that contributed to the decreased remuneration is during F.Y. 2016-17, PRP for 5 years i.e. 2009-10 to 2013-14 had been paid by Company to On Roll and Retired Executives both, which lead to increase in number of employees for the year and resulted reduction in average remuneration.

d. Average Remuneration of employees excluding KMPs has decreased by 3.68%. Average Remuneration of KMPs has increased by 74.93%

3. Following Employees remuneration for the year 2016-17 has exceeded the remuneration of any of the directors:

EIS	Employee Name	Designation	Remuneration Received In ₹
90007949	NiranjanDas	CGM(MINING	7084895.00
90008830	TapasKumarSinha	GM(Mining)	6275854.00
90171372	GouriShankarNayak	GM(Finance)	6218312.00
90009242	SubrataChakravarty	CGM(MINING)	5986412.00
90007147	SibaPrasadDatta Majumdar	CGM(MINING)/TS to Chairman	5881578.00
90085317	LKMishra	GM(S & M)	5876656.00
90023714	SnehatoshMajumder	GM(LEGAL)	5788433.00
90025305	Dr. DebasishSarkar	GM(Mining)	5296839.00

4. It is hereby affirmed that company pays remuneration to wage board employees as per National Coal Wage Agreement IX and to excutives as per Department of Public enterprises, GOI guidelines.

5.Nil

6.Nil

7. During F.Y.2016-17, Directors availed variable components of remuneration i.e.PRP. Paramenters are:

a. Company Rating

b. EER Rating

c. Profit Component

d. Ratio of required amount to available amount

e. Grade percentage

Name of TOP 10 employees in terms of remuneration drawn during F.Y. 2016-17

EMP_ CODE	EMP_NAME	Designation	Remuneration Received (in Rs)	Shares held in CIL	Nature of Employment	Qualification	Date of Commencement of Employment at CIL Hq	Age of Employee	Last Employment held before joining the Company
90209966	R.MohanDas	Ex-Director (P)	12281927.00	0	Contractual	M.A (Social Work)	01.06.2007	60Yrs	Madras Fertilizers Ltd.
90007949	NiranjanDas	CGM(MINING)	7084895.00	340	Permanent	B.E (Mining)	18.02.2015	59Yrs	Northern Coalfields Ltd.
90009838	Late Nagendra Kumar	Ex-Director (T)	6613664.00	400	Contractual	B.Tech (Mining)	01.02.2011	57Yrs	Eastern Coalfields Ltd.
90008830	TapasKumar Sinha	GM(Mining)	6275854.00	0	Permanent	B.Tech (Mining)	28.03.1994	60Yrs	Central Coalfields Ltd.
90171372	Gouri Shankar Nayak	GM(Finance)	6218312.00		Permanent	CA	03.06.2013	60Yrs	Central Coalfields Ltd.
90009242	Subrata Chakravarty	CGM(MINING)	5986412.00		Contractual	B.Tech (Mining)	04.01.2016	59Yrs	Eastern Coalfields Ltd.
90007147	SibaPrasad Datta Majumdar	CGM(MINING)/ TS to Chairman	5881578.00		Permanent	B.Tech (Mining)	02.09.2010	60Yrs	Northern Coalfields Ltd.
90085317	LKMishra	GM(S & M)	5876656.00	0	Permanent	B.Tech (Electrical)	04.02.2013	60Yrs	Mahanadi Coalfields Ltd
90023714	Snehatosh Majumder	GM(LEGAL)	5788433.00	220	Permanent	LLB	01.08.2008	60Yrs	Eastern Coalfields Ltd.
90025305	Dr. Debasish Sarkar	GM(Mining)	5296839.00	45	Permanent	B.Tech (Mining)	23.12.2015	59Yrs	North Eastern Coalfields Ltd

Name of employee receiving remuneration not less than one crore two lakh rupees in terms of Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 drawn during F.Y. 2016-17

EMP_ CODE	EMP_NAME	Designation	Remuneration Received (in Rs)	Shares held in CIL	Nature of Employment	Qualification	Date of Commencement of Employment at CIL Hq	Age of Employee	Last Employment held before joining the Company
90209966	R.MohanDas	Ex-Director (P)	12281927.00	0	Contractual	M.A(Social Work)	01.06.2007	60Yrs	Madras Fertilizers Ltd.

ANNEXURE 22

THE EXRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92 IN FORM NO. MGT.9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31-03-2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L23109WB1973GOI028844
2.	Registration Date	14th June'1973
3.	Name of the Company	Coal India Limited (Coal Mines Authority Limited was incorporated on 14th Jun'1973 and name was subsequently changed on 1st Nov'1975)
4.	Category/Sub-category of the Company	Public Company Limited by Shares/Government Company
5.	Address of the Registered office & contact details	Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156 Contact No.- 033-2324-6526 Fax No.:- 033 – 2324-6510 Email Id.:- mviswanathan2.cil@coalindia.In
6.	Whether listed company	Yes (Listed in BSE and NSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**M/s Alankit Assignments Limited** Alankit Height,1E/13,Jhandewalan Extension, New delhi-110 055, E-mail id: alankit_rta@alankit.com, Ph. no.: 011-4254-1234/2354-1234, Toll Free Number : 1860-121-2155 Fax: 011-4154-3474 Website:www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company:

[All the business activities contributing 10% or more of the total turnover of the company shall be stated]

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Coal Mining	051-05101 and 051-05102	100.0

III. PARTICULARS OF HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Share Held	Applicable Section
1.	Eastern Coalfields Limited, P.O. - Dishergarh, Sanctoria, Burdwan -713333, West Bengal	U10101WB1975GOI030295	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
2.	Bharat Coking Coal Limited, Koyla Bhawan, Koyla Nagar, Dhanbad - 826005, Jharkhand	U10101JH1972GOI000918	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
3.	Central Coalfields Limited, Darbhanga House, Kutchery Road, Ranchi-834029, Jharkhand	U10200JH1956GOI000581	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
4.	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur- 768020, Orissa	U10102OR1992GOI003038	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
5.	Western Coalfields Limited, Coal Estate, Civil Lines, Nagpur - 440001, Maharashtra	U10100MH1975GOI018626	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
6.	Northern Coalfields Limited, P.O. - Singrau-li Colliery, Singrauli, Dist. - Sidhi - 486889, Madhya Pradesh	U10102MP1985GOI003160	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
7.	South Eastern Coalfields Limited, Seepat Road, Bilaspur - 495006, Chhattisgarh	U10102CT1985GOI003161	Subsidiary	100.00	Section 2(87) of Companies Act' 2013

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Share Held	Applicable Section
8.	Central Mine Planning and Design Institute Limited, Gondwana Place, Kanke Road, Ranchi - 834008, Jharkhand	U14292JH1975GOI001223	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
9.	Coal India Africana Limitada, Dentro De Riverside Uweis Extencao AV 25 Junho Bairro Francisco Manyanga Unidade Chingale Tete, Mozambique	-	Foreign Subsidiary	100.00	As per Mozambique Commercial Code
10.	CIL NTPC Urja Private Limited, NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi - 110003	U14105DL2010PTC202053	Joint Venture	50.00	Section 2(6) of Companies Act' 2013
11.	International Coal Ventures Private Limited, 20th Floor, Scope Minar, (Core-2), North Tower, Laxmi Nagar, District Centre, Delhi - 110092	U10100DL2009PTC190448	Associate	0.22	Section 2(6) of Companies Act' 2013
12	Talcher Fertilizers Limited	U24120OR2015PLC019575	Associate	30.00	Section 2(6) of Companies Act' 2013
13	Hindustan Urvarak and Rasayan Limited	U24100WB2016PLC216175	Associate	33.28	Section 2(6) of Companies Act' 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i.) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-04-2016]				No. of Shares held at the end of the year [as on 31-03-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter`s									
(1) Indian:									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	5030970582	0	5030970582	79.65	4894971329	0	4894971329	78.86	-0.79
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1):	**5030970582**	**0**	**5030970582**	**79.65**	**4894971329**	**0**	**4894971329**	**78.86**	**-0.79**
(2) Foreign:									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI.	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**5030970582**	**0**	**5030970582**	**79.65**	**4894971329**	**0**	**4894971329**	**78.86**	**-0.79**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	87162236	0	87162236	1.38	132502956	0	132502956	2.13	-0.75
b) Banks / FI	64355389	0	64355389	1.02	123559371	0	123559371	1.99	-0.97

c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	393131503	0	393131503	6.22	468424698	0	468424698	7.55	-1.33
g) FIIs/FPI	537855762	0	537855762	8.52	400943248	0	400943248	6.46	2.06
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
i) Others/Foreign National	850	0	850	0	16000	0	16000	0.00	0.00
Sub-total (B)(1):-	**1082505740**	**0**	**1082505740**	**17.14**	**1125446273**	**0**	**1125446273**	**18.13**	**-0.99**
(2) Non-Institutions									
4. Bodies Corporate:									
i) Indian	84875709	0	84875709	1.34	55250306		55250306	0.89	0.46
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals:									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	96924600	6621	96931221	1.54	104972638	7412	104980050	1.69	-0.15
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7113818	0	7113818	0.11	7631002		7631002	0.12	-0.01
c) Others (specify):									
Non Resident Indians	3842472	0	3842472	0.06	4473200		4473200	0.07	-0.01
Overseas Corporate Bodies	0	0	0	0.00	0		0	0.00	0.00
NBFC registered with RBI	215397	0	215397	0.00	121367		121367	0.00	0.00
Clearing Members	2912846	0	2912846	0.05	5360787		5360787	0.09	-0.04
Trusts	6996615	0	6996615	0.11	9174395		9174395	0.15	-0.04
Foreign Bodies – D R	0	0	0	0.00	468		468	0.00	0.00
Sub-total (B)(2):-	**202881457**	**6621**	**202888078**	**3.21**	**186984163**	**7412**	**186991575**	**3.01**	**0.20**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1285387197**	**6621**	**1285393818**	**20.35**	**1312430436**	**7412**	**1312437848**	**21.14**	**-0.79**
C. Shares held by Custodian for GDRs, AGRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**6316358175**	**6225**	**6316364400**	**100.00**	**6207401765**	**7412**	**6207409177**	**100.00**	**0.00**

ii.) Shareholding of Promoter:

S. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 01-04-2016]			Shareholding at the end of the year [as on 31-03-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	President of India through Ministry of Coal	5030970582	79.649	0.00	4894971329	78.86	0.00	-0.79

iii.) Change in Promoters' Shareholding (please specify, if there is no change):

S. No.	Particulars	Shareholding at the beginning of the year [as on 01-04-2016]		Cumulative Shareholding during the year [2016-17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	5030970582	79.649	5030970582	79.649
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	1. Buyback on 27th Oct'16 of 7,88,42,816 Shares 2. 1st CPSE ETF on 25th Jan'17 of 4,12,23,086 Shares 3. 2nd CPSE ETF on 24th Mar'17 of 1,59,33,351 Share			
3.	At the end of the year	4894971329	78.86	4894971329	78.86

iv.) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Share-holders	Shareholding at the beginning of the year [as on 01-04-2016]		For Each of the Top 10 Share-holders	Shareholding at the end of the Year [as on 31-03-2017]	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.	Life Insurance Corporation of India	364317692	5.77	Life Insurance Corporation of India	452923208	7.3
2.	The Income Fund of America	59400000	0.94	LIC P & GS Fund	68892368	1.11
3.	LIC P & GS Fund	48955916	0.78	Government of Singapore	51700664	0.83
4.	Government of Singapore	42536036	0.67	CPSE ETF	46730287	0.75
5.	Vanguard Emerging Markets Stock Index Fund, Aserie	20338777	0.32	Monetary Authority of Singapore	21524009	0.35
6.	Monetary Authority of Singapore	15806985	0.25	Vanguard Emerging Markets Stock Index Fund, Aserie	21303946	0.34
7.	CPSE ETF	14981902	0.24	The Income Fund of America	17000000	0.27
8.	Fidelity Investment Trust Series Emerging	14553182	0.23	Vanguard Emerging Markets Stock Index Fund	15830691	0.26
9.	Power Finance Corporation Limited	13964530	0.22	ICICI PRUDENTIAL LIFE IN-SURANCE Company LIMITED	15414014	0.25
10.	The Master Trust Bank of Japan Limited	13812692	0.22	Power Finance Corporation Limited	13964530	0.22

v.) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Shareholding at the end of the year [as on 31-03-2017]	
		No. of shares shares of the company	% of total	No. of shares shares of the company	% of total
1.	**Shri Sutirtha Bhattacharya, Chairman-cum-Managing Director**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
2.	**Dr A K Dubey, Official Part -Time Director (Ceased to be a director w.e.f 05.08.16)**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
3.	**Smt. Sujata Prasad, Official Part -Time Director (Ceased to be a director w.e.f. 20.06.16)**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
4.	**Shri R. Mohan Das, Director (Personnel & Industrial Relation) (Ceased to be a director w.e.f. 31.03.17)**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-			
	At the end of the year	Nil	Nil	Nil	Nil
5.	**Shri N. Kumar,** Director (Technical) (Expired on 18.10.16)				
	At the beginning of the year	400	0.00	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	-	0.00	-	0.00

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Shareholding at the end of the year [as on 31-03-2017]	
		No. of shares shares of the company	% of total	No. of shares shares of the company	% of total
6.	**Shri C. K. Dey, Director (Finance)**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
7.	**Ms. Loretta Mary Vas** Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	Nil	Nil	Nil	Nil
8.	**Shri Vinod Jain** Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
9.	**Dr. D.C. Panigrahi** Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
10.	**Prof. Khanindra Pathak** Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
11.	**Dr. Satish Balram Agnihotri** Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Shareholding at the end of the year [as on 31-03-2017]	
		No. of shares shares of the company	% of total	No. of shares shares of the company	% of total
12.	**Shri S.N. Prasad** Director Marketing				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
13.	**Shri R.K.Sinha,** Official Part -Time Director (Appointed on 05.08.16)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
14.	**Shri R.P. Gupta** Official Part -Time Director (Appointed on 05.08.16 till 29.08.16)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
15.	**Shri Vivek Bharadwaj,** Official Part -Time Director (Appointed on 30.08.16)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
16.	**Shri M. Viswanathan,** Company Secretary				
	At the beginning of the year	400	0.00	400	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	400	0.00	400	0.00

V) INDEBTEDNESS: [Indebtedness of the Company including interest outstanding/accrued but not due for payment]:

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year:				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager: **(In ₹)**

S.N	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Shri S. Bhattacharya	Shri R. Mohan Das (till 30.03.17	Shri N. Kumar (till 17.10.16)	Shri C. K. Dey	Shri S.N. Prasad	
1.	**Gross salary**						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2255414	2514422	1369421	2063967	1958812	10162036
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	978258	9767505	5963943	2766297	2824600	22300603
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-		-	-	-	
2.	Stock Option	-		-	-	-	
3.	Sweat Equity	-		-	-	-	
4.	Commission - as % of profit - others, specify	-		-	-	-	
5.	Others, please specify	-		-	-	-	
	Total (A)	**3233672**	**12281927**	**7333364**	**4830264**	**4783412**	**32462639**

B. Remuneration to Other Directors: **(in ₹)**

SN.	Particulars of Remuneration	Name of Directors					Total Amount
1.	**Independent Directors:**	**Ms. Loretta Mary Vas**	**Shri Vinod Jain**	**Dr. D.C. Panigrahi**	**Prof. Khanindra Pathak**	**Dr. Satish Balram Agnihotri**	
	Fee for attending board committee meetings	9,70,000	12,90,000	11,70,000	7,30,000	12,90,000	54,50,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	**9,70,000**	**12,90,000**	**11,70,000**	**7,30,000**	**12,90,000**	
2.	**Other Non-Executive Directors:**	**Dr. A. K. Dubey**	**Smt. Sujata Prasad**	**Shri R.P.Gupta**	**Shri R.K. Sinha**	**Shri Vivek Bharadwaj**	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**9,70,000**	**12,90,000**	**11,70,000**	**7,30,000**	**12,90,000**	**54,50,000**

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD: **(in ₹)**

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs.)
		(Shri C. K. Dey), CFO	(Shri M. Viswanathan), CS	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2063967	1715094	3779061
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2766297	2256330	5022627
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
5.	Others, please specify	-	-	-
	Total	**4830264**	**3971424**	**8801688**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company:					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS:					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT:					
Penalty	None				
Punishment					
Compounding					

ANNEXURE 23

LOANS AND ADVANCES, GUARANTEES, INVESTMENTS MADE BY THE Company UNDER SECTION 186(4) OF THE COMPANIES ACT'2013

(₹ in crore)

	For CIL Standalone As at 31.03.17		For CIL Consolidated As at 31.03.17		Purpose
A. Non-Current Loans and Advances					
a. Loans					
Loans to Employees					
- Secured, considered good	0.43		23.17		As a part of employee benefit measure
- Unsecured, considered good	-		0.15		
- Doubtful	-		0.10		
	0.43		23.42		
Less: Provision for doubtful loans	-	0.43	0.10	23.32	
Loan to other body corporate					
- Secured, considered good	-		-		Loan to Indian Drugs and Pharmaceuticals Ltd. (IDPL) under revival scheme before BIFR.
- Unsecured, considered good	-		-		
- Doubtful	1.50		1.50		
	1.50		1.50		
Less: Provision for doubtful loans	1.50	-	1.50	-	
TOTAL (a)		0.43		23.32	
b. Other Financial Assets					
Bank Deposits				89.61	Deposit of surplus fund
Deposits with bank under :					
- Mine Closure Plan		38.74		5,347.22	Deposit in Mine closure escrow fund for requirement of Mine closure guidelines issued by Ministry of Coal
- Shifting & Rehabilitation Fund scheme		3,259.27		3,259.27	Deposit in shifting and rehabilitation fund
Receivable from Escrow Account for Site Restoring/Mine Closure Expenses		-		356.99	Receivable from escrow fund for expenditure incurred on progressive mine closure activities.
Other deposits	0.66		204.56		Security Deposit for P&T, Electricity etc.
Less : Provision for doubtful deposits	0.01	0.65	0.05	204.51	
Security Deposit for utilities	2.74		2.74		Security Deposit for P&T, Electricity etc.
Less : Provision	0.17	2.57	0.17	2.57	
Receivable for Exploratory drilling works	61.27		61.27		Cost of exploratory drilling
Less : Provision	61.27	-	61.27	-	
Other receivables	-		205.01		Deposit with tax authorities under protest
Less: Provision	-	-	11.51	193.50	
Total (b)		3,301.23		9,453.67	
c. Other Non-Current Assets					
(i) Capital Advances	97.98		2,078.91		For procurement of assets for the co.
Less : Provision for doubtful advances	-	97.98	8.61	2,070.30	
(ii) Advances other than capital advances					
(a) Security Deposit for utilities	-		136.84		Security Deposit for P&T, Electricity etc.
Less : Provision for doubtful deposits	-	-	3.14	133.70	
(b) Other Deposits	-		34.18		Security Deposit for obtaining day to day services
Less : Provision for doubtful deposits	-	-	0.65	33.53	
(c) Advance for Revenue (Goods & Services)	0.85		2.07		For procurement of misc. items and other services etc.
Less :Provision for doubtful advances	-	0.85	0.79	1.28	
(d) Prepaid Expenses		-		0.07	Revenue expenses paid in advance
TOTAL (C)		**98.83**		**2,238.88**	
Total (a+b+c)		**3,400.49**		**11,715.87**	

LOANS AND ADVANCES, GUARANTEES, INVESTMENTS BY COAL INDIA LTD.

(Disclosure as per section 186(4) of Companies Act, 2013)

(₹ in crore)

	For CIL Standalone As at 31.03.17		For CIL Consolidated As at 31.03.17		Purpose
B. Current Loans and Advances					
a. Loans					
Loans to Related parties					
- Secured, considered good	-		-		Loan given by CIL(holding Co.) to the wholly owned subsidiries for the purpose of its business activities.
- Unsecured, considered good	1,200.00		-		
- Doubtful	-		-		
	1,200.00		-		
Less: Provision for doubtful loans	-	1,200.00	-	-	
Loans to other body corporates					
- Secured, considered good	-		-		Loan to M/s. BEML for procurement of OTR tyres
- Unsecured, considered good	8.84		8.84		
- Doubtful	-		-		
Less: Provision for doubtful loans	-	8.84	8.84		
			-	8.84	
Loans to Employees					
- Secured, considered good	0.16		2.91		As a part of employee benefit measure
- Unsecured, considered good	-		0.73		
- Doubtful	-		-		
	0.16		3.64		
Less: Provision for doubtful loans	-	0.16	-	3.64	
TOTAL (a)		1,209.00		12.48	
b. Other financial assets					
Receivable from Escrow Account for Mine Closure Expenses				75.81	Receivable from escrow fund for expenditure incurred on progressive mine closure activities.
Current Account with Subsidiaries	525.25		-		For transactions with subsidiaries relating to Apex Charges, Rehabilitation Charges and other transactions
Less: Provision for Doubtful Advances	53.08	472.17	-	-	
Interest accrued on					
- Investments		-		31.29	Interest accrued on Investment, Bank deposit and Other lendings of surplus fund.
- Bank Deposits		0.73		976.30	
- Others		-		3.62	
Other deposits	-		303.05		Security Deposit for obtaining day to day services
Less : Provision for doubtful deposits	-	-	-	303.05	
Claims receivables	2.26		603.84		Mainly includes claim receivable from various authorities towards arrear of DMF cess to be collected from customers
				570.82	
Less : Provision for doubtful claims	2.26	-	33.02		
Other receivables	30.50		870.91		Rent, electricity charges receivable etc.
Less : Provision for doubtful claims	-	30.50	9.07	861.84	
TOTAL (b)		503.40		2,822.73	

c. Other current assets					
Advance for Capital	-		0.11		For procurement of assets for the company
Less : Provision for doubtful advances	-	-	-	0.11	
Advance for Revenue (goods & services)	1.35		490.64		For procurement of misc. items and other services etc.
Less : Provision for doubtful advances	0.22	1.13	6.32	484.32	
Advance payment of statutory dues	0.02		984.66		As per requirement of various Statutory Acts
Less : Provision for doubtful advances	0.02	-	0.53	984.13	
Advance to Related Parties - For Research & Development with CMPDIL		34.70		-	Advance given to CMPDIL for carrying out research activities
Advance to Employees	0.99		87.86		Recoverable Advance against dues to employees
Less : Provision for doubtful advances	-	0.99	0.29	87.57	
Advance- Others	5.16		420.48		Advance against various miscellaneous expenses
Less : Provision for doubtful claims	-	5.16	3.39	417.09	
Deposits- Others	0.60		3,172.95		Income tax, commercial tax etc. deposited under protest
Less: Provision	-	0.60	1.66	3,171.29	
CENVAT / VAT CREDIT Receivable	5.11		966.32		CENVAT CREDIT For Output Excise Duties/ Service Tax / Vat
Less: Provision	-	5.11	59.55	906.77	
Prepaid Expenses		-		35.59	Revenue expenses paid in advance
Receivables- Others	2.41		461.66		Mainly includes claims receivable from various authorities
Less: Provision	0.74	1.67	8.03	453.63	
TOTAL (c)		**49.36**		**6,540.50**	
Total (a+b+c)		**1,761.76**		**9,375.71**	

	For CIL Standalone As at 31.03.17	For CIL Consolidated As at 31.03.17	Purpose
C. GUARANTEES			
The company has given guarantee on behalf of subsidiaries Eastern Coalfields Limited and Mahanadi Coalfields Limited to the extent of their obligations under loans (principal and interest) made to Export Development Corporation, Canada and Natixis Banque, Paris. The outstanding balance of which as on 31.03.2017 are:			
Export Development Corporation, Canada	167.20	-	
Natixis Banque, Paris	6.64	-	
TOTAL(C)	**173.84**	**-**	

	For CIL Standalone As at 31.03.17	For CIL Consolidated As at 31.03.17	Purpose
D. INVESTMENTS			
1. Non Current Investments(Unquoted)			
(a) Investment in Co-operative shares (Unquoted)			Management participation
B" class shares in Coal Mines Officers Cooperative Credit Society Ltd.	-	0.05	
D" class shares in Dishergarh colly Worker's central co-opt store Ltd.	-	0.01	
Shares of Rs 25/- each in the Mugma coalfield colly Worker's central co-opt store Ltd	-	0.01	
B" class shares in Sodepur colly Employee's co-opt credit society Ltd.	-	0.005	
B" class shares in Dhenomain colly. Employees' co-opt credit society Ltd.	-	0.005	
Total (a)	-	0.08	
(b) Investments in Secured Bonds (quoted)			Investment of Surplus fund in various securities
7.55 % Secured Non convertible IRFC Tax free 2021 series 79 bonds	-	200.00	
8% Secured Non convertible IRFC bonds Tax free	-	108.75	
7.22 % Secured Non convertible IRFC bond Tax free	-	499.95	
7.22 % Secured Redeemable REC bond Tax free	-	150.00	
Total (b)	-	958.70	
Investment in Equity Instruments			
(c) Equity Shares in Subsidiary Companies			Strategic Investment in wholly owned subsidiary
"Eastern Coalfields Limited (Sanctoria , West Bengal)"	2218.45	-	
"Central Coalfields Limited (Ranchi , Jharkhand)"	940.00		
"Bharat Coking Coal Limited (Dhanbad, Jharkhand)"	2118.00	-	
"Western Coalfields Limited (Nagpur , Maharastra)"	297.10	-	
Central Mine Planning & Design Institute Limited (Ranchi, Jharkhand)	19.04	-	
Northern Coalfields Limited (Singrauli, Madhya Pradesh)	136.56	-	
South Eastern Coalfields Limited (Bilaspur, Chattisgarh)	298.78	-	
Mahanadi Coalfields Limited (Sambalpur, Orissa)	141.23	-	
"Coal India Africana Limitada (Moatize, Mozambique)"	0.01	-	
Total (c)	6,169.17	-	
(d) Equity Shares in Joint Venture Companies (Unquoted)			JV for acquisition of coking coal
International Coal Venture Private Limited , New Delhi	2.80	7.14	properties abroad
CIL NTPC Urja Private Limited , New Delhi	0.08	0.03	JV for setting up a joint integarted power plants along with mining of coal
Talcher Fertilizers Limited, Bhubneswar, Orissa	0.02	0.01	JV for revival of Talcher unit of FCIL
Hidustan Urvarak & Rasayan Limited, Kolkata	5.03	3.43	JV for revival of Sindri, gorakhpur fertiliser unit of FCIL and Barauni unit of HFCL.
Total (d)	7.93	10.61	

(e) Other Equity (Preference Share classifed as Equity Component)			Conversion of outstanding Loan and other Current Account balance as per BIFR scheme for reconstruction
5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd.	1057.52	-	
6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd.	855.61	-	
Total (e)	**1913.13**	**-**	
(f) Preference Shares in Subsidiary Companies -Classified as debt Component			Conversion of outstanding Loan and other Current Account balance as per BIFR scheme for reconstruction
5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd.	2,015.54	-	
6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd.	1,423.30	-	
Total (f)	3,438.84	-	
Grand Total (a+b+c+d+e+f) (1)	11,529.07	969.39	
2. Current			
Mutual Fund Investment			Investment of surplus fund in various securities
BOI AXA Mutual fund	29.65	41.26	
Canara robeco Mutual fund	-	7.97	
SBI Mutual Fund	-	168.54	
Union KBC Mutual fund	-	23.59	
UTI Mutual Fund	30.54	272.11	
Total (2)	**60.19**	**513.47**	
Total (1 + 2)	**11,589.26**	**1,482.86**	

ANNEXURE-24

Form AOC 1

(Persuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Figures in Crores except entry in Sl. No 9

Sl. No.	Name of Subsidiary Company	Re-porting Currency	Share Capital	Reserves & Sur-plus	Total Assets	Total Lia-bilities	Current Invest-ments	Non-Cur-rent Invest-ments	Turnover	Profit Before Taxation	Provision for Taxa-tion	Profit/ (Loss) from discon-tinuing opera-tions	Share of Minority	Profit After Taxation	Other Compre-hensive Income (Net of Tax)	Total compre-hensive Income	% of Share-holding
1	Eastern Coalfields Limited	INR	2218.45	(1052.15)	10840.32	10840.32	-	0.08	14717.53	15.32	9.19	-		6.13	14.64	20.77	100.00
2	Bharat Coking Coal Limited	INR	2118.00	(204.57)	9917.08	9917.08	45.99	-	11505.53	(263.08)	(93.10)	-		(169.98)	21.50	(148.48)	100.00
3	Central Coalfields Limited	INR	940.00	2304.97	13564.40	13564.40	-	-	14899.71	2373.02	984.19	-	0.17	1389.00	11.73	1400.73	100.00
4	Northern Coalfields Limited	INR	136.56	2658.19	13398.06	13398.06	51.31	-	17676.81	3120.44	1,017.13	-		2103.31	(19.25)	2084.06	100.00
5	Western Coalfields Limited	INR	297.10	2260.03	12012.57	12012.57	0.10	-	10413.39	(1075.26)	(298.24)	(0.01)		(777.03)	12.56	(764.47)	100.00
6	South Eastern Coalfields Limited	INR	298.78	3052.94	23450.27	23450.27	153.88	-	29215.53	3186.35	1,148.00	-	0.08	2038.43	40.10	2078.53	100.00
7	Mahanadi Coalfields Limited	INR	141.23	3235.31	28727.11	28727.11	202.00	958.70	23450.72	6852.41	2,362.71	-		4489.70	(0.92)	4488.78	100.00
8	Central Mine Planning & Design Institute Limited	INR	19.04	236.66	1131.57	1131.57	-	-	1072.46	65.53	24.94	-		40.59	(1.77)	38.82	100.00
9	Coal India Africana Limitada (Mozambique) (MZN & INR in Lakhs)	INR	0.49	-	2635.80	2635.80	-	-	-	-	-	-	-	-	-	-	100.00
		MZN	0.25	-	2752.67	2752.67	-	-	-	-	-	-	-	-	-	-	

Note

1 Coal India Africana Limitada (Mozambique) is yet to commence operations

2 As on 31.03.2017: 1 MZN = ₹ 0.9574517

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

₹ in Crores

Sl. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Other Comprehensive Income (Net of Tax)	Total comprehensive Income	% of Shareholding
1	MNH Shakti Limited	INR	85.10	(0.52)	85.92	85.92	-	-	-	-	-	-	-	-	-	-	70.00
2	MJSJ Limited	INR	95.10	(1.01)	103.09	103.09	-	-	-	-	-	-	-	-	-	-	60.00
3	Mahanadi Basin Power Limited	INR	0.05	(0.04)	19.32	19.32	-	-	-	(0.01)	-	-	-	(0.01)	-	(0.01)	100.00
4	Mahanadi Coal Railway Limited	INR	0.05	(0.01)	14.23	14.23	-	-	-	-	-	-	-	-	-	-	64.00

Note

1 MNH Shakti Limited, MJSJ Limited , Mahanadi Basin Power Limited & Mahanadi Coal Railway Limited are yet to commence operations.

SECL, a subsidiary of CIL has further two Subsidiaries, details of which are given below

₹ in Crores

Sl. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Other Comprehensive Income (Net of Tax)	Total comprehensive Income	% of Shareholding
1	Chattisgarh East Railway Ltd	INR	306.00	(0.41)	868.04	868.04	-	-	-	(0.15)	-	-	-	(0.15)	-	(0.15)	67.23
2	Chattisgarh East-West Railway Ltd	INR	504.06	(0.31)	701.59	701.59	-	-	-	(0.07)	-	-	-	(0.07)	-	(0.07)	64.06

Note

1 Chattisgarh East Railway Limited & Chattisgarh East-West Railway Limited are yet to commence operations.

CCL, a subsidiary of CIL has further one Subsidiary, details of which are given below

₹ in Crores

Sl. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Other Comprehensive Income (Net of Tax)	Total comprehensive Income	% of Shareholding
1	Jharkhand Central Railway Limited	INR	33.31	(0.64)	208.25	208.25	-	-	-	(0.58)	-	-	-	(0.58)	-	(0.58)	64.00

Note

1 Jharkhand Central Railway Limited is yet to commence operations.

M. Viswanathan	C. K. Dey	S. Bhattacharya
Company Secretary	Director(Finance)	Chairman- Cum-Managing Director
	DIN - 03204505	DIN - 00423572

Part "B": Associates and Joint Ventures

Statement persuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in Crore

Name of Associates/Joint Ventures	NTPC Urja Private Limited	International Coal Ventures Private Limited	Talcher Fertilizers Limited	Hindustan Urvarak & Rasayan Limited
1. Latest audited Balance Sheet Date	31.03.2017	31.03.2017	31.03.2017	31.03.2017
2. Shares of Associate /Joint Ventures held by the company on the year end				
No.	76900	2800000	15000	5025000
Amount of Investment in Associates/ Joint Venture	0.08	2.80	0.02	5.03
Extent of Holding%	50	0.22	30	33.28
3. Description of how there is significant influence	By virtue of Shareholding	By virtue of agreement	By virtue of agreement	By virtue of agreement
4. Reason why the associate /Joint venture is not consolidated	NA	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	0.03	7.14	0.01	3.43
6. Profit/(Loss) for the year				
i. Considered in Consolidation	-	(0.14)	(0.01)	(1.60)
ii. Not Considered in Consolidation	NA	NA	NA	NA

Note

1. International Coal Ventures Private Limited, NTPC Urja Private Limited. Talcher Fertilizers Limited and Hindustan Urvarak & Rasayan Limited are yet to commence operations.

M. Viswanathan	**C. K. Dey**	**S. Bhattacharya**
Company Secretary	Director(Finance)	Chairman- Cum-Managing Director
	DIN - 03204505	DIN - 00423572

ANNEXURE 25

SECRETARIAL AUDIT REPORT UNDER SECTION 204 OF COMPANIES ACT 2013 AND OBSERVATION OF SECRETARIAL AUDITOR & MANAGEMENT EXPLANATION.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Coal India Limited
Coal Bhawan, Premises No-04 MAR
Plot No-AF-III, Action Area-1A, 3rd Floor
New Town Rajarhat
Kolkata- 700156

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coal India Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company(as per Annexure I, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2016 to March 31, 2017 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 (the "Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and DisclosureRequirements) Regulations, 2009;
   d. The Securities and Exchange Board of India (Employee Stock Option Schemeand Employee Stock Purchase Scheme) Guidelines, 1999;
   e. The Securities and Exchange Board of India (Issue and Listing of DebtSecurities) Regulations, 2008;
   f. The Securities and Exchange Board of India (Registrars to an Issue and ShareTransfer Agents) Regulations, 1993 regarding the Companies Act and dealing withclient;
   g. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "Listing Regulations, 2015");
   h. The Securities and Exchange Board of India (Delisting of Equity Shares)Regulations, 2009;
   i. The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998;
6. Corporate Governance Guidelines issued by Department of Public Enterprises vide their OM. No. 18(8)/2005-GM dated 14th May, 2010.
7. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Mines Act, 1952;
2. Mines Concession Rules, 1960;
3. Coal Mines Regulations, 1957;
4. Coal Mines Conservation & Development Act,1974;
5. The Mines Rescue Rules,1985;
6. The Mines Vocational training Rules,1966;
7. The Indian Electricity Rules,1956;
8. The Explosive Act,1884;
9. The Explosive Rules,2008;
10. Coal Mines Pension Scheme,1998;
11. The Payment of Wages (Mines) Rules, 1956;
12. Coal Mines Provident (Miscellaneous Provisions) Act, 1948;
13. Mines and Minerals (Regulation and Development) Act, 1957;
14. Mines (Posting of Abstracts) Rules, 1954;
15. Payment of Undisbursed wages (Mines) Rules, 1959;
16. The Coal Mines Pit Head Bath Rules, 1959;

17. Mines Creches Rules, 1966;
18. The Maternity Benefit (Mines) Rules, 1963;
19. Colliery Control Order, 2000;
20. Colliery Control Rules, 2004.

Management's Responsibility

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company or examined any books, information or statements other than Books and Papers.
4. We have not examined any other specific laws except as mentioned above.
5. Wherever required, we have obtained the Management Representation about the compliance of aforesaid Laws, Rules,Regulations, Standards, Guidelines and happening of events etc..
6. The compliance of the provisions of corporate laws and other applicable Rules, Regulations, Guidelines, Standards etc. is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

1. The Company has not yet adopted a Board Diversity Policy as required under Part D (A) (3) of Schedule III of the Listing Regulations, 2015. The said Policy should be formulated by the Nomination and Remuneration Committee of the Board. Since the Listing Regulations, 2015 has not granted any exemption/ exception to the Government Companies from the aforesaid requirement, such Policywas required to be formulated by the Company. In this regard, the Company has submitted that, being a Government Company, the directors on the Board of the Company are appointed by the Government of India and therefore, the said Policy has not been adopted.
2. Further, the Company has not adopted the Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations, 2015.
3. The Company has not yet prepared any Succession Plan for its directors as required under Regulation 17(4) of the Listing Regulations, 2015, since the appointments of directors in the Company are made by the PESB. However, the Company has prepared a Succession Plan for its Senior Managerial Personnel.
4. Further, as required under Regulation 17(10) of the Listing Regulations, the annual performance evaluation of the Independent Directors was not carried out by the Board of directors. Further, in terms of Regulation 25(4) of the Listing Regulations, 2015 and the Code for Independent Directors pursuant to Section 149(8) of the Act read with Schedule IV, the Independent Directors were required to review the performance of non-independent directors and the Board as a whole along with the review of the performance of the Chairperson of the Company. It is understood that considering the exemptions/ exceptions provided under sections 178(2), (3) and (4) and 134(3)(e) and (p) of the Act and since there is a well laid down procedure for evaluation of Functional Directors and CMD by its Administrative Ministry, the Company has not undertaken any evaluation process as required aforesaid.
5. As per SEBI Notification dated 22nd August, 2014 amending the Securities Contracts (Regulation) Rules, 1957 ('SCRR'),minimum public shareholding of 25% is to be achieved by 21st Aug 2017 by CPSEs. For this purpose, CCEA has already approved further divestment of 10% of CIL shares. DIPAM has appointed Merchant Bankers and Legal Counsel for the same. As on 31st March, 2017, GoI holds 78.86% of CIL shares.

We report that subject to the aforesaid observations, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, 2015 as well as Corporate Governance Guidelines issued by Department of Public Enterprises.

We further report that as on 31st March, 2017, the Board of directors of the Company is duly constituted in terms of the Act, Listing Regulations, 2015 and the Corporate Governance Guidelines issued by Department of Public Enterprises. The Board is comprised of the Chairman and Managing Director, two Functional Directors, two Non-Executive Directors (Government Nominees) and five Independent Directors as on the said date. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were taken with the requisite majority and recorded as part of the minutes.

We further report that based on the information provided by the Company during the Audit Period and also on the review of quarterly compliance reports by the Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable general laws.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.except the following:

1. **Buy Back of Shares**

   During the Audit Period, the shareholders through Postal Ballot dated 11thJuly,2016 approved buy back of 10,89,55,223 (Ten Crore Eighty Nine LakhsFifty Five Thousand Two Hundred and Twenty Three) equity shares of the Company of ₹10 each fully paid-up (representing 1.72% of the total number of equity shares in the issued,subscribed and paid-up capital of the Company) from all the existing shareholders/beneficial owners of equity shares of the Company as on record date i.e. 9th September,2016 at a price of ₹335/- per equity Share for an aggregate consideration not exceeding ₹ 3,650/- Crore (Rupees Three Thousand Six Hundred and Fifty Crores Only.)

2. **Incorporation of a Joint Venture Company- Hindustan Urvarak and Rasayan Limited**

   The Company along with NTPC Limited ('NTPC'), had executed a Joint Venture Agreement dated 16th May, 2016 for formation of Hindustan Urvarak&Rasayan Limited, the Joint Venture Company to establish and operate fertilizer & chemical complexes at Gorakhpur and Sindri units of FCIL. The Company was incorporated and registered in the State of West Bengal on 15th June, 2016.

   Subsequently, a Supplemental Agreement was executed on October 31, 2016 with inclusion of Indian Oil Corporation Limited ('IOC'), Fertiliser Corporation of India Limited ('FCIL') and Hindustan Fertilizer Corporation Limited ('HFCL')to establish and operate new Fertilizer Complex (Ammonia Urea Complex) at Gorakhpur, Sindri of FCIL and Barauni Unit of HFCL and to market its products, taking into consideration the assets of existing HFCL's Barauni, FCIL's Sindri and Gorakhpur units including the land, right of way, right of use, owned by FCIL's-Sindri and Gorakhpur units and HFCL's-Barauni unit.

Place : Kolkata
Date : 3rd July, 2017

For **Vinod Kothari &Company**
Practicing Company Secretaries
Vinod Kumar Kothari (Partner)
Membership No.: A4718
C P No.: 1391

ANNEXURE-I

List of Documents

1. Corporate Matters

1.1 Minutes books of the following meetings were provided in original

1.1.1 Board Meeting;

1.1.2 Audit Committee;

1.1.3 Nomination and Remuneration Committee;

1.1.4 Stakeholders Relationship Committee;

1.1.5 Corporate Social Responsibility Committee;

1.1.6 Risk Management Committee;

1.1.7 General Meeting;

1.2 Agenda papers for Board Meeting along with Notice;

1.3 Annual Report for the Financial Year 2015-2016 and Provisional Accounts upto December,2016;

1.4 Memorandum and Articles of Association;

1.5 Disclosures under Act and Listing Regulations;

1.6 Policies framed under Act and Listing Regulations;

1.7 CIL's Buy Back of Shares Scheme;

1.8 Documents pertaining to Listing Agreement/ Listing Regulations compliance;

1.9 Registers maintained under Act;

1.10 Forms and Returns filed with the ROC & RBI;

1.11 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015;

1.12 Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

OBSERVATION OF SECRETARIAL AUDITOR & MANAGEMENT EXPLANATION

Sl. No.	MATTER OF EMPHASIS	MANAGEMENT EXPLANATION
1	The Company has not adopted Board Diversity Policy as required under (A) (3) of Schedule III of the Listing Regulations, 2015.	Functional Directors of PSUs are appointed by GoI as per the recommendations of PESB Govt. Nominee and Independent Directors are appointed by Administrative Ministry. Hence Company has not prepared Board Diversity Policy. Even if the policy is prepared and approved by the Board, it cannot be implemented in PSUs. PSUs have taken up with SEBI for exemption of this clause for aligning SEBI LODR 2015 with Companies Act 2013. [The Secretarial Auditor made same observation during the last year and same reply was given].
2	Company has not adopted the Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations, 2015.	Draft Dividend Policy prepared by the Company and vetted by M/s. Vinod Kothari & Co., Practising Company Secretary was placed in the 95th Audit Committee held on 6th March'2017. Committee advised to vet the policy by a Practising Chartered Accountant. Accordingly it was sent to Practising Chartered Accountant for vetting. The vetted policy was placed in the 101stAudit Committee meeting held on 28th May'2017. Audit Committee advised to review and place a revised policy. Company is taking necessary action.
3	Company has not yet prepared any Succession Plan for its directors as required under Regulation 17(4) of the Listing Regulations, 2015	Appointment of Directors of the Company are made on the recommendations of PESB. Hence there is no succession plan. MCA vide notification dated 5th June'2015 has exempted Section 178(2) of Companies Act 2013 for Govt. Companies. CPSEs have taken up with SEBI for exemption of this clause and for aligning SEBI LODR 2015 with Companies Act 2013
4	As required under Regulation 17(10) of the Listing Regulations, the annual performance evaluation of the Independent Directors was not carried out by the Board of directors.	MCA vide its notification dated 5th June'2015 has exempted the same for Government Company under Section 134(3) (e) (p), 178(2) (3) and (4) of Companies Act 2013. CPSEs have taken up with SEBI for exemption of this clause and for aligning SEBI LODR 2015 with Companies Act 2013.
5	SEBI Notification dated 22nd August, 2014 amending the Securities Contracts (Regulation) Rules, 1957 ('SCRR'), minimum public shareholding of 25% is to be achieved by 21st Aug 2017 by CPSEs.	CCEA has already approved further divestment of 10% of CIL shares. DIPAM has appointed Merchant Bankers and Legal Counsel for the same. Necessary action to bring-down the Promoters shareholding by OFS is to be taken by 'DIPAM'. Company is in discussion with 'DIPAM' on the way forward.

ANNEXURE 26

Foreign Exchange Earning and outgo under Rule 8 of Companies (Accounts) Rules, 2014

COAL INDIA LIMITED (STANDALONE)

Expenditure / Earnings in Foreign exchange –2016-17

(₹ in crore)

	Expenditures	Current Year	Previous Year
i)	Travelling Expenses	0.29	0.25
ii)	Training Expenses	0.53	0.03
iii)	Others	0.23	Nil
	Earnings	Nil	Nil

COAL INDIA LIMITED (CONSOLIDATED)

Expenditure / Earnings in Foreign exchange –2016-17

(₹ in crore)

	Expenditures	Current Year	Previous Year
i)	Travelling Expenses	2.00	1.03
ii)	Training Expenses	11.98	1.20
iii)	Consultancy charges	1.62	1.95
iv)	Interest	0.09	0.09
v)	Others	21.56	125.80
	Earnings	**Nil**	**Nil**

ANNEXURE 27

DETAILS ABOUT RESEARCH AND DEVELOPMENT OF THE Company

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 1000 Tonnes per day being replicated 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 190 Mt of coal so far has been extracted in more than 176 mines by introduction of “Controlled Blasting” which otherwise would have been 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 896 districts in about 310 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 the adoption of proper environment control. A study was carried on to determine the free silica (-Quartz) content present in respirable air borne dust in coal mines and after subsequent analysis in the laboratory, a database software ALPHA-QUARTZ have been developed for various parameters including free silica content and other minerals present in respirable air borne dust as well as in coal.

   To ensure the safety of human life and to protect loss of equipment due to collision of dumpers in opencast mines, Dumper Collision Avoidance System (DCAS) has been developed indigenously. The system is now in operation at KDH opencast mine of Central coalfields Limited (CCL). This three-layer system consists of proximity sensors mounted on dumpers on three sides to detect objects within 10m range, distance and direction information of dumpers present in the vicinity of 100m and also positional information of the dumper through GPRS.

Under the S&T grant of Ministry of Coal, Self-advancing goaf edge (mobile) chock type supports have been developed and were put into field trial at Bastacola mine of BCCL. These self-propelled mobile supports of medium duty (2 x 200 Te.) have closed and extended height range of 1.85 to 3.2 m and can offer support resistance of 71.4 T/ m^2.

Under an R&D project, the solar photovoltaic plant has been commissioned on the roof tops of CMPDI office buildings. The total installed capacity of the plant is around 190kW, which is at present generating 30% of total installed capacity. Two types of technologies, one with string inverter and another with micro inverter have been adopted in installing the plant. Under this project, conventional grid (utility supply) clubbed with solar PV system and DG sets through grid interactive inverters to feed to internal grid (CMPDI) whenever utility grid (JSEB) supply is not available.

In additions to the above, following Coal research projects have been completed during 2016-17:

i) Development of tele robotics and remote operation technology for underground coal mines

Under the project, tele-robot has been developed and field trial conducted at Khottadih mine of ECL. The developed robot is capable of monitoring environmental parameters viz. percentage of CO_2, CH_4, O_2, and also humidity & temperature. The real time graphical-user-interphase (GUI) based navigational camera is capable of displaying the status of robot and 3D representation of operational environment in the underground mines from sensor data. Long range communication with the robot through multiple wireless routers was also established.

ii) Development of Indigenous catalyst through pilot scale studies of Coal-to-Liquid (CTL) conversion technology

Design, development, installation and commissioning of a fully integrated Coal-to-Liquid Pilot Plant consisting of coal gasification, gas cleaning, shift reaction, CO_2 scrubbing, liquefaction and liquid collection have been successfully completed at the CIMFR, Digwadih Campus, Dhanbad.

The coal from Dabor OCP, Salanpur Area, ECL with ash content of around 33% has been used for syngas production in a fixed bed updraft air blown gasifier (Coal Feed rate Capacity: 50 – 100 kg/h). Four on-stream experimental runs (continuous) of total 857 hours have been conducted and three experimental runs have produced hydrocarbon liquid. Two Cobalt-based catalyst have successfully been tested in the CTL pilot plant for liquefaction reaction and one of them is a potential catalyst for further scale up studies which has produced 47.0 litres of CTL crude per tonne of coal. The CTL crude is diesel equivalent with the calorific value of 10900 kcal/kg.

However, as advised by Secretary (Coal), MoC, an independent evaluation of the experimental data of CTL project by third party is required to be carried out by CIMFR,Digwadih Campus, Dhanbad.

iii) Enhancing life of de-watering pipes in coal/lignite mines by prevention of erosion-corrosion with nano-crystalline surface Engineering Treatments

Under this project, six types of metallic coating and three types of non-metallic (poly-urea coating) were developed for coating on the Fe410 grade substrate for erosion and corrosion resistance. All combination of poly-urea coatings were found to have extremely good corrosion resistance in all environment as well as possess good erosion resistance.

On comparing the cost-economics of both metallic and non-metallic coatings for mining application, it was found that the poly-urea coatings were very cheap and economical and the life of the coated pipelines will be approximately 6-10 years. The poly-urea coated pipes were put into service in different mines and periodic evaluation of these pipelines was conducted by NITT and CARD officials. The coating was intact and the performance of the coating was found to be very satisfactory. The coating thickness was uniform throughout the pipeline and no deterioration in the coating was noticed.

iv) Blast design and fragmentation control- key to productivity

Under this project, field trials were carried out at Nigahi OCP, NCL, Kusmunda OCP, SECL, Samleshwari OCP, MCL and Sonepur Bazari OCP, ECL. The effect of blast design parameters on rock fragmentation, distribution pattern and scattering effect were studied for each blast. Fragment size analysis were carried out using WIPFRAG software.

v) Design and development of truck mounted mobile coal sampler for instant coal ash & moisture analyser at site from railway wagon/truck

Under this project, in Phase-I, it was established the feasibility of nuclear technique method with dual gamma-ray transmission for analysis of coal for ash and moisture contents.

In Phase -II, truck mounted mobile coal sampler has been developed for instant coal ash & moisture analyzer at site and field trials were completed successfully at Ramagundam area of SCCL.

vi) Optimization of various parameters of lab scale Coal Winnowing System (Phase-II)

Under this project, various parameters of lab scale ‘Coal winnowing system’ were optimized for consistency in product yield and ash of various coal samples with size fraction of 100-75 mm, 100-50 mm and 75-50 mm collected from different mines of WCL. Also, ash, moisture and GCV of product & rejects of each sample were determined & segregation of coal products and rejects done based on the Gross Calorific Value (GCV).

vii) To find a methodology of safe liquidation in thick seams of Raniganj Coalfield: Design & development and show-casing demonstrative trials at Khottadih Colliery, ECL

This project has been executed by CIMFR, Dhanbad in association with ECL. The prime objective of the project is to design a feasible and optimal method for safe liquidation of coal in thick seams out of existing methods for extraction of seam and to validate the same at the selected mine site at

Khottadih project, Raniganj Coal Field, ECL. While designing and showcasing-demonstrative trials, the two important aspects i.e. ground control and fire-propensity aspects have been taken into consideration in a way to increase the number of coal pillars extraction.

The above study was conducted in the trial panels of Semi-Mechanized Mine (with SDL or LHD) and also with a Continuous Miner (CM) deployment in Khottadih project. Project has been completed and report is under preparation. Under this project, following activities were carried out:

a) Approval to extract two sub-panels; panel B2A and B2B in Khottadih, ECL was given by DGMS with the condition that strata monitoring with a suit of geo-technical and environmental monitoring to be undertaken by CIMFR.

b) A number of geotechnical instruments like remote convergence indicators, stress meters, load cell and instrumented rock bolts were installed in the panel B-2 (Sub-panel-A) during depillaring and observations were taken. The analysis shows ‘ no significant ‘ change of ‘stress’ and ‘deformation’ that may be detrimental to safe depillaring operations except the temporary hassles related to the ‘main fall’. Smooth and regular caving has been achieved in B2B panel after gaining experience and its implementation from the workings of B2A panel.

c) The tandem approach of extracting the panel including two pronged assessment:

   i. Ground control aspects of a safe liquidation method with proper rib stability, controlled caving, strata monitoring & management and

   ii. The aspect related to detecting early symptom of spontaneous heating/fire, followed by pro-active application of remedial measures in order to prevent it

   iii. Fire ladder have been developed for the seam which aids in early detection of fire..

viii) Development of guidelines to predict distance between toe of the shovel-dumper dump and that of dragline dump with consideration of safety and economical design of both shovel-dumper dump and dragline dump

This project has been executed by BIT, Mesra, Ranchi. The prime objective of the project is to develop a general model which would be applicable for other OC mines of CIL where shovel and dragline dumps exists with due consideration of safety and to reduce the land requirement to a certain extent for external dumping in opencast excavation.

Under the project, study has been conducted in twelve opencast mines of CIL i.e. i) Sasti OCP, WCL ii) Dudhichua OCP, NCL iii) Khadia OCP, NCL iv) Jayant OCP,NCL v) Bina OCP,NCLvi) Nigahi OCP,NCL vii) Amlohri OCP ,NCL viii) Sonepur Bazari OCP, ECL ix) Samleshwari, MCL x)Dhanpur, SECL,xi) Ghughus OCP, WCL and xii) Block-II, BCCL for determination of geo-engineering parameters for development of guidelines to determine the optimum distance between toe of dragline dumps and Shovel-Dumper-Dumps.

Based on the study of individual dragline operated opencast mines of CIL, a general guideline has been developed under this project. The guidelines can predict overall height and slope of dragline dump depending on the range of various geo-engineering parameters. From the above study, it had been concluded that the toe of shovel-dumper dump is formed at least 110-180m away (site dependent) from the toe of the dragline dump so that dragline dump gets adequate time to stabilize before fresh dumping by dumper. However, increase in water table may deteriorate the dump stability.

ix) Demonstration of Coal Dry Beneficiation System using Radiometric Technique.

This project is under implementation by CMPDI, Ranchi, Ardee Hi-Tech Pvt. Ltd, Visakhapatnam and BCCL, Dhanbad. The project aims at developing a demonstration plant for dry deshaling of coal based on modified radiometric detection and pneumatic removal technology.

The proposed dry beneficiation technology is based on radiometric detection and removal of stones and shale from coal streams and works on the differential gamma ray absorption properties of coal and ash forming minerals. The mass absorption coefficient of coal is dependent on the chemical composition of coal and shale. The distinct advantage of radiometric technology is that the target for clean coal or the threshold value for rejection can be planned and set as per need. This technology is an efficient, dust free and energy friendly also.

Under this project, it was proposed to take up this technology at demonstration scale. This project has been executed at Madhuband Washery by installing two modules of ArdeeSort for deshaling coals in the size fraction of 13mm-50mm (in two stages i.e.13-25mm & 25-50mm).

New areas, like, sustainable livelihood activities on reclaimed opencast coal mines, development of suitable and cost effective mine void aqua eco-system for promoting fish culture in abandoned coal quarries, constructing structures on backfilled opencast coal mines, possible implications of bioavailable iron in coal mine dust on coal workers’ lung disease, On-line coal dust suppression system for opencast mines, Requirement of air in mine for Mass Production Technology , multiple layer trial blasting for better recovery with less diluted coal, studies on the use of coal and petcoke as fuel in the cement industry in India, Through-the-Earth (TTE) two-way communication system for underground mines, development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal, development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations are being executed in association with other organizations etc. are being addressed through on-going research projects with S&T / R&D

funding.

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 / academic institutes, efforts are continued to invite research proposals in the areas related to mining methods, strata control, and mine safety, etc., for funding under S&T Grant of Ministry of Coal and R&D fund of Coal India Limited.

Future R&D efforts will address areas like liquidation of developed pillar in underground mines, pit and dump slope stability in opencast mines, indigenous development of early warning systems for prediction of dump & highwall failures, CBM from fugitive emissions from opencast mines, in-situ coal gasification, coal liquefaction and development of predictive models for air quality and pollution etc.

An important research project, Shale gas potentiality evaluation of Damodar basin of India is under implementation with an objective to evaluate Damodar basins of India for their shale gas potentiality through integrated geophysical, geological, geochemical and petro physical investigations.

An S&T project, constructing structures on backfilled opencast coal mines is under implementation with an objective to study feasibility of different ground improvement methods for construction of safe structures on mine reclaimed areas and guidelines will be framed so that structures with adequate foundation can be constructed on backfilled opencast mines all over India.

Another research project titled "Coal Bed Methane (CBM) reserves estimation for Indian Coalfields" is under implementation with an objective to calculate CBM reserve estimate by volumetric method followed by uncertainty analysis by probabilistic method and generate an accurate geological model of a study area with associated coal Seams by 2D/3D seismic survey and acquisition of conventional surface / subsurface information and validation of the model by drilling core holes.

An R&D project "Requirement of air in mine for Mass Production Technology" is under implementation by CMPDI, Ranchi. The aim of this project are the optimization of ventilation requirement and assessment of minimum infrastructure required for mass production technologies in Indian underground coal mines in order to attain comfortable environment at the working faces considering temperature, heat, humidity and toxic gases etc. to boost the coal production from underground mines.

One R&D project " Multiple layer trial blasting for better recovery with less diluted coal" is under implementation by IIT-ISM, Dhanbad, CMPDI, Ranchi.IIT-ISM, Dhanbad has technical participation with University of Queensland, Brisbane, Australia on this new research subject.The prime objective of this project is to develop safe and efficient multi-seam and thru-seam blast design to produce clean coal with better recovery using advanced blasting technology.

R&D project "Studies on the Use of Coal and Petcoke as Fuel in the Cement Industry in India" is under implementation by IIT-ISM, Dhanbad in association with CMPDI, Ranchi.

Under this project, an in-depth study will be conducted on use of coal and petcoke as fuel in the cement industry, the energy requirement, environmental aspects, and economic evaluation of the cement plants operating with coal, petcoke and their blends and to provide a status report on the use of indigenous coal in the cement plants in India.

R&D project titled" Development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol" has been taken up by CIMFR, Dhanbad, IIT- ISM, Dhanbad and CIL(HQ), Kolkata with the prime objective to develop an in-house analytical capabilities in the areas of explosion prevention strategy & technology and to introduce the concept of risk assessment based safety management system in Indian coal mine to eliminate or reduce the risk from explosion hazards.

One project titled "Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations" is being implemented by CMPDI (HQ), Ranchi and National Remote Sensing Centre (NRSC), ISRO, Hyderabad. The prime objective of the above project is conduct air quality assessment and prediction to take appropriate mitigative measures to prevent/minimize the deterioration of air quality due to various coal mining activities, which may further help in segregating the source of pollutants at a later stage.

Another research project has started recently, in which main focus on post mining land use and livelihood generation to the community in and around the mine area.The proposed research study emphasis sustainable development on creation of permanent green cover and livelihood creation.

4. **Expenditure on Research & Development:**

Expenditure incurred form 2011-12 to 2016-17 on research projects are as follows:

(Rs in Crore)

Year	S&T of MoC	R&D of CIL	Total Expenditure
2011-12	9.66	16.65	26.31
2012-13	11.53	11.22	22.75
2013-14	11.76	10.97	22.73
2014-15	16.16	13.52	29.68
2015-16	17.59	4.88	22.47
2016-17	10.38	13.66	24.04
		Total	147.98

5. **Research & Development:**

CMPDIL is the nodal agency for coordination and monitoring of S&T projects in coal sector as well as R&D projects of CIL. During 2016-17, following projects have been approved :

i) "Development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol" - IIT-ISM, Dhanbad, CIMFR, Dhanbad, S&R Division and CIL(HQ), Kolkata. Collaborating agency: SIMTARS, Australia;

ii) "Multiple layer trial blasting for better recovery with less diluted coal" - IIT-ISM, Dhanbad and CMPDI, Ranchi. Technical Participation - University of Queensland, Brisbane, Australia;

iii) "Studies on the Use of Coal and Petcoke as Fuel in the Cement Industry in India" - IIT-ISM, Dhanbad, and CMPDI, Ranchi;

iv) "Indigenous Development of Through-The-Earth (TTE) Two-Way Voice Communication System for Underground Mines" - Indian Institute Technology (IIT), Bombay and CMPDI, Ranchi;

v) "Requirement of air in mine for Mass Production Technology" - CMPDI, Ranchi;

vi) "Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations" - CMPDI, Ranchi and National Remote Sensing Centre (NRSC), ISRO, Hyderabad.

vii) "Indigenous development of early warning radar system for predicting failures/slope instabilities in open cast mines" - SAMEER, Mumbai, ARDE, Pune, CSRE, IIT, Mumbai, CMPDI, Ranchi and NCL, Singrauli;

viii) "Design of water network to optimize water consumption in coal washeries for removal of impurities from coal" - IIT, Roorkee, CMPDI, Ranchi & CCL, Ranchi;

ix) "Electronification of ground water control and conveyor systems in mines" - NLC India Ltd., Neyveli and NITT, Tamil Nadu;

6. Technology Absorption:

CIL has taken many technological initiatives in various fields across its total operational activities. In underground mining, Mass Production Technology has been introduced in number of mines. Continuous Miner Technology has been introduced in three mines of SECL in the last fiscal apart from seven mines where the same is in operation. Long-wall mining has been started in Moonidih mine of BCCL. So far as absorption of this technology is concerned, it may be said that from operational point of view, Mass Production Technology is fully absorbed. However, from services and spares point of view, the company is still dependent on the service provider, since such equipment are not yet manufactured in the country and also sufficient number of skilled manpower trained in such category is not available for maintenance of such equipment. For the first time in India, Free Steered Vehicles for transportation of men and materials in underground have been introduced in Jhanjhra mine of ECL. Other mode of man-riding system has been commissioned to reduce arduous walking of the miners in several other extensive mines. Biometric Attendance System has been started in mines for eliminating the manual interventions as well as reducing the requirement of additional manpower. Quick setting stoppings have been constructed in case of fire in underground mines using expansion foam agent.

The latest version of Geovia Minex software for planning of opencast mines has been introduced. This provides best resource planning through pit design, pit optimization, scheduling of resources and dumps etc. Surface Miners in several opencast mines have been introduced to eliminate drilling and blasting and also for facilitating selective mining. GPRS based tracking of coal transporting vehicles have been introduced to prevent theft and pilferage of coal. RFID based In-Motion Road Weighbridges has ensured Real Time transmission of coal weighment data to the Central Server. This has reduced the chances of fudging of coal production figures on day to day basis. For monitoring of coal quality, quantity and loading time closely, CIL has introduced E-surveillance by installation of CCTV, IP-cameras and control rooms in most of the mines thereby avoiding demurrage charges to the company.

Coalnet system with different modules and integration of weighbridges through LAN/WAN connection have been introduced.

Electronic procurement by the use of ICT has not only facilitates procurement process for acquisition of goods, works and services in various activities but also enhance the goodwill of the company.

Through the adoption of E-procurement and Auto Refund of EMDs, CIL has achieved in reducing complaint regarding delay in refund of EMDs to unsuccessful Bidders and also the Bidders participation has gone up.

Hydrostatic drills with PCD bits for enhancing the productivity of exploratory drills have been introduced. A project has been taken up in association with NGRI, Hyderabad on "3-D Seismic survey for coal in Belpahar sector of IB valley CF". The primary objective is to have exposure in identifying lay and deposition of coal seams in the surveyed area.

A R&D project based on Radio-metric sorting technique, which uses X-Ray for separation of impurities from coal, is currently under implementation in Madhuband washery, BCCL. The project aims at developing a demonstration plant for dry deshaling of coal based on modified radiometric detection and pneumatic removal technology. The project is likely to be commissioned in 2016.

7. Benefits derived out of technological initiatives undertaken:

With the introduction of Mass Production Technology in more number of mines of CIL, sized coal is available and safety standard have improved. Introduction of Free Steered Vehicles and other mode of Man riding Systems have definitely reduced the travelling time and comfort of the workmen, thereby improving the productivity. Introduction of Biometric Attendance System has eliminated the malpractices of marking false/proxy attendance and also ensured full time working hours of the workmen thereby improving the overall performance of the company. The system has also been integrated with Pay Roll System and as such, requirement of clerical staff has also been minimized. Quick setting stoppings using expansion foam agent could be built comfortably with less man-hours.

Over the years, most optimum sizes of HEMMs are being provisioned for opencast projects of India which are at par with the World technology. Due to use of latest software for planning in OC mines, deployment of Electric Rope(ER) shovels of 42 Cum and dump trucks of 240 T were made during the last few years for opencast projects, which is highest in sizes proposed in India so far. Use of surface miners has eliminated drilling and blasting operations in the opencast projects and as such, the problem of working very near to inhabited areas has been sorted out due to elimination of blasting vibrations. Moreover, because of possible selective mining, the chances of contamination of produced coal with extraneous materials has also been minimised. GPRS based vehicle tracking system has facilitated to monitor the movement of all the coal transportations trucks and any deviation beyond the geo-fenced Area is detected online immediately. This has helped in curbing the pilferage of coal to a large extent.

Billing of salary & wages, sales billing, material management system, financial accounting, etc through Coalnet System, have started. which would improve the speed of the processes with accuracy.

The average productivity of departmental drills has increased substantially due to introduction of hydrostatic drill. The outcome of project on “3-D Seismic survey for coal” will help in evaluating 3-D seismic technology for coal exploration in Indian scenario and its implementation in CIL.

8. Details of efforts on imported technology:

Coal India is envisaging for foreign collaboration with a view to:

- Bring in proven and advanced technologies and management skills for exploiting UG and OC mines, coal preparation and related activities.
- Exploration and exploitation of Methane from Coal bed, abandoned mine, ventilation air, shale gas, coal gasification, etc.
- Locating overseas countries interested in Joint Venture in the field of coal mining with special thrust on coking coal mining.

The priority areas included acquisition of modern and high productive underground mining technology, introduction of high productive opencast mining technology, improvement in working in underground in difficult geological conditions, fire control and mine safety, coal preparation, application of 3D seismic survey for exploration, extraction of coal bed methane, coal gasification, application of Geographical Information System, satellite surveillance, subsidence monitoring, environmental control, overseas ventures in coal mining.

CIL aims to acquire suitable technology through international bidding. Bi-lateral cooperation is also being encouraged for locating availability of cost effective and latest technologies in the aforesaid areas. CIL, therefore, has been following both the routes.

Numerical modelling software (FLAC 3 D) was procured / upgraded under R & D project title “General/Analysis of Coalfield-wise database of physico-mechanical characteristics of rock/coal and representative numerical models for appropriate solution to strata control problems” in the year 2011. Numerical model by FLAC 3 D software is being regularly used for scientific studies involving strata control. In-house job/skill has been created by the use of this software.

9. The expenditure incurred on Research & Development:

Total Expenditure for 2016-17 of research projects is as follows:

(Rs in Crore)

Year	S&T of MoC	R&D of CIL	Total Expenditure
2016-17	10.38	13.66	24.04

ANNEXURE 28

Disclosures as per Section 135 of Companies Act 2013 on Corporate Social Responsibility

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

For any corporate citizen, Corporate Social Responsibility is as important a function as its business goal and essentially bettering the lives of the people.

In case of Coal India, its coal deposits occur in places which are densely populated. Coal mining, as a natural corollary, displaces people from their original habitat. It then becomes not merely obligatory but morally binding for Coal India to take care of people affected by its mining activities.

Coal India believes Corporate Social Responsibility is not just cheque book philanthropy and aligns its CSR activities in a manner so as to be beneficial to the people. The company aims and aspires to impact and improve the quality of lives of affected persons and the communities in the proximity of its mining areas.

CSR apart from improving the quality of lives of people is also to take them along as partners in inclusive growth towards the goal of the company. Coal India is of firm conviction elevating the living standards of affected people is as important as attaining its business goals.

Policy on CSR

CIL has a well-defined CSR policy framed on DPE’s guideline and on Companies Act, 2013. The policy has CIL Board’s approval. (Refer CIL website www.coalindia.in through the link Company Policies.

The budget on CSR is allocated based on 2% of average Net Profit of CIL (standalone) for three immediate preceding financial years or 2.00 per tonne of total consolidated coal production of CIL as a whole of previous year whichever is higher.

For subsidiaries of CIL, fund for CSR is allocated based on 2% of average net profit of the company for the three immediate preceding financial years or ₹ 2.00 per tonne of coal production of previous year whichever is higher.

Modalities/Mechanism of Implementation of CSR:

The underprivileged living in & around the mining areas in different states of India are the major beneficiaries covered under CSR activities of CIL. CIL being a holding company executes CSR activities throughout the country as well as in the areas which are beyond jurisdiction of subsidiary companies.

In respect of subsidiary companies, the CSR policy is operational within 25 KM radius of the projects/mines and areas including Head Quarters for which 80% of the budget is allocated. Balance 20% is spent within the State/States in which the subsidiary companies operate.

Implementation

- CIL has entered into a MOU with Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities.
- CIL has a two tier CSR Committee i.e. (a) CSR Committee comprising of below Board level executives for examination and recommendation of CSR Projects and (b) A Board Level Committee on CSR for further deliberation and approval of CSR projects.

CSR Practices include:

- Healthcare
- Sanitation
- Drinking Water
- Education
- Skill Development
- Welfare of the differently abled
- Women Empowerment
- Environmental Sustainability and Conservation of Natural Resources
- Promotion of sports and
- Rural development projects

Some of the Major CSR initiatives undertaken by CIL during the financial year 2016-17:

Drinking Water

- **Installation of Hand Pumps at the following places:**
  - 130 hand pumps in Sidhi district, Madhya Pradesh
  - 100 hand pumps in Ghazipur district, Uttar Pradesh
  - 44 hand pumps in Sundarbans area, West Bengal
  - 275 hand pumps in Shravasti district, Uttar Pradesh
- **Community Arsenic Mitigation project in Arsenic affected Varanasi & adjoining district of U.P. through Inner Voice Foundation**. The project aims at executing Community intervention work in ground water contaminated districts of Varanasi, Gazipur and Ballia. The proposed project is community centric with 3 major components - safe drinking water, testing of water samples and awareness in villages.
- **Setting up of Community Reverse Osmosis (RO) drinking water plant** at Bishnupur through Bishnupur Municipality. The project aims to provide safe drinking water to local residents.

Women Empowerment

- Construction of hostel for accommodating girls belonging to BPL and backward communities for their skill development as mid level ophthalmic assistants under **Project Nai Roshni**. The implementing agency for the project is NANRITAM.
- Empowerment of destitute, marginalized and domestic violence victim women. The project is being implemented through Ankur Kala.

Rural Development Projects

- Executing different development works through The Energy and Resources Institute (TERI), New Delhi in 40 villages of the backward district Purulia, West Bengal as identified by the Planning Commission in the following areas:
  - Promoting renewable solutions for the energy needs of the households
  - Agriculture, greening and capacity building
  - Sanitation
  - Education through Knowledge cum Resources Centers
- Distribution of 12000 Bicycles in Nuapada under Sunabeda Area Development Authority. The project aims at providing bicycles for mobility of livelihood covering around 12000 households residing in the area that belong to SC/ST community.
- Community based integrated program with special focus on marginalized children and youth in Naxalite affected Jharkhand and insurgency affected Assam through Prayas Juvenile Aids Society.The project has been launched in Hazaribagh, Guwahati, Ranchi and Jorhat. 5 villages in each of these districts have been selected for implementation of the project.
- Installation of hand pump and construction of 16 sanitary latrines for underprivileged people in South 24 Parganas, West Bengal through Prapti Mahila Samity.
- Water, sanitation and poverty alleviation project in Bolpur-Shantiniketan block in Birbhum district of West Bengal. The implementing agency for the project is Tagore Society for Rural Development.

Education

- BPL scholarships to one student pursuing medical degree at R G Kar Medical College and Hospital, Kolkata.
- Construction of a home for underprivileged/orphaned boys in Ranchi, Jharkhand through MAHER.
- Financial support towards construction of school building and infrastructure development of the school for the benefit of the poor and backward student in Palla Village F.P School.
- Financial assistance for purchase of desks and benches for underprivileged students in the school run by Sisters of Charity, Kolkata.

Healthcare:

- Construction of blood bank with component separation facility by Indian Medical Association Kanpur.
- Construction of satellite eye hospital at Alwar, Rajasthan to cater to the need for eye care services in the district Alwar, Rajasthan due to scarcity of eye treatment hospitals in Rajasthan through NGO, SAPNA.
- Purchase of equipment for Digital Pathological Laboratory by Mahavir International, New Delhi. The laboratory equipment is for the purchase of a fully equipped Digital path lab which will cater to different parts of Delhi.
- Financial assistance for purchase of emergency ambulance service fully equipped with medical facility in South 24 Parganas, West Bengal through Su Samannaya.
- Conducting eye screening and cataract operation camps to reduce avoidable blindness in rural and backward areas of Uttar Pradesh and North East through Anugraha Dristhi Dan.
- Financial assistance for procurement of CT scan machine and cath lab equipment to provide affordable healthcare at Liver Foundation, West Bengal.
- Financial assistance to Dr. Aabaji Thatte Sewa aur Anusandhan Sanstha for purchase of equipment in National Cancer Institute, Nagpur.
- Financial assistance for Bone Marrow Transplants of two underprivileged children from Gondia, Maharashtra suffering from Thalassemia Major and distribution of medicines at KTS General Hospital, Gondia.
- Medical camps in Kolkata and nearby districts by Medical Department, CIL (HQ).

Promotion of Sports

- Financial assistance to CCL for infrastructure development and recurring expenditure of Sports complex at Hotwar, Ranchi.
- Support for training and preparation of sportspersons for Olympics and Paralympic games in different games. For this, fund has been transferred to National Sports Development Fund under the Department of Sports, Ministry of Youth Affairs and Sports.

Environment

- Installation of Solid Waste Management plants through Sri Sri Rural Development Trust at Vindhya Vasini Temple, Mirzapur, Kashi Vishwanath Temple, Varanasi Kamakhya Temple, Guwahati and another plant catering to nine smaller temples in Varanasi.
- Strengthening the Cleaning Himalaya Campaign which is aimed at cleaning the ecologically fragile Himalayan region by Indian Mountaineering Foundation.
- Adoption and maintenance of Butterfly habitat at Tata Steel Zoological Society at Jamshedpur.
- Financial assistance to Central Pollution Control Board (CPCB) for setting up of sixteen Continuous Ambient Air Quality Monitoring Stations (CAAQMS) in ten cities.

Skill Development

- Training 400 youth in various trades related to Plastic Engineering through CIPET, Murthal, Haryana.

Welfare of the Differently Abled

- Financial assistance for purchasing different equipment and a bus for Divyang children studying at Institute of Handicapped and Backward People.
- Facilitating development of physical abilities to the highest potential through regular therapy services to children and adults with cerebral palsy and other neuro-motor disabilities through Indian Institute of Cerebral Palsy

Sanitation

- Construction of public toilets for the benefit of tribal students and general public in Tirap, Arunachal Pradesh through Ramakrishna Mission, Narottam Nagar.
- Construction of 400 toilets in Sundarban area through South Sundarban Janakalyan Sangha.
- Observing Swachhta Pakhwada by honouring municipal workers of Kolkata Municipal Corporation (KMC) by distribution of safety kits to them.

Others

- Conducting an yearlong traffic awareness programme in nine traffic zones of Kolkata for public utility service through Karmyog for 21st Century Foundation.
- Electrification of dining hall and kitchen with energy efficient LED lighting system, providing food free of charge to underprivileged people through Ramakrishna Math, Belur.
- Financial support for setting up auditorium on the third floor of the museum constructed by Gaudiya Mission.
- Fund transfer to WCL for installation of escalators at suburban railway stations in Mumbai.

2. The Composition of the CSR Committee

There are two tier CSR Committee as per DPEs Guidelines as furnished below:

(a) CSR Committee comprising of 6 (six) below Board level executives for examination and recommendation of CSR Projects and

(b) A Board Level Committee on CSR comprising of three Independent Directors and two Board Level Functional Directors for deliberation and approval of CSR projects based on the recommendation of the below board level CSR Committee.

3. Average net profit of the Company (CIL-Standalone) for the last three financial year –

Profit (PBT – Dividend) for immediately preceding 3 years are as under

2013-14 - ₹ 1031.65 crores

2014-15 - ₹ 640.17 crores

2015-16- ₹ 373.44 crores

The average net profit of immediately preceding 3 years is ₹ 681.75 crores

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) -

₹ 13.65 crores (2% of ₹ 681.75 crores)

However as per CSR policy of CIL, CSR budget has been ₹ 127.34 Crores to undertake more CSR activities.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year -

₹ 13.65 crores (as per Companies Act)

₹ 127.34 crores (as per CSR policy of CIL)

(b) Amount unspent, if any - Nil

(c) Amount spent on CSR - ₹ 128.05 crores.

Manner in which the amount spent during the financial year is furnished as Annexure A.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

CSR expenditure during the year was more than two percent of the average net profit of last three year.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

CIL's CSR policy is framed on the basis of DPE's guideline and approved by CIL Board. The Policy is being modified from time to time based on revised guidelines issued by DPE and the latest CSR Policy has been drawn based on Companies Act, 2013. The CSR activities have been undertaken and implemented in compliance with CSR objectives as per CIL's CSR Policy.

Sd/- (Chief Executive Officer or Managing Director or Director)	Sd/- (Chairman, CSR Committee)	Person Specified under Clause (d) of Sub - Section (1) of Sec 380 of the Act (wherever applicable)

Annexure A to the Directors' Report 2016-17 pertaining to CSR

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs			Amount Outlay (Budget) Project or Porgramme wise (Rs. Lakhs)	Amount spent on the projects or programs (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Name of Implementing Agency- Direct Or Through implementing agency
			Local area or other	State	District				
1	BPL Scholarship	Education	Local area	West Bengal	Kolkata	0.71	0.71	0.71	CIL
2	Financial assistance for purchase of emergency ambulance service fully equipped with medical facility	Healthcare	Local area	West Bengal	South 24 Parganas	15.00	1.80	13.80	Su Samannaya
3	Construction of a home for underprivileged / orphaned boys in Jharkhand	Education	Other	Jharkhand	Ranchi	48.00	48.00	48.00	MAHER
4	Purchasing equipment for differently abled children	Welfare of the differently abled	Local area	West Bengal	Kolkata	79.43	79.02	79.02	Institute of Handicapped and Backward People (IHBP)
5	Installing 130 nos. of deep bore wells for ensuring regular water supply	Drinking Water	Other	Madhya Pradesh	Sidhi	102.40	25.60	76.80	DC, Sidhi
6	Construction of hostel for accomodating girls belonging to BPL and backward communities for their skill development as mid level opthalmic assistants under Project Nai Roshni	Women Empowerment	Other	West Bengal	Purulia	79.32	39.66	39.66	NANRITAM
7	Conducting a year long traffic awareness programme in nine traffic zones of Kolkata for public utitlity service	Others	Local area	West Bengal	Kolkata	96.48	76.48	76.48	Karmyog for 21st Century
8	Conducting eye screening and cataract operation camps to reduce avoidable blindness in rural and backward areas of the country	Healthcare	Other	More than one state	More than one district	12.50	6.25	12.50	Anugraha Drishti Dan
9	Financial support for infrastructure development of the school	Education	Other	West Bengal	Burdwan	11.51	2.88	11.51	Palla Village F.P. School
10	Financial assistance for purchasing desks and benches	Education	Local area	West Bengal	Kolkata	4.40	4.40	4.40	Sisters of Charity

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs			Amount Outlay (Budget) Project or Porgramme wise (Rs. Lakhs)	Amount spent on the projects or programs (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Name of Implementing Agency- Direct Or Through implementing agency
			Local area or other	State	District				
11	Facilitating development of physical abilities to the highest potential through regular therapy services to children and adults with cerebral palsy and other neuro-motor disabilities	Welfare of the differently abled	Local area	West Bengal	Kolkata	17.58	11.63	11.63	Indian Institute of Cerebral Palsy
12	Adoption and annual maintenance of butterfly habitat	Environmental Sustainability and Conservation of Natural Resources	Other	Jharkhand	East Singhbhum	2.00	1.00	2.00	TATA Zoological Society
13	Financial assistance for CSR activities of CCL - Sports complex at Khelgaon (Hotwar), Ranchi	Promotion of sports	Other	Jharkhand	Ranchi	1836.00	1836.00	1836.00	CCL/JSSPS
14	Distribution of 12000 bicycles in Nuapada	Rural Development Projects	Other	Odisha	Nuapada	360.00	87.80	357.80	Sunebeda HIl Area Development Agency (SADA)
15	Installation of Solid Waste Management Plants at prominent temples	Environmental Sustainability and Conservation of Natural Resources	Other	More than one state	More than one district	83.73	54.81	82.72	Sri Sri Rural Development Programme (SSRDP)
16	Financial assistance for procurement of CT scan machine and cath lab equipment to provide affordable healthcare	Healthcare	Local area	West Bengal	South 24 Parganas	572.00	264.00	264.00	Liver Foundation, West Bengal
17	Financial assistance for community arsenic mitigation project in Varanasi, Ghazipur and Ballia districts of Uttar Pradesh	Drinking Water	Other	Uttar Pradesh	More than one district	38.77	16.48	26.17	Innervoice Foundation
18	Installation of 100 hand pumps in backward districts of district Ghazipur	Drinking Water	Other	Uttar Pradesh	Ghazipur	43.59	14.53	14.53	Uttar Pradesh Jal Nigam Ghazipur
19	Fund transfer to WCL for financial assistance to Dr. Aabaji Thatte Sewa aur Anusandhan Sanstha for National Cancer Institute, Nagpur	Healthcare	Other	Maharashtra	Nagpur	2500.00	2500.00	2500.00	WCL/Dr. Aabaji Thatte Sewa aur Anusandhan Sanstha

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs			Amount Outlay (Budget) Project or Porgramme wise (Rs. Lakhs)	Amount spent on the projects or programs (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Name of Implementing Agency- Direct Or Through implementing agency
			Local area or other	State	District				
20	Financial support towards purchase of equipment for digital pathological labortory	Healthcare	Other	Delhi	Saket	16.40	8.01	16.21	Mahaveer International
21	Financial assistance for Bone marrow transplant of 2 underprivileged children and distribution of medicines	Healthcare	Other	Maharashtra	Gondia	27.00	27.00	27.00	District Surgeon, KTS General Hospital, Gondia
22	Imparting training to 400 persons in plastic engineering trades at CIPET, Murthal	Skill Development	Other	Haryana	Sonepat	240.00	120.00	180.00	Central Institute of Plastic Engineering and Technology, Murthal
23	Construction of satellite eye hospital at Alwar, Rajasthan	Healthcare	Other	Rajasthan	Alwar	64.00	15.47	63.47	SAPNA
24	Different development works in Purulia, West Bengal	Rural Development Projects	Other	West Bengal	Purulia	3291.89	654.75	1310.13	TERI
25	Financial support for Himalaya Cleaning Campaign as part of the Swachh Bharat Abhiyan	Environmental Sustainability and Conservation of Natural Resources	Other	More than one state	More than one district	5.00	2.50	5.00	Indian Mountaineering Foundation (IMF)
26	Installation of hand pumps and construction of sanitary latrines in South 24 Parganas	Rural Development Projects	Local area	West Bengal	South 24 Parganas	4.08	1.06	2.42	Prapti Mahila Samity
27	Community based integrated programme with special focus on marginalized children and youth in naxalite and insurgency affected districts of Jharkhand and Assam	Rural Development Projects	Other	More than one state	More than one district	91.90	50.60	91.90	Prayas Juvenile Aid Centre Society
28	Empowerment of destitute, marginalized and domestic violence victims	Women Empowerment	Local area	West Bengal	Kolkata	23.62	11.81	11.81	Ankur Kala
29	Construction of public toilets for the benefit of tribal students and general public	Sanitation	Other	Arunachal Pradesh	Tirap	11.31	11.31	11.31	Ramakrishna Mission, Narottam Nagar
30	Construction of blood bank with component separation facility at IMA, Kanpur premises	Healthcare	Other	Uttar Pradesh	Kanpur	300.00	130.00	276.75	Indian Medical Association, Kanpur

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs			Amount Outlay (Budget) Project or Porgramme wise (Rs. Lakhs)	Amount spent on the projects or programs (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Name of Implementing Agency- Direct Or Through implementing agency
			Local area or other	State	District				
31	Construction of 400 toilets in Sundarban area	Sanitation	Local area	West Bengal	South 24 Parganas	97.10	50.00	50.00	South Sundarban Janakalyan Sangha
32	Electrification of dining hall and kitchen with energy efficient LED lighting system ,providing food free of charge to underprivileged people	Others	Local area	West Bengal	Howrah	54.84	54.84	54.84	Ramakrishna Math, Belur
33	Execution of water, sanitation and poverty alleviation in Bolput-Shantiniketan block, Birbhum, West Bengal	Rural Development Projects	Other	West Bengal	Birbhum	93.85	50.00	50.00	Tagore Society for Rural Development
34	Installation of 44 hand pumps in Sundarban Area	Drinking Water	Local area	West Bengal	South 24 Parganas	97.82	50.00	50.00	South Sundarban Janakalyan Sangha
35	Setting up community drinking water project for the people of Bishnupur	Drinking Water	Other	West Bengal	Bankura	96.00	30.00	78.00	Bishnupur Municipality
36	Financial support for setting up auditorium on the third floor of the museum constructed by Gaudiya Mission	Others	Local area	West Bengal	Kolkata	85.25	45.00	45.00	Gaudiya Mission
37	Installation of 275 India Mark hand pumps for the benefit of residents of Shravasti constitutency in Uttar Pradesh	Drinking Water	Other	Uttar Pradesh	Shravasti	99.20	50.00	50.00	Uttar Pradesh Small Industries Corporation Ltd. (UPSICL)
38	Installation of escalators at Suburban railway stations in Mumbai	Others	Other	Maharashtra	More than one district	3000.00	3000.00	3000.00	WCL/Indian Railways
39	Support for training and preparation of sportspersons for Olympics and Paralympics in different games	Promotion of sports	Other	More than one state	More than one district	7500.00	2500.00	2500.00	Department of Sports, Ministry of Youth Affairs and Sports, Govt. of India
40	Establishment of sixteen Central Ambient Air Quality Monitoring Systems (CAAQMS) in ten cities	Environmental Sustainability and Conservation of Natural Resources	Other	More than one state	More than one district	6526.18	969.89	969.89	Central Pollution Control Board (CPCB)

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs			Amount Outlay (Budget) Project or Porgramme wise (Rs. Lakhs)	Amount spent on the projects or programs (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Name of Implementing Agency- Direct Or Through implementing agency
			Local area or other	State	District				
41	Towards celebration of Swachhta Pakhwada	Sanitation	Local area	West Bengal	Kolkata	0.94	0.94	0.94	National co operative consumers federation of India Ltd.
42	Conducting Medical Camps	Healthcare	Local area	West Bengal	More than one district	5.00	3.64	3.64	Medical Department, CIL(HQ)
43	Towards CIL's share in the felicitation ceremony for Swachh Vidyalaya Abhiyan - Administrative Expenditure	Administrative Expenditure	Not applica-ble	Not applicable	Not applicable	0.41	0.41	0.41	REC
44	Towards entry for World CSR Day	Administrative Expenditure	Not applica-ble	Not applicable	Not applicable	0.30	0.30	0.30	ABP News
45	TISS Payment - Administrative Expenditure	Administrative Expenditure	Not applica-ble	Not applicable	Not applicable	9.18	9.18	9.18	TISS
46	CSR Expenditure of North Eastern Coalfields	Mutliple sectors	Local Area	Assam	More than one district	18.63	18.63	18.63	North Eastern Coalfields
	Gross CSR Expenditure (₹ Lakhs)		12936.38						
	Refund of CSR fund released during previous years (₹ Lakhs)		130.90						
	Net CSR Expenditure (₹ Lakhs)		12805.48						

ANNEXURE 29

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

On 9 December 2016, the Competition Appellate Tribunal ***(COMPAT)*** dismissed the Appeal No. 80 of 2014, Coal India Limited v. Sai Wardha Power Limited and upheld the Order of the Competition Commission of India dated 27 October 2013, holding CIL and its subsidiaries to be abusing their dominant position in violation of Section 4 of the Competition Act, 2002 **(Act)**. An Appeal has been filed before the Hon'ble Supreme Court of India against this Order.

On 24 March 2017 and 21 April 2017, the Competition Commission of India ***(Commission)*** has passed its Final Order and Judgment in Cases No. 3, 11, and 59 of 2012, Cases No. 5 & 7, 37, and 44 of 2013, and Case No. 8 of 2014 holding CIL and its subsidiaries to be abusing their dominant position in violation of Section 4 of the Competition Act, 2002 **(Act)**.

The Commission has imposed a penalty of INR 591.01 Cr on CIL for its conduct as has been found to be in violation of the Competition Act, 2002.

On 20 March 2017, the Competition Appellate Tribunal ***(COMPAT)*** dismissed the Appeal No. 81 of 2014 and upheld the Order of the Competition Commission of India dated 27 October 2013, holding CIL and its subsidiaries to be abusing their dominant position in violation of Section 4 of the Competition Act, 2002 (Act). An Appeal has been filed before the Hon'ble Supreme Court of India against this Order.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS FOR THE YEAR 2016-17

S. No	Name of the Court/ Tribunal	Cause/Title	Details of Order
1.	Supreme Court of India	C.A No. 2845 of 2017 CIL & Anr v. CCI and Sai Wardha Power Limited	Vide Order dated 9 December 2016, the Competition Appellate Tribunal dismissed Appeal No. 80 of 2014 filed by CIL and WCL against the order of the Commission dated 27 October 2013, holding CIL and its subsidiaries to be abusing their alleged dominant position. CIL filed an Appeal before the Hon'ble Supreme Court of India. The Supreme Court vide its order dated 23 February 2017 directed that the computation of compensation claims filed by Sai Wardha Power Limited may continue before the COMPAT but the same shall not be finalized. The matter is listed on 2 August 2017
2.	Competition Commission of India	Case No. 3, 11, and 59 of 2012 *Maharashtra State Power Generation Company Ltd and Anr. V. CIL and Ors.*	Background: Vide an order dated 9 December 2013 of the Competition Commission of India (CCI), in Case Nos. 03, 11 & 59 of 2012, CCI ordered CIL to cease and desist from all of 'its anti-competitive conduct', to modify its FSAs in light of the CCI's order. A penalty of INR 1773 crores, at a rate of 3% of the average of CIL's annual turnover for the last three financial years was also imposed. CIL filed an appeal against this order before the Competition Appellate Tribunal (COMPAT) which was allowed by COMPAT on 17 May 2016. The penalty of ₹1773 crores was set aside and the matter has been remitted to CCI for fresh hearing on the issues. The CCI passed a Fresh Order on 24 March 2017 and returned with similar findings as arrived at in the Old Order dated 9 December 2013. The CCI considered mitigating circumstances such as changes made to the sampling and other clauses, and constraints imposed by various ministries upon CIL, and accordingly imposed INR 591.01 Cr as against earlier penalty of INR 1773.05 Cr. imposed under the order dated 9 December 2013.

S. No	Name of the Court/ Tribunal	Cause/Title	Details of Order
3.	Competition Commission of India	Case No. 5&7, 37, and 44 of 2013 And Case No. 8 of 2014 *Madhya Pradesh Power Generating Company Limited and Ors. V. CIL and Ors.* *GHCL v. CIL and Ors.*	Background: Vide orders dated 15 April 2014 and 16 February 2016, in Case No. 5&7, 37, and 44 of 2013 and Case No. 8 of 2014 respectively, the CCI ordered CIL to cease and desist from all of 'its anti-competitive conduct', to modify its FSAs in light of the CCI's order. CIL filed an appeal against this order before the Competition Appellate Tribunal (COMPAT) which was allowed by COMPAT on 17 May 2016. The CCI passed a Fresh Order dated 21 April 2017 and returned with similar findings as arrived at in the Old Order dated 9 December 2013. In light of the penalty imposed in the Case No. 3, 11, and 59 of 2012, no further penalty was imposed upon CIL.
4.	Supreme Court of India	C.A No. 5697 of 2017 CIL v. CCI and Bijay Poddar	Vide Order dated 20 March 2017, the Competition Appellate Tribunal dismissed the Appeal No. 81 of 2014 filed by CIL against the order of the Commission dated 27 October 2014, holding CCI and its subsidiaries to be abusing their alleged dominant position. CIL was directed to modify terms of Spot e auction Scheme 2007 in light of its findings in the order CIL filed an Appeal before the Hon'ble Supreme Court of India. The Supreme Court vide its order dated 5 May 2017 granted a stay on the COMPAT's Order.

ANNEXURE 30

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy:

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2017, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. CIL is committed to observe Corporate Governance practices at different levels to achieve its objectives. Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

2. Board of Directors:

2.1 Size of the Board

Coal India Ltd is a Government Company within the meaning of section 2 sub-section (45) of Companies Act, 2013. As per the Articles of Association of the Company, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. 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 be liable to retire by rotation. However, Chairman is not liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government. In terms of the Articles of Association of the Company, the number of Directors of the Company shall not be less than three. These directors may be either whole time functional Directors or part time Directors.

2.2 Composition of Board

As on 31st March, 2017, Board of Directors comprised of Chairman, 2 Functional Directors and 2 Non-Executive Directors (Government Nominees) and 5 Independent Directors. 2 Functional Directors posts are vacant and held by Directors on additional charge. In addition, there are 3 Permanent Invitees in the Board.

2.3 Age limit and tenure of Directors

The age limit of Chairman & Managing Director and other whole –time functional Directors is 60 Years. The Chairman cum Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of assumption of charge or till the date of superannuation of the incumbent or till further orders from the Government of India whichever event occurs earlier. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2017 have been made by the Directors. None of the Directors are related to each other. Government Nominee Directors representing Ministry of Coal, retire from the Board on ceasing to be officials of Ministry of Coal. Independent Directors are appointed by the Government of India. The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of Listing Regulations.

2.4 Board Meetings

During the year 2016-17, 14 Board meetings were held on 03-05-2016, 28-05-2016, 18-06-2016, 11-07-2016, 19-07-2016, 03-08-2016, 13-09-2016, 21-09-2016, 13-12-2016, 17-01-2017, 11-02-2017, 06-03-2017, 11-03-2017 & 26-03-2017.

Details of number of Board Meetings attended by the Directors, attendance at the last Annual General Meeting, number of other Directorship etc. during the year 2016-17 were as follows:

Sl. No.	Name of the Director.	Category of Directorship	No. of Board meetings attended during 2016-17.	Attended at the last AGM	No. of other Director-ship as on 31.3.2017 in public companies.
1	Shri Sutirtha Bhattacharya	Chairman	14	Yes	NIL
2	Dr A. K. Dubey	Official Part Time Director	6	No	NIL
3	Smt. Sujata Prasad	Official Part Time Director	2	No	NIL

Sl. No.	Name of the Director.	Category of Directorship	No. of Board meetings attended during 2016-17.	Attended at the last AGM	No. of other Director-ship as on 31.3.2017 in public companies.
4	Shri Vivek Bharadwaj	Official Part Time Director	8	Yes	NIL
5	Shri R.K.Sinha	Official Part Time Director	5	Yes	NIL
6	Shri R. Mohan Das (Terminated on 30-03-17)	Director (P&IR)	14	Yes	NIL
7	Shri S. Saran	Director (Technical) Additional Charge	6	No	NIL
8	Shri N Kumar (17-10-16)	Director (Technical)	7	Yes	NIL
9	Shri C. K. Dey	Director (Finance)	13	Yes	1
10	Shri. S.N. Prasad	Director (Marketing)	13	Yes	NIL
11	Ms. Loretta Mary Vas	Non Official Part Time Director	11	Yes	NIL
12	Dr. S.B.Agnihotri	Non Official Part Time Director	14	Yes	1
13	Dr. D.C.Panigrahi	Non Official Part Time Director	13	Yes	NIL
14	Shri Vinod Jain	Non Official Part Time Director	14	Yes	2
15	Dr. Khanindra Pathak	Non Official Part Time Director	12	Yes	NIL

Sl 2: ceased to be director w.e.f 5th Aug' 2016 Sl.3: ceased to be director w.e.f 20th June 2016(AN) . Sl no.4: appointed w.e.f 30th Aug' 2016, Sl.no.5- appointed w.e.f 5th Aug' 2016. Sl. No-6: terminated w.e.f 31st March' 2017.Sl No-7- appointed w.e.f 31st Oct' 2016. Sl. no-8- ceased to be director w.e.f 18th Oct' 2016 due to death.

Information placed before the Board of Directors:
The Company provides information as set out in Regulation 17(7) read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. The Board has complete access to any information within the Company. The information regularly supplied to the Board inter-alia included the following:

a) Annual operating plans and budgets and any updates.

b) Capital budgets and any updates.

c) Quarterly results for the company and its operating divisions or business segments.

d) Minutes of meetings of audit committee and other committees of the board.

e) The information on recruitment and remuneration of senior officers just below the board level including appointment or removal of Chief Financial Officer and the Company Secretary.

f) Show cause, demand, prosecution notices and penalty notices which are materially important.

g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

h) Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.

i) Any issue, which involves possible public or product liability claims of substantial nature including any judgement or order which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.

j) Details of any joint venture or collaboration agreement.

k) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

l) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

m) Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business.

n) Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.

o) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

2.6 Committees of the Board of Directors

The Board had constituted following Committees of the Board:

i) Audit Committee.
ii) Nomination and Remuneration Committee.
iii) Stakeholders Relationship Committee.
iv) Share Transfer Committee.
v) Risk Management Committee.
vi) Corporate Social Responsibility Committee.
vii) Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects

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 334th Meeting held on 13th Dec.'2016 consists of four Independent Directors, one Government Nominee, one Functional Director holding Additional charge and one permanent invitee. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation 2015.

Sl No	Name of the Director	Status	
1	Shri Vinod Jain	Chairman(from 06-01-16)	Independent Director
2	Smt Sujata Prasad	Member (Chairman from 08-11-14 till 11-05-15 and member w.e.f 03.05.13 till 20-06-16)	JS& FA, MOC
3	Shri R.K.Sinha	Member (member w.e.f 13-09-16)	JS, MOC
4	Ms. Loretta Mary Vas	Member(w.e.f 06-01-2016)	Independent Director
5	Dr S.B. Agnihotri	Member(w.e.f 06-01-2016)	Independent Director
6	Dr D C Panigrahi	Member(w.e.f 06-01-2016)	Independent Director
7	Shri N. Kumar	Member(w.e.f 13-03-2012 till 17-10-16)	Director (Technical) CIL
8	Shri S. Saran	Member (w.e.f 13-12-16)	Director (Technical) CIL
9	Shri C K Dey	Permanent invitee (w.e.f 6-1-16)	Director (Finance) CIL

Director (Finance), HOD (Internal Audit) and Statutory Auditors are invited to the Audit Committee Meeting. Company Secretary is the Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations. Senior Functional executives are also invited as and when required to provide necessary clarification to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meeting.

(b) Meetings and Attendance of Audit Committee.

14 Meetings were held during the financial year 2016-17 on 27-04-2016, 27-05-2016, 17-06-2016, 11-07-2016, 02-08-2016, 08-09-2016, 12-12-2016, 25-01-2017, 10-02-2017, 06-03-2017, 07-03-2017, 11-03-2017, 18-03-2017 & 26-03-2017. The details were as under:-

Sl No	Name of the Director	Status	No. of meetings attended
1	Shri Vinod Jain	Chairman (from 06-01-16)	14
2	Smt. Sujata Prasad	Member (Chairman from 08-11-14 till 11-05-15 and member w.e.f 03.05.13 till 20-06-16)	1

Sl No	Name of the Director	Status	No. of meetings attended
3	Shri R.K.Sinha	Member (w.e.f 13-09-16)	3
4	Ms. Loretta Mary Vas	Member (w.e.f 06-01-16)	12
5	Dr S.B. Agnihotri	Member (w.e.f 06-01-16)	14
6	Dr D C Panigrahi	Member (w.e.f 06-01-16)	13
7	Shri N. Kumar	Member (w.e.f 13-03-2012 till 17-10-16)	5
8	Shri S. Saran	Member (w.e.f 13-12-16)	6
9	Shri C. K. Dey	Permanent invitee (w.e.f 06-01-16)	14

(c) Scope of Audit Committee: -

The role of Audit Committee included the following:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Recommendation to Board for approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and the reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment bymanagement
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before submission to board for its approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with Statutory Auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism;
19. Reviewing the follow up action on the audit observations of C & AG Audit;
20. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the parliament;
21. Reviewing the financial statement of the subsidiary companies;
22. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(d) Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions as defined by the Audit Committee submitted by the management;
3. Management letters/letters of internal control weakness issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. Review of the appointment, removal and terms of remuneration of out sourced internal auditors.
6. statement of deviations:
   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

3.2 Nomination and Remuneration Committee

CIL being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Functional 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. In compliance with Section 178 of Companies Act, 2013, the Board has renamed the "Remuneration Committee" as "Nomination and Remuneration Committee" in its 303rd meeting held on 14-01-14. This committee was reconstituted in 332nd Board Meeting held on 13-09-16. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation. During the year 2016-17, six Sub-Committee Meeting were held on 27-04-2016, 27-05-2016, 16-07-2016, 07-11-2016, 18-01-2017 and 31-01-2017. The details were as under:

Sl No	Name of the Director	Status	No. of Meeting attended
1.	Ms. Loretta Mary Vas	Chairman (w.e.f 06.01.2016)	6
2	Dr D C Panigrahi	Member (w.e.f 06.01.2016)	6
3.	Smt Sujata Prasad	Member (w.e.f 06.01.2016 till 20-06-16)	1
3.	Shri R.K.Sinha	Member (w.e.f 13.09.2016)	1
4.	Shri R. Mohan Das	Permanent Invitee (w.e.f 06.01.2016 till 30.03.17)	6

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 Companies Act. Accordingly, the Board had decided payment of sitting fees for each meeting of the Board and Committee of the Board @ Rs. 40,000/- and Rs.30,000/- respectively to each Independent Director in its 327th meeting held on 28th May'2016.

Details of remuneration paid to Functional Directors of the Company during the financial Year 2016-17 were as under:

(in Rupees)

SL	Name of the Director	Salary	Benefits	Total	Remarks
1.	Shri Sutirtha Bhattacharya	27,30,134.00	5,03,538.00	32,33,672.00	
2.	Shri R Mohan Das	1,02,30,182.00	20,51,745.00	1,22,81,927.00	Terminated on 30-03-2017
3.	Shri N Kumar	64,95,651.00	8,37,713.00	73,33,364.00	Demised on 17-10-2016
4.	Shri C K Dey	41,74,541.00	6,55,723.00	48,30,264.00	
5.	Shri S.N.Prasad	42,54,501.00	5,28,911.00	47,83,412.00	
6.	Shri S.Saran				Is drawing salary from CMPDIL

The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. Details of sitting fees paid to Independent Directors during the year 2016-17 were given below:

(in Rupees)

Name of the Independent Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Total
Ms. Loretta Mary Vas	4,40,000.00	5,30,000.00	9,70,000.00
Dr D C Panigrahi	5,00,000.00	6,70,000.00	11,70,000.00

(in Rupees)

Name of the Independent Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Total
Dr S.B. Agnihotri	5,40,000.00	7,50,000.00	12,90,000.00
Shri Vinod Jain	5,40,000.00	7,50,000.00	12,90,000.00
Dr. Khanindra Pathak	4,80,000.00	2,50,000.00	7,30,000.00

3.3 Stakeholders Relationship Committee.

Shareholders' / Investors' Grievance Committee was constituted by CIL Board of Directors in pursuance of Listing Agreement in its 258th meeting held on 05-08-2010. In compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement, the Board had renamed the "Shareholders'/Investors' Grievance Committee" as "Stakeholders' Relationship Committee" in its 307th Board Meeting held on 29-05-2014. The Committee was reconstituted by CIL Board in its 323rd Meeting held on 06-01-16. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act 2013.

The Committee shall be responsible for considering and resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year 2016-17, two meetings were held on 07-09-2016 and 12-12-2016.

This Committee consisted of following Directors and their attendance was as follows:

Sl. No.	Name of the Director	Status		No. of Meeting attended
1	Dr S.B. Agnihotri	Chairman (w.e.f 06.01.2016)	Independent Director	2
2	Shri Vinod Jain	Member (w.e.f 06.01.2016)	Independent Director	2
3	Shri R. Mohan Das	Member till 30.03.17	Director (P&IR) CIL	1
4	Shri C K Dey	Member	Director (Finance) CIL	2

a) Compliance officer:

Shri M.Viswanathan, Company Secretary is the Compliance Officer. Company Secretary is primarily responsible to ensure compliance with the applicable statutory requirements and is the interface between Management and regulatory authorities on governance matters.

b) Redressal of Investors' Grievances:

The company addresses all complaints and grievances of the investors expeditiously and usually resolves the issue within 7 days except in case of dispute over facts or other legal constraints. The complaints were duly attended by the Company/ RTA.

c) Settlement of Grievances

Investors may register their complaints in the manner stated below:-

Sl. No	Nature of Compliant	Contact Officers
1	Dividend from Financial Years 2010-11 to 2016-17 and shares held in physical mode For Physical Shares: Change of address, status, Bank account, ECS mandate etc.	M/s Alankit Assignments Limited, Alankit Height 1E/13, Jhandewalan Extension, New Delhi-110055, Email-id-alankit_rta@alankit.com Ph. No-011-4254-1234/2354-1234 Fax no-011-4154-3474 Toll free no-1860-121-2155 Website-www.alankit.com
2	For Dematted Shares:- Change of address, status, Bank account, ECS mandate etc.	Concerned Depository participant (DP) where the Shareholder is maintaining his/her account
3	All complaints except Sl. No 1&2	Company Secretary, Coal India Limited, Coal Bhawan, 3rd floor, Core-2, Newtown Rajarhat, Kolkata-700156. Phone No-033-23245555 Fax No-03323246510 Email-complianceofficer.cil@coalindia.in

d) Investor Relation Cell

In line with global practices, the Company is committed to maintain the highest standards of Corporate Governance reinforcing the relationship between the company and its Shareholders. Information frequently required by the Investors and Analysts are available on the Company's corporate website www.coalindia.in under "Investor Centre". This website provides updates on investor-related events and presentations, dividend information and shareholding pattern etc. Updates on Financial Statement and Annual Report are available under 'Performances/Financial' tab. The company is committed to take such other steps as may be necessary to fulfill the expectations of the stakeholders.

e) Details of Shares in ESCROW Account as per Regulation 39(4) read with Schedule VI of Listing Regulation 2015.

Opening Balance as on 01.04.16		Disposed off during the year		Closing balance as on 31.03.17	
Aggregate No of Shareholders	No of Shares Outstanding	No of Shareholders to whom their shares were credited	Shares transferred from ESCROW Account	Aggregate No of Shareholders in Escrow A/c	No of Shares Outstanding in Escrow A/c
159	19599	10	1320	149	18279

f) Unpaid Dividend Status as on 31.03.2017:-

YEAR	CASES	AMOUNT (in ₹)
INTERIM 2010-2011	26424	7729690.50
FINAL 2010-2011	29038	896198.00
INTERIM 2011-2012	21281	14840301.50
FINAL 2011-2012	30162	1169309.00
INTERIM 2012-2013	16001	9895396.80
FINAL 2012-2013	19602	6675755.00
INTERIM 2013-2014	12917	22693776.00
INTERIM 2014-2015	10649	13003169.00
INTERIM 2015-2016	15486	26486094.00
1ST INTERIM-2016-2017	62385	128331325.00
2ND INTERIM-2016-2017	126489	487807968.00
TOTAL	**3,70,434**	**71,95,28,982.80**

g) Outstanding IPO refund as on 31.03.17:-

SL. NO.	Cases	Amount (in ₹)
1	465	4708204.03

h) Status of complaints disposed off during 2016-17 (Quarter wise):-

Quarter	Opening	Received	Resolved	Pending	*Consumer Forum Cases
1st Qtr	0	98	97	1	16
2nd Qtr	1	145	143	3	16
3rd Qtr	3	68	67	4	14
4th Qtr	4	185	187	2	13

*ATR had been filed with the appropriate authorities. Awaiting final order from consumer court.

3.4 Share Transfer Committee.

A Share Transfer Committee was constituted by CIL Board of Directors in its 262nd meeting held on 22-11-2010. This committee was reconstituted in 324th CIL Board meeting held on 11-02-16. The Share Transfer Committee looks into the following:

a) Transfer or Transmission of Shares. and

b) Issue Duplicate Certificates and new Certificates on split /consolidation/renewal/demat to remat etc.

During the year 2016-17, 19 meetings of the committee were held on 07-04-2016, 19-04-2016, 09-05-2016, 03-06-2016, 23-06-2016, 04-07-2016, 09-08-2016, 17-08-2016, 17-10-2016, 09-11-2016, 16-11-2016, 01-12-2016, 16-12-2016, 06-01-2017, 16-01-2017, 09-02-2017, 15-02-2017, 06-03-2017 & 17-03-2017. The Share Transfer Committee consists of following Directors and their attendance was as follows:

Sl No	Name of the Director	Status		No. of Meeting attended
1	Shri R. Mohan Das	Director (P&IR)	Chairman (till 30.03.17)	19
2	Shri C.K. Dey	Director (Finance)	Member	16
3	Shri S N Prasad	Director (Marketing)	Member (w.e.f 11.02.2016)	12

3.5 Risk Management Committee.

Corporate Governance including Risk Assessment and Minimization Procedures Committee was constituted by CIL Board of Directors in its 273rd meeting held on 20-09-2011. During the year 2014-15, this committee was renamed as Risk Management Committee which was approved by CIL Board in its 307th meeting held on 29th May 2014. The Risk Management Committee of the Company is constituted in line with Regulation 21 of SEBI (LODR) Regulation, 2015. This committee was reconstituted in 334th meeting held on 12th December'2016.

During the year, 2016-17, three meeting were held on 27-05-2016, 12-12-2016 and 17.01.2017 and attendance of Directors was as follows:

Sl No	Name of the Director	Status		No. of Meeting attended
1	Dr D C Panigrahi	Chairman (w.e.f 06.01.16)	Independent Director	3
2	Dr. Khanindra Pathak	Member (w.e.f 06.01.16)	Independent Director	3
3	Shri S. Saran	Member (w.e.f 13.12.16)	Director (Technical)	2
4	Shri N Kumar	Member (w.e.f 06.01.16 till 17.10.16)	Director (Technical)	1
5	Shri S N Prasad	Member (w.e.f 06.01.16)	Director (Marketing)	3

3.6 Corporate Social Responsibility Committee.

Sustainable Development Committee including CSR Committee was constituted by the CIL Board of Directors in its 282nd meeting held on 16-04-2012. This committee was reconstituted in 334th CIL Board meeting held on 13-12-2016. This Committee was renamed as CSR Committee in pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. In addition to CSR activities this committee will also look after Sustainable Development. During the year 2016-17, three meeting of the committee were held on 27-05-2016, 03-08-2016 & 18-01-2017 respectively. The Corporate Social Responsibility Committee consisted of following members and their attendance was as follows:

Sl. No.	Name of the Director	Status		No. of Meeting attended
1	Dr S.B. Agnihotri	Independent Director	Chairman (from 06.01.16)	3
2	Dr. Khanindra Pathak	Independent Director	Member (from 06.01.16)	3
3	Shri Vinod Jain	Independent Director	Member (from 06.01.16)	3

Sl. No.	Name of the Director	Status		No. of Meeting attended
3	Shri R. Mohan Das	Director (P&IR)	Member (till 30.03.17)	3
4	Shri S. Saran	Member (w.e.f 13.12.16)	Director (Technical)	1
5	Shri N Kumar	Member (w.e.f 06.01.16 till 17.10.16)	Director (Technical)	2

3.7 Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects:

An Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects was re-constituted by CIL Board in its 332nd meeting held on 13-09-2016. During the year 2016-17, one Sub-Committee Meeting was held on 31-03-2017. The Committee consisted of following Directors and their attendance was as follows:

Sl No	Name of the Director	Status	No. of Meeting attended
1	Chairman, CIL.	Chairman	1
2	Jt. Secretary (LA), MOC.	Member	1
3	Director (Finance), CIL	Member	1
4	Director (Technical), CIL.	Member	1
5	Dr. S.B. Agnihotri	Member (w.e.f 06.01.16)	1
6	Dr. D.C. Panigrahi	Member (w.e.f 06.01.16)	1
7	Dr. Khanindra Pathak	Member (w.e.f 06.01.16)	1
8	Shri Vinod Jain	Member (w.e.f 06.01.16)	1
9	CMD CMPDIL	Permanent Invitee	1

4. General Body Meetings

A. Particulars of last three AGM:

Date, Time and Venue of last three Annual General Meetings held were as under:-

Financial Year.	Date.	Time.	Location.
2015-16	21-09-2016	10.30 AM	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.
2014-15	23-09-2015	10:30 AM	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.
2013-14	10-09-2014	10:30 AM	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.

B. Particulars of Special Resolutions passed at the last three AGM:

AGM	Year	Time	Particulars of Special Resolution
42nd	21-09-2016	10.30 AM	NA
41st	23-09-2015	10:30 A.M	NA
40th	10-09-2014	10:30 AM	Alteration for Articles of Association.

C. **Particulars of Special Resolution passed through Postal Ballot and details of voting in 2016-17:**

Year	Mode	Particulars of Special Resolution
2016-17	Postal Ballot	Buyback of shares of Coal India Limited

D. **Person who conducted postal ballot exercise: -** Shri A.K. Labh Practising Company, Secretary, Kolkata had been appointed as Scrutinizer for postal ballot activities.

E. **Whether any special resolution is proposed to be conducted through postal ballot- No.**

F. Detailed Procedure for Postal Ballot activity will be available under tab Investor Centre of Coal India website

5. Disclosures

A) During the year there was no transaction of material nature with Related Parties that had potential conflict with the interests of the Company. As required under Regulation 23(1) of SEBI(LODR)Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transactions.

(https://www.coalindia.in/DesktopModules/DocumentList/documents/Related_Party_Transaction_Policy'_01122014(1).PDF)

B) The Company had complied with requirements of Regulatory Authorities on capital markets and no penalties/strictures was imposed against it in the last three years by Stock Exchange or SEBI or any other Statutory Authority.

C) Whistle Blower Policy: Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI(LODR) Regulations, 2015, the Company had formulated Whistle Blower Policy to enable stakeholders including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. Accordingly, the Board of Directors of CIL in its 272nd Board Meeting held on 12th August, 2011 has approved "COAL INDIA WHISTLE BLOWER POLICY 2011" at CIL and its subsidiary companies for implementation.

CIL had provided ample opportunities to encourage directors and employees to become whistle blowers (Directors and employees who voluntarily and confidentially want to bring the unethical practices, actual or suspected fraudulent transactions in the organization to the notice of competent authority for the greater interest of the organization and the nation). It has also ensured a very robust mechanism within the same framework to protect them (whistle blowers) from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit committee.

D). **CEO/CFO Certification:** As required under SEBI(LODR)Regulations,2015, Certificate signed by Shri Sutirtha Bhattacharya, Chairman/CEO and Shri C. K. Dey, Director (Finance)/CFO was placed before the Board of Directors in its 341st Board Meeting held on 29th May' 2017 and is annexed to Corporate Governance Report.

E) Code of Business Conduct.

The Company has in place a Code of Business Conduct applicable to Board Members as well as to Senior Management which was revised by CIL in its 311th Board Meeting held on 29-03-2015 in line with Companies Act' 2013 and Listing Regulations 2015 and the same has been uploaded in Company's website. Further, all Board Members of Coal India Limited and Senior Management Personnel have affirmed compliance to the code of conduct as on 31st March, 2017.

Declaration as required under Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the members of the Board and Senior Management Personnel have affirmed compliance to the Code of Conduct for the financial year ended on 31st March, 2017.

Sd/xxx

Kolkata — (S. Bhattacharya)

Dated: 19th July' 2017 — (Chairman & Managing Director)

F) Code of Internal procedures and conduct for Prevention of Insider Trading.

In pursuance to Regulation 9(1) of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, CIL has adopted **"CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF COAL INDIA LIMITED"** with the objective of preventing purchase and/or sale of shares of CIL by an insider on the basis of unpublished price sensitive information . Under this code, Insiders (Officers, Designated Employees and Connected Persons) are prevented to deal with the company's shares during the closure of Trading Window. This was approved in 314th Board Meeting held on 12th May'2015 and uploaded in website. To deal in Securities beyond limits specified, permission of Compliance Officer is required. All Directors / Officers/Designated Employees are also required to disclose related information periodically as defined in the Code. Company Secretary has been designated as Compliance Officer for this Code.

G) Separate Meeting of Independent Directors.

As per Companies Act, 2013 and Regulation 25(3) & (4) of SEBI Listing Obligations and Disclosure Requirement 2015, Independent Directors are required to hold at least one meeting in a year to discuss the following:

a) Review the performance of non-independent directors and the Board as a whole.

b) Review the performance of Chairperson of the Company taking into account the views of Executive Directors and Non-Executive directors.

c) Assess the quality, quantity and timeliness of flow of information between company management and Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting of Independent directors for the year 2016 was held on 12-12-2016 at Kolkata. All the independent directors attended the meeting, one director participated through video-conferencing.

Formal letter of appointment to Independent Directors: CIL Board in its 308th meeting had approved letter of appointment to be issued to Independent Directors on their appointment and it is also uploaded in company's website. This is as per the Schedule IV of Companies Act 2013 and Regulation 46(2) of Listing Regulations 2015. Accordingly letter of appointment has been issued to newly appointed Independent Directors by Chairman, CIL.

Performance evaluation of Independent Directors: The Nomination and Remuneration committee shall formulate criteria for performance evaluation of Independent Directors and the Board. The Nomination and Remuneration committee was reconstituted by CIL in its 323rd CIL Board meeting held on 06.01.2016. However MCA vide notification no G.S.R 463(E) dated 5th June' 2016 has exempted the above for Government Companies.

Familiarisation programme for Independent Directors: Board of Directors are fully briefed on all business related matters, associated risk, new initiatives etc of the company. The Board of directors were also briefed about the provisions of Companies Act 2013, SEBI(LODR)Regulations,2015, and Prevention of Insider Trading Code of CIL etc. As and when the training programmes are conducted by the recognized institutes on Corporate Governance, company sponsors them to attend training programme and thereby make them familiar with the recent developments. Details of training programme attended by Independent Directors were disclosed in company website under tab "Investor Centre".

https://www.coalindia.in/DesktopModules/DocumentList/documents/Details_of_Familiarization_Programmes_imparted_to_the_Independent_Directors_during_2016_17_&_cumulative_till_date_13062017 .PDF

SUBSIDIARY COMPANIES

The Company had one material subsidiary i.e South Eastern Coalfields Limited (SECL). SECL became a material subsidiary as its income exceeded 20% of CIL's income as on 31st March 2017. The Consolidated Financial Statements of Coal India limited and its Subsidiary Companies are tabled at the Audit Committee and Board Meetings on quarterly basis. Copies of the Minutes of Board Meetings of Subsidiary Companies along with a statement of significant transactions and arrangements entered into by the unlisted subsidiary company are placed to CIL Board.

https://www.coalindia.in/DesktopModules/DocumentList/documents/POLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARIES_21032015.pdf

6. Means of Communication:

a) Quarterly Results:

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through website. The Company also communicates with its institutional shareholders through a combination of Analysts briefing, individual discussions and also participation at investor conferences from time to time. Financial Results are also published in the newspapers as per the detailed given below. Information and latest updates and announcement regarding the company can be accessed at company's website (www.coalindia.in)

Quarter	English Newspaper	Vernacular Newspapers
June' 16	Financial Express	Ei-samay
September' 16	Business Standard	Ei-samay
December' 16	HT-Mint	Ei-samay
March' 17	Business line	Aajkal

b) Official Releases and Presentations:

In order to make general public aware about the achievements of the company in press conference is where highlights of the performance of the company are briefed to the Press for information of the stakeholders after it is intimated to Stock Exchanges.

C) Presentation made to the Analysts:- The salient features of financial results presented to Audit Committee and Board were put on company website for the information of Analysts and general public

7. General Shareholders' Information:

a) Annual General Meeting.

Date: 14th September' 2017

Time: 10.30 AM

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

b) Financial Calendar for FY 2017-18:

Particulars	Date
Accounting period	April 1 , 2017 to March 31 , 2018
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, 2018.
AGM (Next Year)	September 2018 (Tentative)

c) Book Closure.

The Register of Members and Share Transfer Books of the Company will remained closed from 4th September 2017 to 14th September' 2017 (both days inclusive).

d) Payment of Dividend.

The Board of Directors of CIL had approved payment of 1st Interim Dividend@ Rs.18.75 per share (187.50% on the paid up share capital) to shareholders and the same was paid on and from 21st March' 2017 and 2nd Interim Dividend @ Rs 11.5 per share (11.5% on the paid up Share Capital) which was paid to shareholders on and from 31st March' 2017.

e) 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	8842.91	18-09-2013	140%
2013-14	6316.3644	18317.46	10-09-2014	290%
2014-15	6316.3644	13074.88	23-09-2015	207%
2015-16	6316.3644	17306.84	21-09-2016	274%
2016-17	6207.4092	12352.76	Interim Dividend declared and paid earlier	187.5% and 11.5%

f) Listing on Stock Exchanges.

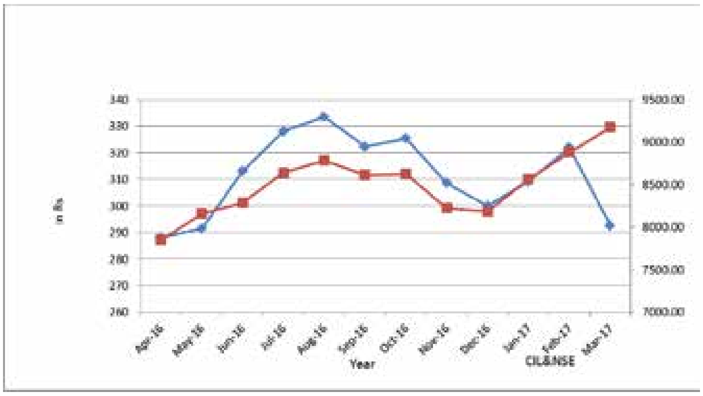
CIL equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited. Scrip Code: COAL INDIA Stock Code: ISIN: INE522FO1014.	Bombay Stock Exchange Limited. Scrip Code: 533278.

An annual Listing fee for the year 2017-18 had already been paid to both the Stock Exchanges.

g) Market Price Data- NSE:

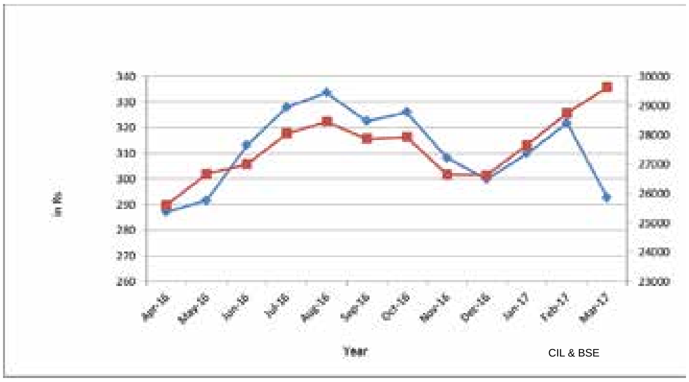
Month	High (in ₹)	Low (in ₹)	Closing (in ₹)
Apr-16	293.75	271.65	288.05
May-16	295.95	272.40	291.40
Jun-16	318.90	289.05	313.00
Jul-16	335.80	309.55	328.00
Aug-16	349.95	320.65	333.50
Sep-16	339.00	316.90	322.30
Oct-16	329.00	309.65	325.40
Nov-16	337.30	289.30	308.60
Dec-16	313.65	282.50	300.00
Jan-17	320.40	297.00	309.20
Feb-17	332.30	306.30	321.90
Mar-17	327.90	288.05	292.65



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

h) Market Price Data- BSE:

Month	High (in ₹)	Low (in ₹)	Closing (in ₹)
Apr-16	293.80	272.05	287.10
May-16	296.00	272.65	291.65
Jun-16	318.80	289.15	313.15
Jul-16	335.80	309.60	328.00
Aug-16	349.85	320.90	333.65
Sep-16	341.00	317.20	322.55
Oct-16	329.55	309.55	326.00
Nov-16	337.30	289.20	308.20
Dec-16	315.00	282.20	300.00
Jan-17	320.00	297.15	309.90
Feb-17	332.10	306.60	321.80
Mar-17	327.95	288.20	292.80



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

i) Registrar and Share Transfer Agent

Registered Address:	Local Address:
M/s Alankit Assignments Limited, Alankit Height 1E/13, Jhandewalan Extension, New Delhi-110055, Email-id-alankit_rta@alankit.com Ph. No-011-4254-1234/2354-1234 Fax no-011-4154-3474 Toll Free No: 1860-121-2155 Website-www.alankit.com	M/s Alankit Assignments Limited, Main Building, 2nd floor 19 R.N. Mukherjee Kolkata-700001 Email-id-alankit_rta@alankit.com Phone no-033-4401-4100/4200 Toll Free No: 1860-121-2155

j) Share Transfer System

Share transfer activities under physical segment are being carried out by M/s Alankit Assignments Limited. The share transfer system consists of activities like receipt of shares along with transfer deed from transferors, its verification, preparation of Memorandum of transfers, etc. If it is in order share transfer is approved and sent to transferee. If it is not in order, the same is returned to the transferee for further needful action.

k) Distribution of Shareholding

Shares held by different categories of shareholders and size of holdings as on 31st March, 2017 is given below:

a. Shareholding pattern as on 31st March, 2017

Category	Total no. of shares	% of Equity
GOI	4894971329	78.86
FIIs	51122697	0.82
Indian Public & HUF	112611052	1.81
Banks, Insurance & FI	591984069	9.54
Private Corporate Bodies	55250306	0.89
Mutual Funds	132502956	2.14
NRI/ QFI/FRN's	354294219	5.71
Others	14672549	0.23
TOTAL	**6207409177**	**100**

b) Top Ten shareholders as on 31st March' 2017:

SL NO	NAME/JOINT NAME(S)	HOLDING	% TO EQT
1	PRESIDENT OF INDIA	4894971329	78.86
2	LIFE INSURANCE CORPORATION OF INDIA	452923208	7.3
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	68892368	1.11
4	GOVERNMENT OF SINGAPORE	51700664	0.83
5	CPSE ETF	46730287	0.75
6	MONETARY AUTHORITY OF SINGAPORE	21524009	0.35
7	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND	21303946	0.34
8	THE INCOME FUND OF AMERICA	17000000	0.27
9	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	15830691	0.26
10	ICICI PRUDENTIAL LIFE INSURANCE Company LIMITED	15414014	0.25
	TOTAL	**5606290516**	**90.32**

c) Distribution of shareholding according to size, % of holding as on 31st March, 2017:

Sl. No	Category (Shares)	No. of Share Holders	% To Share Holders	Total No. of Shares	% To Equity
1	1 - 5000	669896	99.669	103207705	1.663
2	5001 - 10000	849	0.126	6152166	0.099
3	10001 - 20000	389	0.058	5520771	0.089
4	20001 - 30000	168	0.025	4195613	0.068
5	30001 - 40000	116	0.017	3966904	0.064
6	40001 - 50000	72	0.011	3298000	0.053
7	50001 - 100000	187	0.028	13472703	0.217
8	100001 and above	447	0.067	6067595315	97.748
	TOTAL	**672124**	**100**	**6207409177**	**100**

d) Major Shareholders

Details of shareholders holding more than 10% of paid up capital of the Company as on 31st March, 2017 are given below:

Name of Shareholder	No of Shares	% to Paid – up Capital	Category
Government of India	4894971329	78.86	POI

L) Dematerialization of Shares and Liquidity

20% of the Shares of the Company issued to the Public are in dematerialized segment and are available for trading at National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) 1.14% shares of the company is in CPSE ETF and can be traded in Stock Exchanges, which are also in dematerialized.

No of shares held in dematerialized and physical mode as on 31st March' 17

Mode of holding	Shares	% Equity
Held in dematerialized form in CDSL	39173003	0.631
Held in dematerialized form in NSDL	6168228762	99.369
Physical	7412	0
Total	**6207409177**	**100.00%**

M) Reconciliation of Share Capital Audit

As required by Securities & Exchange Board of India (SEBI) quarterly audit of Company's share capital is being carried out by a practicing Company Secretary with a view to reconcile the total share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and in physical form, with the issued and listed capital. The Secretarial Audit Report for reconciliation of share capital is submitted to BSE Limited and National Stock Exchange of India Limited within the stipulated time for each quarter.

N) The names and address of the Depositories are as under:

1. National Securities Depository Ltd.
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai-400 013.

2. Central Depository Services (India) Limited.
Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street Fort, Mumbai – 400 001.

O) Details of Subsidiaries of Coal India Ltd and its Location

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

(A) Coal Producing Companies:

Name of the Subsidiary Company	**Location**
(i) Eastern Coalfields Ltd.(ECL)	Sanctoria, Dishergarh, West Bengal
(ii) Bharat Coking Coal Ltd (BCCL)	Dhanbad, Jharkhand.
(iii) Central Coalfields Ltd (CCL)	Ranchi, Jharkhand.
(iv) Western Coalfields Ltd (WCL)	Nagpur, Maharashtra.
(v) South Eastern Coalfields Ltd (SECL)	Bilaspur, Chhattisgarh.
(vi) Northern Coalfields Ltd (NCL)	Singurali, Madhya Pradesh.
(vii) Mahanadi Coalfields Ltd (MCL)	Sambalpur, Odisha

(B) Service Oriented Company:

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

(C) Foreign Subsidiary Company:

Name of the Subsidiary Company Location	
(ix) Coal India Africana Limitada (CIAL)	Tete, Mozambique

(D) Joint Venture Companies of CIL:

(i) CIL NTPC Urja Pvt Ltd
(ii) International Coal Ventures Private Limited
(iii) Talcher Fertilizers Limited (TFL)
(iv) Hindustan Urvarak & Rasayan Ltd. (HURL)

P) Address for Correspondence.

Coal Bhawan
Coal India Limited,
Premises No-04-MAR.Plot No-AF-III
Action Area-1A, Newtown, Rajarhat
Kolkata-700156.
Phone-033-23245555.
Fax-033-23246510.
E –mail: complianceofficer.cil@coalindia.in.

ANNEX- I

NON- MANDATORY REQUIREMENTS

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Reg. 27(1) of SEBI(LODR)Regulations, 2015 read with Part E of Schedule-II are produced below:

1. **The Board:** The Company is headed by an Executive Chairman.
2. **Shareholder Rights:** The quarterly Financial Results of the Company are published in leading newspapers and also posted on company's website (www.coalindia.in). These results are not separately circulated to the shareholder.
3. **Audit Qualification / Modified Opinions in audit report:** It is always Company's endeavor to present an unqualified financial statement.
4. **Separate posts of Chairman and CEO:** Article of Association {39(f)} of the company provides that same person can be appointed as Chairman and CEO of the company. Hence GoI had appointed one person as CMD of the company
5. **Reporting of Internal Auditor:** General Manager/HoD of Internal Audit reports directly to Chief Executive Officer of the company. The external/internal auditor appointed by the company submit their report to concerned GM at places where they are conducting audit. These reports are reviewed by the Audit Committee.

CEO AND CFO CERTIFICATION

To

The Board of Directors

Coal India Limited.

The Financial Statements of **CIL (Consolidated)** for the year ended 31st March, 2017 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. This CEO/ CFO (consolidated) certification is based on these individual subsidiary-wise CEO/ CFO certification.

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

In the light of above, We, S. Bhattacharya, Chairman cum Managing Director and C. K. Dey, 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, 2017 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, 2017 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 change in Accounting Policies during the year. However, there were changes in measurement and recognition of certain income/expenses and assets/liabilities necessitated by implementation/transition to Ind AS w.e.f 01.04.2015, which have been adequately disclosed in appropriate places in significant accounting policies and notes to the financial statements.

      We also refer to notes to financial statements on "First time adoption of Ind AS"- para 1 of Note-38 ; and
   iii. We have not become aware of any instance of significant fraud with involvement therein of the Management or an employee having a significant role in the company's internal control system over financial reporting.

Director (Finance)	Chairman cum Managing Director
(DIN-03204505)	(DIN-00423572)

Date: 29.05.2017

Kolkata

CEO AND CFO CERTIFICATION

To

The Board of Directors

Coal India Limited.

The Financial Statements of CIL (Standalone) for the year ended 31st March, 2017 are placed herewith before the Board of Directors for their consideration and approval.

In the light of above, We, S. Bhattacharya, Chairman cum Managing Director and C. K. Dey, 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, 2017 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, 2017 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.

   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 change in Accounting Policies during the year. However, there were changes in measurement and recognition of certain income/expenses and assets/liabilities necessitated by implementation/transition to

   iii. Ind AS w.e.f 01.04.2015, which have been adequately disclosed in appropriate places in significant accounting policies and notes to the financial statements.

   We also refer to notes to financial statements on "First time adoption of Ind AS"- para 1 of Note-38; and

   iv. We have not become aware of any instance of significant fraud with involvement therein of the Management or an employee having a significant role in the company's internal control system over financial reporting.

Director (Finance)
(DIN-03204505)

Chairman cum Managing Director
(DIN-00423572)

Date: 29.05.2017

Kolkata

Maheshwari R & Associates
Company Secretaries

16, Brtish Indian Street
2nd Floor, Room 2 D
Kolkata-700 001
Ph. 26389129(R)
Email : rashmi3309@rediffmail.com

CORPORATE GOVERNANCE CERTIFICATE

To,

The Members,
M/s Coal India Limited
(Govt. Of India Undertaking)
Coal Bhawan, 3rd Floor
Core-2, Premises No- 04-Mar
Plot-AF-III, Action Area -1A
New Town, Rajarhat
Kolkata – 700 156
CIN NO: L23109WB1973GOI028844

1. We have examined the compliance of conditions of Corporate Governance by M/s Coal India Limited (the "company") for the year ended 31st March 2017 as stipulated in Regulations 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule (V) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange (s) and as stipulated in the Guidelines on Corporate Governance (the "guidelines") for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India, vide OM No. 18(8)/2005-GM dated 14th May, 2010

2. The compliance of conditions of Corporate Governance is the responsibility of the Management.

   Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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.

3. 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.

4. In our opinion and to the best of our information and according to the explanation given to us, We certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations read with the guidelines on Corporate Governance issued by the Department of Public Enterprises for CPSEs in May '2010

5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Maheshwari R & Associates
Company Secretaries
Sd/
Rashmi Maheshwari
C.P.No.: 3309 of ICSI
Member ship No : FCS-5126

Place: Kolkata
Date: 23rd June'2017

SUB: SUSTAINABILITY REPORT 2016-17

In terms of Regulation 34(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, company had prepared Sustainability Report under GRI-G-4 guidelines(Core Criteria)for the year 2016-17 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, Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156, India or send an e-mail to cgmenv.cil@coalindia.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1.0 INDUSTRY STRUCTURE AND DEVELOPMENT

Coal and Coal India Limited

The importance of coal as a fuel or a power resource is undeniable. Coal is the most abundant fossil fuel on earth and industrial greatness on coal has been built up by many countries. It continues to be the cornerstone of any economy and a vital source of energy for developing nations. The economic development of the country largely depends on its industrial process. The industrial development of a country depends upon its possessing sufficiently large stock of this most valuable mineral product.

In India, coal is the most important indigenous energy source and remains the most predominant fuel for power generation and many industrial applications. Coal is an important constituent of the present Indian economy. India's energy future and prosperity are integrally dependent upon using its most abundant, affordable, dependent energy supply – which is coal. Coal meets more than 50% of India's primary commercial energy.

India is currently the third largest producer of coal in the world. It produced around 6 million tonnes of coal a year in the beginning of the 20th century. Today, the total production stands at 660 million tonnes in FY2016-17, in sync with our developmental needs.

Coal India Limited (CIL) is the single largest coal producing company in the world, with a total production of 554.14 million tonnes during the fiscal 2016-17. It accounted for 84% of total coal produced in India during the year. It is a Maharatna Company, listed in Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

CIL is an apex body with 7 wholly-owned coal producing subsidiaries and 1 mine planning and Consultancy Company, spread across 8 states in India. CIL also fully owns a mining company in Mozambique christened as 'Coal India Africana Limitada'.

2.0 SWOT ANALYSIS

Strengths	**Weaknesses**
• Large Scale of Operations allow economies in scale of production	• High cost of production in underground (legacy) mines with severe implication
• Vast coal resource base	• Constraints in evacuation
• Geographical spread of operations in India allows proximity to a large and diversified customer base	• High dependence on coal based power plants
• Strong financial position	
• Skilled and diversified workforce with experience	
• Well positioned to cater to high demand of coal in India	
• Consistent track record of growth	
• Strong track record of financial performance	
• Strong capabilities for exploration, mine planning, research and development	
Threats	**Opportunities**
• High dependence on Indian Railways for evacuation of coal	• Strong economic growth in India and resultant demand for energy, particularly coal as an energy source
• Resistance to part with land, creating problems in acquisition of land and rehabilitation	• Being a cheaper source of energy compared to alternate sources available in India, demand to continue to remain strong
• Illegal mining	• Diversification in renewable energy.
• Decrease in global coal demand, Reduced domestic demand for high grade of coal	
• Law and order problems	
• Appreciation in Land cost	
• Increasing proportion of renewables in the energy mix	
• Compensation Cess (making it unviable compared to alternate energy sources)	

3.0 SEGMENT-WISE PERFORMANCE

Offtake:

Particulars	April-Mar'17	April-Mar'16	April-Mar'15
Offtake (Mill Te)	543.32	534.50	489.38
Growth (over previous year)	1.7%	9.2%	3.8%

Statement of Break- up of offtake (in Million Te):

Particulars	April'16-March'17	%	April'15-March'16	%	Growth %
Off-Take	543.32	100.0%	534.50	100.0%	1.7%
Less: Own Consumption	0.27	0.1%	0.30	0.1%	-9.8%
Less: Feed to washeries	18.62	3.4%	18.87	3.5%	-1.3%
Less: E-auction	92.38	17.0%	67.00	12.5%	37.9%
Despatch to outsiders under FSA	432.05	79.5%	448.33	83.9%	-3.6%

Sector-wise dispatch of coal & coal products(In Million Tonnes)

<u>Sector wise break-up of despatches of Coal & Coal products (in Million Te)during 2016-17,against target and last year's actual were as under:</u>

(Figs. In million tonnes)

Year	2016-17			2015-16	Growth over Last Year	
Sector	**AAP Target**	**Despatch**	**% Satn.**	**Actual**	**Abs.**	**%**
Power (Util)	450.990	425.397	94.3%	413.109	12.3	3.0%
Steel	2.622	3.345	127.6%	3.415	-0.1	-2.1%
Cement	5.585	3.672	65.8%	4.671	-1.0	-21.4%
Fertilizer	2.745	2.145	78.2%	2.294	-0.1	-6.5%
Others	136.089	107.934	79.3%	111.135	-3.2	-2.9%
Total Despatch	598.031	542.494	90.7%	534.624	7.9	1.5%

Production from underground and opencast mines:

Subsidiary-wise production from Underground & Opencast Mines in 2016-17,compared to 2015-16 were as under:

(Figures in Million Tonnes)

Company	Underground		Opencast		Total		
	2016-17	**2015-16**	**2016-17**	**2015-16**	**2016-17**	**2015-16**	**% of Growth**
ECL	8.127	7.329	32.390	32.880	40.517	40.209	0.77
BCCL	1.679	1.807	35.358	34.054	37.037	35.861	3.28
CCL	0.737	0.848	66.310	60.476	67.047	61.324	9.33
NCL	0.000	0.000	84.096	80.224	84.096	80.224	4.83
WCL	5.368	7.180	40.264	37.635	45.632	44.815	1.82
SECL	14.548	15.507	125.455	122.427	140.003	137.934	1.50
MCL	1.015	1.112	138.193	136.789	139.208	137.901	0.95
NEC	0.003	0.003	0.597	0.483	0.600	0.486	23.46
CIL	31.477	33.786	522.663	504.968	554.140	538.754	2.86

Off-Take of Coal

Subsidiary-wise Off-take of coal in 2016-17 compared to 2015-16 were as under

(Figures in Million Tonnes)

Company	2016-17	2015-16	% of Growth
ECL	43.019	38.607	11.43
BCCL	34.919	36.141	(3.38)
CCL	60.934	59.582	2.27
NCL	83.491	78.532	6.31
WCL	39.497	42.310	(6.65)
SECL	137.670	138.748	(0.78)
MCL	143.013	140.234	1.98
NEC	0.777	0.342	127.19
CIL	543.319	534.496	1.65

Overburden Removal

The Company wise overburden Removal has been shown as below:

(Figures in million cubic metres)

Company	2016-17	2015-16	% of growth
ECL	124.637	119.219	4.54
BCCL	131.215	148.591	-11.69
CCL	102.630	106.778	-3.88
NCL	324.136	338.089	-4.13
WCL	166.142	155.146	7.09
SECL	178.791	175.367	1.95
MCL	123.342	98.414	25.33
NEC	5.484	7.304	-24.92
CIL	1156.377	1148.908	0.65

4.0 OUTLOOK:

With more than 70% contribution, coal is the mainstay of power generation in the Country. CIL's growth plan for the future is in synergy with the ambitious plan of the Government for round the clock power supply to all homes of the Country. Sustainability of such growth by minimizing the environmental impact being a major issue, thrust is given in qualitative improvement in coal production through selective mining, beneficiation and blending.

CIL has envisaged coal production and off-take target of 600 Mt in 2017-18. 75% of the said production would be consumed by power sector only. A roadmap to achieve more than 900Mt of coal production by 2019-20 has also been prepared in its vision to achieve one billion tonne. This would call for developing matching logistics infrastructure. Apart from creating new infrastructure, optimum utilization of existing capacity through a dynamic process of source rationalization is another key area of activity. By means of launching linkage auction scheme, an in-built system of source rationalization has already been put in place for non-regulated sector. CIL is also exploring opportunities to diversify coal into chemical business. This is to ensure greater value addition and thereby improving financial performance of the company, and ensuring long term coal demand.

CIL has planned a capital investment of ₹ 8500 crores for maintaining its volume growth in 2017-18. In addition, the company has also envisaged investment of ₹ 6500 crores in 2017-18 for development of railway infrastructure project, solar power, Coal Bed Methane (CBM), revival of fertilizer plants and for acquisitions of domestic coal blocks & coal blocks abroad etc. Further, CIL plans to significantly ramp up its investment programme in the next five years also.

Marketing Outlook:

The Working Group on Coal and Lignite, during the formulation of XII Plan document, projected a widening gap between demand and indigenous availability of coal to the tune of 273 Mt by 2021-22. The present production roadmap of 908.10Mt from CIL sources by 2019-20 would substantially reduce the gap. It is envisaged that barring the import of coking coal, essentially for quality reasons, India will be self-sufficient in meeting the requirements of thermal coal by 2019-20. Non-Coking Coal imports in the country had declined by 7.07Mt from 156.38 Mt in 2015-16 to 149.31 Mt in 2016-17 resulting in substantial foreign exchange savings.

CIL has also taken an initiative to build logistics infrastructure to ensure evacuation of planned quantity of production. The following activities have already been initiated to augment rail evacuation capacity:

1. Joint Ventures (JVs) have been incorporated by coal companies with State Governments and Railways for creating rail infrastructure.
2. Three major last mile rail connectivity projects at Jharkhand, Odisha and Chhattisgarh have been brought under PMO Monitoring Mechanism to ensure commissioning as per schedule.

In order to provide a transparent platform to plan coal procurement by end-users in the medium and long term, windows for linkage auction in electronic platform for non-regulated sectors have been made operative in addition to the usual spot and forward e-auctions to mitigate short-term and seasonal coal requirement for different consuming sectors. Forward auction is now conducted in two different segments – for power, named as 'Special Forward Auction for Power, and for non-power, named as Exclusive Forward Auction for non-power sectors.

Customer satisfaction through quality assurance is another key area for improvement. Following initiatives are identified towards quality improvement and assurance:

a) Supply of (-) 100 mm sized coal to power sector consumers w.e.f. 1st Jan'16.
b) Third party sampling facility.
c) All major laboratories across the subsidiaries of coal companies are now equipped with the Automatic "Bomb Calorimeter" for ascertaining calorific value.
d) NABL accreditation of field level laboratories.

Operations Outlook:

CIL has identified 120 on-going projects and 65 future/new projects, which will together contribute about 80% of total coal production envisaged for 2019-20. SECL, MCL, NCL and CCL will be the major contributors.

The expansion programme will be managed in a structured manner with the help of IT enabled actions. The implementation of ERP solution to enable transparency in operations, maintenance and support functions is being undertaken.

The Company has already conducted a study for mechanization and automation level across a substantial number of mines. This is aimed at identification of opportunities in mine planning, exploration, survey, operations and maintenance and are under different phases of implementation.

To support increase in production on a sustainable basis, synergic growth in exploration is absolutely necessary. Increased use of hydrostatic drilling with PCD bits and 2D Seismic Survey Technology to achieve high rate in exploration has been envisaged. CIL will continue to focus on increasing its reserve base in India.

CIL is in the process of augmenting the capacity of training institutes across subsidiaries, including IICM. Several actions for building human resource capacity are being contemplated in collaboration with reputed institutions.

Outlook regarding Evolution of the Ecosystem:

CIL's projected coal production in the coming years will be materialized only by working closely with other stakeholders. These include Indian Railways, State Governments, Regulators, Community and other market participants. CIL's initiatives towards this endeavour are as under:

1. MCL has formed a SPV,Mahanadi Basin Power Limited (MBPL), with 100% stake held by them for power generation capacity of 2X800 MW through pit-head Power Plant at Basundhara Coalfields.
2. To promote, Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing 1000 MW Solar Power Projects. For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India(SECI).In the 1st phase, tender was floated for setting up of 2x100 MW Solar PV Project in the state of Madhya Pradesh. But, due to current downward trend in prices of solar projects and availability of land in Madhya Pradesh Solar Park the tenders were cancelled and SECI was advised to go for re-tendering of above projects.
3. CIL is also working closely with the Government of Jharkhand and West Bengal for quick implementation of Master Action Plan of Jharia and Raniganj Coalfields.
4. In pursuance of initiatives towards development of Clean Coal Technology and alternate use of coal, it has been decided to explore the possibilities of setting-up of a coal based Methanol plant using coal from Raniganj Coalfield at DCC. An Expression of Interest has been floated for prequalification of Coal gasification Technology licensors with proven experience of gasifying coal having up to 28% ash content.

Research & Development

CMPDIL is the nodal agency for coordination and monitoring of S&T projects in the coal sector as well as the R&D projects of CIL. During 2016-17, expenditure incurred in 6 R&D projects was to ₹ 1365.66 lakhs, the details are given in **Annexure A.**

5.0 RISKS AND CONCERNS

The Board of CIL approved Risk Management Charter Risk Register to build up a strong Risk Mitigation culture within CIL in achieving company goals and objectives. The Risk Register covered all risks applicable to CIL and its subsidiaries. It is divided into six broad categories namely i) Strategic Risk , ii) Operational Risk, iii) Financial Risk, iv) Compliance Risk, v) Project Related Risk, vi) Support System Risk

As per the Risk Register, different risks were identified for CIL and its subsidiaries and a risk owner and mitigation plan owner have been nominated for each risk identified to ensure continuous monitoring, mitigation and prevention of frauds.

A Consultant Agency has been engaged in implementing the governance process designed in the Risk Management Framework at CIL and all of its subsidiary companies. The consultant will cover all aspects and issues regarding Risk Management and ensure achievement of the objectives of i) Risk Management Process ii) Risk Assessment iii) Risk Prioritization.

Risk Management is a continuous journey and not a destination

6.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Coal India Limited (CIL) has a robust internal control systems and processes for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exits for smooth decision making. Elaborate guidelines for preparation of accounts are followed for uniform compliance. Further, all the key functional areas are governed by respective operating manuals. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of accountants in close co-ordination with the Company's Internal Audit Department.

The Internal Financial Controls of the Company were reviewed by Auditors appointed. According to them, the Company has, in all material respects, laid down internal financial controls (including operational controls) and that such controls are adequate and were operating effectively during the year ended 31st March, 2017.

7.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH REPECT TO OPERATIONAL PERFORMANCE

FINANCIAL DISCUSSION AND ANALYSIS

The Consolidated financial statements of CIL, hereinafter referred as "company", have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. These financial statements for the year ended 31st March 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Figures of previous year have also been restated as per the requirement of Indian Accounting Standards (Ind AS).

Reference to Note(s) in the following paragraphs refers to the notes to the financial statements of CIL (consolidated) for the financial year 2016-17 placed elsewhere in this report.

(For constituents of CIL Consolidated Refer Note 38.2)

A detailed discussion on financial performance and analysis is furnished below.

Total Income:

Total Income of the Company comprises Revenue from operations and other Income. Major revenue of the company under above two heads of total income includes income from sale of coal, consultancy and other services related to mine planning & designing, interest earned on investments such as term deposits with banks, dividend income from mutual funds etc. The total income for financial Year 2016-17 is ₹89323.73 crore as against ₹89501.56 crore in the previous year registering a decrease of 0.20%. The breakup of major elements of income is discussed below:

(₹ in crores)

Particulars	FY 2016-17	FY 2015-16	Change %
Sale of Coal	122294.46	108147.54	13.08%
Less: Statutory Levies [Excluding Excise]	41240.33	27075.86	52.31%
Net Sales	81054.13	81071.68	-0.02%
Other Operating Revenue (Net)	2754.00	2489.30	10.63%
Revenue from Operations	83808.13	83560.98	0.30%
Other Income	5515.60	5940.58	-7.15%
Total Income	89323.73	89501.56	-0.20%

Revenue from Operations:

Sale of Coal

Sales are presented as gross sales and net of various statutory levies comprising royalty, cess on coal, central sales tax, stowing excise duty, clean energy cess, sales tax, additional royalties relating to national mineral exploration trust (NMET), district mineral foundation (DMF) and other levies etc. but excluding excise duty (following the clarification issued by SEBI the excise duty is to be included in revenue from operations and therefore to be shown as an item of expenditure). Excise duty therefore has been shown as a part of Gross/Net Sales. The Income from sale of coal is mainly dependent on the pricing and production of coal and distribution thereof.

The gross sales of the company which exceeded the landmark figure of ₹ One Lac crore in year 2015-16 has further registered a growth of 13.08% over the previous year and stood at ₹ 122294.46 crores against the previous year gross sales of ₹108147.54 crore. The Net sales (excluding excise) however, for the year was ₹ 75610.36 crore against the previous year figure of ₹ 75641.78 crore, thereby registering a decline of 0.04%. The Gross sales increased mainly owing to incidence of higher levies by way of clean energy cess, National Mineral Exploration Trust (NMET), District Mineral Foundation (DMF).

The clean energy cess was raised from ₹200 per tonne to ₹400 per tonne w.e.f. 01.03.2016. There was a similar increase to ₹200 per tonne from ₹100 per tonne w.e.f. 01.03.2015. Further there were also introduction of new levies administered through MMDR Act under the nomenclature- National Mineral Exploration Trust (NMET) & District Mineral Foundation (DMF) at a combined rate of around 4.48% on basic value of coal sold. Changes/introduction in aforesaid levies resulted in substantial increase in statutory levies and thereby in Gross sales.

About 79% of coal was sold under notified price to customers having fuel supply agreements (power and other than power both included) and sale of beneficiated coal (washed coal) and other by products was around 3% through negotiated price with customers About 18% of total coal sold was through e-auction mechanism, the price determination of which is completely dependent on market dynamics.

Total offtake during 2016-17 increased to 543.32 million tonne from 534.50 million tonne in previous year, registering a growth over 1.65%.

However, despite growth in offtake the net sales revenue excluding excise duty showed a decline of 0.04% as shown below:

Particulars	FY 2016-17	FY 2015-16	Change %
Net sales (including excise)	81054.13	81071.68	-0.02%
Less: Excise Duty (relating to sale of coal)	5443.77	5429.90	0.26%
Net Sales (excluding excise)	75610.36	75641.78	-0.04%

The decline was mainly owing to the decrease in average realization of coal sales through e-auction. The average fall in e-auction price was around ₹ 322/ton i.e. to ₹1536/ton in FY 2016-17 from ₹1858/ton in FY 2015-16, resulting in decrease in sales of about ₹ 3032 crore. Further, there was also decrease in FSA sales quantity from 447.72 Mill Te. in previous year to 429.79 Mill Te. in current year i.e. by 17.93 Mill Te. This accounted for decrease in sales revenue of around ₹ 2350 Crore. However, increase in e-auction volume by around 28 MT (i.e. from 66.31 Mill Te in PY to 94.23 Mill Te in CY) has resulted in an increase in sales by ₹ 5188 crore. The above along with increase in sales realisation in washed coal and other by products resulted in a marginal decline in net sales revenue (net of excise and all other levies) by ₹ 31.42 Crore.

Other Operating Revenue:

The company charges transportation costs for transportation of coal to dispatch points beyond 3 kilometers from the pithead, based on distance involved. Major element of other operating revenue is on account of such transportation charges recovered from the customers.

Following the same SEBI circular mentioned above for including excise duty in revenue from operation; 'loading and additional transportation charges' were shown including excise duty. The revenue from loading and additional transportation charges were as follows:

(₹ in crores)

Particulars	2016-17	2015-16
Loading and additional transporatation charges (including Excise Duty)	2627.16	2362.07
Less: Excise Duty	143.75	123.45
Loading and additional transporatation charges (excluding Excise Duty)	2483.41	2238.62

Other operating revenue also includes Subsidy for sand stowing & protective works received from Govt. of India.

Other Income

Other income primarily includes (i) interest income from deposits with banks (including certain earmarked funds) (ii) Dividend from mutual funds, (iii) any liquidated damages or penalty payments by our suppliers, customers and third party contractors. Other income also includes rental income and any profit on sale of assets. Other income further includes any write back of provisions and liabilities made in earlier years which are no longer required.

During the year other income declined by 7.15% from ₹ 5940.58 crore in FY 2015-16 to ₹ 5515.60 crore in FY 2016-17.

While the interest earning on bank deposits declined by ₹ 1345.35 crore, the earning from dividend on investment in mutual funds declined from ₹263.61 Crore to ₹ 194.49 Crore. The above decline was mainly owing to reduction in average investment in bank deposits and due to decline in average rate of yield from bank deposits/mutual funds. The average rate of yield for FY 2016-17 was 7.65% against 8.33% in FY 2015-16.

However, the above decline was to a large extent offset by write back of provisions/liabilities no longer required, increase in incomes like penalty/liquidated damages etc.

Expenses

Break up of Major Heads: -

(₹ in crores)

Particulars	**FY 2016-17**	**FY 2015-16 (Restated)**	**change**	**change %**
Cost of Materials Consumed	6963.40	7039.76	(76.36)	(1.08)%
Change in Inventories of finished goods/ work in progress and stock in trade	(1238.15)	(1444.22)	206.07	14.27%
Excise Duty	5587.52	5553.35	34.17	0.62%
Employee Benefits Expense	33514.29	30126.78	3387.51	11.24%
Power Expense	2558.07	2490.54	67.53	2.71%
Corporate Social Responsibility Expense	489.67	1082.16	(592.49)	(54.75)%
Repairs	1287.65	1241.67	45.98	3.70%
Contractual Expense	12304.09	11128.42	1175.67	10.56%
Finance Costs	411.73	386.16	25.57	6.62%
Depreciation/Amortisation/Impairment	2910.07	2825.91	84.16	2.98%
Provisions	2043.61	577.35	1466.26	253.96%
Write Off	26.97	307.22	(280.25)	(91.22)%
Stripping Activity Adjustment	2672.21	2811.42	(139.21)	(4.95)%
Other Expenses	5358.89	3935.24	1423.65	36.18%
Total Expenses	**74890.02**	**68061.76**	**6828.26**	**10.03%**

**Figures for 2015-16 restated as per requirement of Indian Accounting Standards.*

 # Figures in brackets indicate reduction in expenditure.

Cost of Materials Consumed

Cost of material consumed relates to materials and items of stores used in coal mining and processing operations, primarily petrol oil and lubricant (including diesel), explosives, and timber. Other consumables used in coal mining operations include tyres, spares for heavy earthmoving machineries, other plant and machinery relating to coal handling plants and beneficiation facilities, vehicles, and other miscellaneous stores and spares.

Cost of material consumed decreased by ₹ 76.36 crore, from ₹ 7039.76 crore in FY 2015-16 to ₹ 6963.40 crore in FY 2016-17 i.e. by 1.08%, mainly due to savings in consumption of stores and spares and also because of savings in procurement of explosives cost by introduction of Reverse auction mechanism in such procurements.

Employee Benefits Expense

Employee benefits expense include salary, wages and allowances, 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.

Employee benefits expense, which represents the largest component of total expenditure, increased by ₹ 3387.51 crores, from ₹ 30126.78 crores in FY 2015-16 to ₹ 33514.29 crore in FY 2016-17, i.e. 11.24%.

The wage revision for non-executive employees is done every five years. Such wage revision (National Coal Wage Agreement X – NCWA X) is due from 01.07.2016. Pending finalisation of such agreement a provision of ₹ 2101.39 Crores have been made in the financial statements for the FY 2016-17. (Refer Note- 28)

The Salary for the executive employees are due for revision every ten years. Such salary revision is presently due from 01.01.2017. Pending revision of salary for executive employees a provision of ₹ 95.10 Crores have been made in the financial statements for the FY 2016-17. (Refer Note- 28).

Further, there was increase in provision as per actuarial valuation of Gratuity, Leave encashment and other employee benefits amounting to ₹ 906 Crores, owing mainly for reduction in yield rate on investment in respective plan assets from 8% to 7.25 %.

The above along with other increases like annual normal increment in salary & DA, increase in Provision for Performance related pay/exgratia etc. accounted for the total increase in employee benefits expense.

Power Expense

Power expense represents cost of electricity consumed in operations. Power expense was ₹ 2558.07 crore in FY 2016-17 as against ₹ 2490.54 crore during FY 2015-16. The higher amount of power expense in current year FY 2016-17 was primarily due to increase in consumption on account of higher production as well as increase in power tariff.

Corporate Social Responsibility Expense (CSR expense)

The Company has framed CSR Policy on the basis of guidelines issued by Department of Public Enterprises and the provisions of Companies Act, 2013. The areas of CSR expenses, as per the said policy, include education, Water supply including drinking water, medical facilities, health awareness programme/medical camps, social empowerment, promotion of sports & culture, relief to victims of natural calamities/disasters, Infrastructure development, environment etc.

During the year total expenditure on CSR was ₹ 489.67 crore as against ₹ 1082.16 crore during FY 2015-16 (out of which ₹ 6.00 Crore was towards donation to Nepal Earthquake relief fund). It may be mentioned that an amount of ₹ 753.03 crores was spent on Swachh Bharat Swachh Vidyalaya Abhiyan during FY 2015-16 under 'Clean India' initiative of the Government of India .

The subsidiary wise details of CSR expenses are given in Note 29 of Financial Statements.

Contractual Expense

Contractual expense primarily consists 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 Earth Moving Machinery representing cost of coal extraction and overburden removal activities and other miscellaneous works carried out through third party contractors such as for haul road maintenance at mines and temporary lighting etc.

Contractual Expenses increased by ₹ 1175.67 crore, from ₹ 11128.42 crore in FY 2015-16 to ₹ 12304.09 crore in FY 2016-17, i.e. 10.56%. The contractual expense comprises for both coal production as well as removal of overburden. While during the year, the coal production increased by 2.86% (from 538.75 Mill Te in 2015-16 to 554.14 Mill Te in 2016-17) the overburden removal volume increased by 0.98 % (from 1148.91 Mill CuM in 2015-16 to1160.22 Mill CuM in 2016-17). The increase in contractual expenses was largely on account of increase in the volume of production of coal and over burden. Further, higher diesel rates during the year in comparison to previous year also resulted in increase in contractual expenses. It may be mentioned that the contractors as per agreement are compensated for diesel price increases.

Repairs

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.

Repair Expenses increased by ₹ 45.98 crore, from ₹ 1241.67 crore in FY 2015-16 to ₹ 1287.65 crore in FY 2016-17, i.e. 3.70%,.

Finance Costs

Finance costs increased by ₹ 25.57 crore, from ₹ 386.16 crore in FY 2015-16 to ₹ 411.73 crore in FY 2016-17, i.e. 6.62%, mainly due to unwinding of discount on Site restoration costs.

Stripping Activity Adjustment

In accordance with the Accounting policy of the company, in open cast mines with rated capacity of one million tonne per annum and above, the cost of Stripping is charged on technically evaluated average ratio (overburden : coal) at each mine with due adjustment for stripping activity asset and ratio variance account after the mines are brought to revenue. The net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non-Current Provisions/ Other Non-Current Assets as the case may be.

The Stripping Activity adjustment (cost) varies from subsidiary to subsidiary depending on geo-mining condition of raising the overburden. During the year owing to higher incremental growth in overburden removal compared to incremental growth of production of coal, there was reduction in stripping activity adjustment in some of the subsidiary companies. In view of above, the Stripping Activity adjustment decreased by ₹ 139.21 crore, from ₹ 2811.42 crore in FY 2015-16 to ₹ 2672.21 crore in FY 2016-17, i.e. 4.95%.

Depreciation/Amortisation/ Impairment

Depreciation on fixed assets provided on straight-line method based on their technically estimated useful life. 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.

Depreciation/Amortisation/ Impairment increased by ₹ 84.16 crore, from ₹ 2825.91 crore in FY 2015-16 to ₹ 2910.07 crore in FY 2016-17, i.e. 2.98%, owing to higher Capital expenditure during the year.

Provisions/write-off

Provisions/write-off include any provisions for doubtful debts and advances, provisions for unmoved/obsolete 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 no longer required. Write-offs include write-offs for doubtful debts, doubtful advances and other write-offs.

Provisions/write-off increased by ₹ 1186.01 crore, from ₹ 884.57 crore in FY 2015-16 to ₹ 2070.58 crore in FY 2016-17, i.e. 134.08% due to increase in provision for doubtful debts.

Other Expenses

Other expenses includes various operational, selling and administrative expenses, under-loading expenses paid to Indian Railways, mine rehabilitation expenses, security expenses, and rent, rates and taxes, travelling expenses, employee training expenses, cost of printing and stationery, communication, advertisement and publicity related expenses, freight charges for stores and materials, demurrage paid to Indian Railways and land/crop compensation and hire charges for office administration equipment and other miscellaneous expenses .

Other expenditure also includes Royalty & Cess and Excise Duty payable on own consumptions including feedstock to washeries. These costs form part of the washery cost and are recovered through washeries sales revenue. Due to increased washiery production and also due to increased clean energy cess and additional amount on royalty in the form of District Mineral Foundation and National Mineral Exploration Trust, these charges accounted for in other expenditure were higher as compared to the expenditure incurred in the immediately previous year. Further, there was an element of arrear water tax paid during the year in one of the subsidiary. All these contributed to increase in other expenditure.

Other Expenses increased by ₹ 1423.65 crore, from ₹ 3935.24 crore in FY 2015-16 to ₹ 5358.89 crore in FY 2016-17, i.e. 36.18%.

Taxation

Income tax expense comprises current tax expense and deferred tax expense or income computed in accordance with the relevant provisions of the Income Tax Act and Accounting Standards, as amended. Provision for current taxes is recognized based on the estimated tax liability computed after considering deduction/benefits of all allowances and exemptions in accordance with the Income Tax 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 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 financial 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.

The total income tax expenses during current FY 2016-17 is ₹ 5165.96 crore as against ₹ 7171.87 crore in previous year resulting in effective tax rate of about 35.79 % in FY 2016-17 as against effective tax rate of about 33.45% in FY 2015-16.

BREAK UP OF PROFITS

(₹ in Crore)

Particulars	2016-17	2015-16
Profit Before Tax (PBT)	14433.71	21439.80
Income Tax	5165.96	7171.87
Profit for the period from continuing operations	9267.75	14267.93
Profit/(Loss) from discontinuing operations	-0.01	-0.01
Share in Jv's/Associate's profit (loss)	-1.76	-1.14
Profit for the period	9265.98	14266.78
Other Comprehensive Income	82.00	294.41
Total Comprehensive Income	9347.98	14561.19

Particulars	2016-17	2015-16
Profit attributable to :		
Owners of the company	9266.23	14266.82
Non- controlling Interest	-0.25	-0.04
Total	**9265.98**	**14266.78**
Total comprehensive income attributable to		
Owners of the company	9348.23	14561.23
Non- controlling Interest	-0.25	-0.04
Total	**9347.98**	**14561.19**

The Profit before Tax (PBT) decreased by ₹ 7006.10 crore, i.e. 32.68%, from ₹ 21439.80 crore in FY 2015-16 to ₹ 14433.71 crore in FY 2016-17.

The Profit attributable to owners of the company decreased by ₹ 5000.59 crore, i.e. 35.05%, from ₹ 14266.82 crore in FY 2015-16 to ₹ 9266.23 crore in FY 2016-17.

Cash Flows (in nutshell)

(₹ in Crore)

	For the year ended 31st March	
	2017	**2016**
Opening Cash & Cash equivalents	4876.40	3155.89
Net cash from operating activities	15846.86	13153.77
Net cash from investing activities	454.64	8154.09
Net cash used in financing activities	(17597.97)	(19587.35)
Change in Cash & Cash equivalents	(1296.47)	1720.51
Closing Cash & Cash equivalents	3579.93	4876.40

Net cash from operating activities for the year ended March 31, 2017 increased by ₹ 2693.09 crore i.e. 20.47% from the previous year. Net cash from operating activities was ₹ 15846.86 crore as against ₹ 13153.77 crore for the previous year. Increase in cash flow from operating activities was mainly due to, higher realisations of trade receivables and increase in other current/Non-current provision and financial/non-financial liabilities.

Net cash from investing activities for the year ended March 31, 2017 decreased by ₹ 7699.45 crore i.e. 94.42% from the previous year. Net cash from investing activities was ₹454.64 crore as against ₹ 8154.09 crore for the previous year. Decrease in cash flow from investing activity was mainly on account of lesser liquidation of bank deposit, less interest received from investment and more capital expenditure compared to previous year.

Net cash used in financing activities for the year ended March 31, 2017 decreased by ₹ 1989.38 crore i.e. 10.15 % from the previous year. Net cash used in financing activities was ₹ 17597.97 crore as against ₹ 19587.35 crore for the previous year. The decrease in outflow from financing activity was mainly attributable to increase in borrowings in some of the subsidiaries.

Balance Sheet - Analysis

[Figures in ₹ Crore]

	As at 31.03.2017	As at 31.03.2016	Remarks/Analysis
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	22,032.20	20,662.55	Increased (net) due to addition of new plant and machinery
(b) Capital Work in Progress	8,590.10	4,553.22	Increased (net) due to addition of Capital Work in Progress
(c) Exploration and Evaluation Assets	1,717.74	1,351.13	Increased (net) due to further expenditure on mines under development
(d) Intangible Assets	57.75	68.81	Decreased (net) due to amortisaion/ deletions/transfer to Exploration and Evaluation Assets
(e) Financial Assets			

(i) Investments	969.39	966.11	
(ii) Loans	23.32	80.60	Settlement of loans/Advance during the year
(iii) Other Financial Assets	9,453.67	8,883.05	Further investment as per norms in escrow fund relating to site restoration/mine closure of money lying in bank deposits.
(f) Deferred Tax Assets (net)	2,732.76	2,044.54	Mainly due to incremental, provision made for salary and wage settlement for non-executive and executive.
(g) Other non-current assets	2,238.88	1,891.67	Increase in advances during the year for procurements of Property, plant and Equipments
Total Non-Current Assets (A)	**47,815.81**	**40,501.68**	

Current Assets

(a) Inventories	8,945.27	7,569.17	Increase in inventory at the end of the year
(b) Financial Assets			
(i) Investments	513.47	1,939.96	Decrease in Investment in mutual funds
(ii) Trade Receivables	10,735.85	11,447.61	Decreased due to Settlement of dues/ provisions made during the year
(iii) Cash & Cash equivalents	3,579.93	4,876.40	
(iv) Other Bank Balances	27,649.88	33,138.51	Reduction on account of high dividend payout and also buy back of shares during the year.
(v) Loans	12.48	21.80	Recovery of Loans during the year
(vi) Other Financial Assets	2,822.73	2,491.07	Receivable against arrear of levies on account of District Mineral Fund /National Mineral Exploration trust.
(c) Current Tax Assets (Net)	7,462.95	4,397.87	Advance tax and Tax deducted at Source paid during the year
(d) Other Current Assets	6,540.50	6,444.13	Increase (net) in current advances/ deposits.
Total Current Assets (B)	**68,263.06**	**72,326.52**	
Total Assets (A+B)	**1,16,078.87**	**1,12,828.20**	

	As at 31.03.2017	**As at 31.03.2016**	**Remarks/Analysis**
Equity			
(a) Equity Share Capital	6,207.41	6,316.36	Buy Back of Shares during the year [see Note Below]
(b) Other Equity	18,319.37	28,516.80	Decrease (Net) mainly due to utilization of reserves on account of dividend payment and premium on buy back of shares.
Equity attributable to equityholders of the company	**24,526.78**	**34,833.16**	
Non-Controlling Interests	345.92	104.78	Increase in share of non-controlling interest.
Total Equity (A)	**24,872.70**	**34,937.94**	

	As at 31.03.2017	As at 31.03.2016	Remarks/Analysis
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	294.80	263.06	Further loan taken by second layer of Subsidiaries (refer note 18)
(ii) Other Financial Liabilities	1,042.48	1,219.41	Repayment of security deposits (Net) during the year.
(b) Provisions	43,817.20	41,542.71	Mainly due to increase in liability for Mine closure and stripping activity adjustment.
(c) Other Non-Current Liabilities	3,819.71	3,510.92	Increase due to contribution to Shifting and rehabilitation fund.
Total Non-Current Liabilities (B)	**48,974.19**	**46,536.10**	
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,713.00	929.03	Due to loan taken by two subsidiaries of CIL.
(ii) Trade payables	3,900.24	3,297.15	Mainly for dues, (net) relating to various services obtained.
(iii) Other Financial Liabilities	4,556.99	3,988.14	Earnest Money Deposit and Security Deposits for various work contracts etc.
(b) Other Current Liabilities	21,675.70	15,092.01	Mainly due to increase in advance from customers in subsidiaries.
(c) Provisions	9,386.05	8,047.83	Increase mainly due to provision made on account of wage/salary revision for non-executive and executive.
Total Current Liabilities (C)	**42,231.98**	**31,354.16**	
Total Equity and Liabilities (A+B+C)	**1,16,078.87**	**1,12,828.20**	

Buy Back of Shares:

Pursuant to Public Announcement ('PA') published on August 30, 2016 and letter of offer dated September 23, 2016, the Company has bought back its 10,89,55,223 number of Equity shares of face value of ₹10 each fully paid up, at a buyback price of ₹ 335 /- per share through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28, 2016. Post such buy-back, the number of fully paid equity shares as on 31.03.2017 stands at 6,20,74,09,177 for ₹ 6207.41 Crore. Further, during the quarter ended 31.03.2017, Government of India has disinvested 0.92% of total Equity Shares equivalent to 57156437 number of Equity shares by way of placement of such shares in Central Public Sector Enterprises-Exchange Traded fund (CPSE-ETF) and post such disinvestment Government of India holds 78.857% of total Equity Share Capital.

Dividend

During the year ended 31.03.2017, the company has declared and paid two interim dividends aggregating to ₹19.90 per equity share of face value of ₹10/- each (First interim dividend of ₹18.75 per share and Second interim dividend of ₹1.15 per share) amounting to ₹12352.76 crore. The Board of Directors of the company decided to recommend such interim dividend already paid as final dividend and no additional dividend has been recommended for the year 2016-17.

The various ratios related to the financials of Coal India: -

	April to March'17	April to March'16
As % Net Sales		
Profit Before Tax	17.81%	26.45%
As % Total Expenditure		
Employee Benefits Expense	44.75%	44.26%

	April to March'17	April to March'16
Cost of Materials consumed	9.30%	10.34%
Power Expense	3.42%	3.66%
Contractual Expense	16.43%	16.35%
CSR Expense	0.65%	1.59%
Interest & Depreciation	4.44%	4.72%
All other Expenditure	21.01%	19.08%
Liquidity Ratios		
Current Ratio	1.62	2.31
Quick Ratio	1.40	2.07
Trade receivables as no. of Days sales	43.33	46.26
Stock of Coal as no. of Days of production (Qty)	45.07	39.16
Structural Ratio		
Long Term Debt: Equity	0.05	0.04
Long Term Debt: Net Worth	0.01	0.01
Net Worth: Equity Capital	3.95	5.51
Earnings Per Share (in ₹)	14.78	22.59

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

I. Manpower

The manpower strength of the company as on 31.03.2017 against the previous year was as under:

Year	Executive Manpower	Non – Executive Manpower	Total
31.03.2016	18167	304197	322404
31.03.2017	17730	292286	310016

The manpower strength has come down by 12388 during 2016-17.

II. Translating HR Vision into Action

The HR Vision 2020 of CIL covers 12 strategic areas which include HR Planning, Training & Development, Promotion & Transfer, Organizational Culture, Industrial Relations, IT Initiatives, Corporate Branding, Welfare, Corporate Social Responsibility, etc. Key activities under these strategic areas have been planned for each year with milestones. In the 3rd year of implementation i.e., 2016-17, CIL has achieved implementation of all such activities planned for the year like skill development, organizational survey, sports and cultural facilities, renovation of accommodation for employees, colony infrastructure development, work place facilities etc.

III. Talent Development Initiatives

Overall professional development of the employees is at the core of HR policies of the company. The company provides an equal opportunity to all employees to grow and develop in their area of specialization by imparting training on special fields and in general. The company has established Indian Institute of Coal Management (IICM), Ranchi as an apex training provider, a Management Development Institute at every subsidiary, 102 Vocational Training Centres in all projects and 27 other training centres for imparting management and skill development trainings. Further, Coal India is also providing training to the employees through reputed educational institutions/ professional institutes across the country to tap best management and technical expertise.

In the year 2016-17, 140490 employees have been imparted training out of which 18757 were executives and 121733 were non-executives on various professional fields and skills. CIL has organized various In-house training programs for executives & non-executives covering about 134520 employees across the organization. Besides this, 5849 employees (4899 executives & 950 non executives) were trained outside the organization within India. Apart from this, 121 executives were trained abroad.

During 2016-17, Organization hired 438 Management Trainees from different source and put into Training for a period of one year and also promoted around 175 Non Executives to Executive cadre for taking care of managerial functions.

Under Recognition of Prior Learning (RPL), 38,833 employees are trained in the year 2016-17. Further in the year 2016-17, around 290 Mentors of middle & senior management have been trained for mentoring young executives of Coal India.

For grooming middle management, the special training programs are organized through tie ups with Institutes like Administrative College of India (ASCI) Hyderabad, IIM Lucknow, etc to develop executives to take up higher responsibilities and occupy senior positions. For development of managerial & behavioural competencies in respect of senior level of executives different training programs are organized like, strategic thinking, result orientation, change management, customer orientation, stakeholder sensitivity etc.

IV. Online Human Resources Information System

The Online Human Resource Information System (HRIS) of CIL is an in-house IT initiative with different HR modules for automating HR processes such as Performance Management System, Mentorship Monitoring, promotions, transfers, skill inventory, etc. In the year 2016-17, new modules have been added for automating various clearances required for Promotion, forwarding of applications for PESB applicants, training abroad, etc. Other modules for automating training & development processes, managing employee suggestions, etc are under development.

V. Talent Acquisition

Coal India undertook an Open Recruitment drive in the year 2016-17 for hiring about 1350 Management Trainees in various technical & non-technical disciplines. All these young lot would be joining the company in the next financial year. With these addition, the proportion of the young executives in Coal India would be around 40% of the total executives. In addition, 438 Management Trainees joined the company through Campus & other sources. They are being groomed as next generation leaders through off-the-job as well as on-the-job training interventions under the guidance of experienced senior experts in the company. This process facilitates easy transfer of tacit knowledge base of the organization from the elder generation to the next generation, besides easy adaptation into the organizational culture.

VI. HR Impact Study

Organizational studies are considered as vital for consciously improving the people processes in the organization for high HR impact. CIL has partnered with Great Place to Work Institute of India for the organizational study in the year 2016-17. The Institute conducted study of employee's perception in CIL & subsidiaries on various HR processes like communication, competence, integrity, support, collaborating, caring, fairness, Pride of the Company, closeness of the company in terms of hospitality, community, etc. CIL has improved its Trust Index score from 65, in the year 2013-14, to 71, in the year 2016-17, out of 100, which is still below the India's top 50 companies score, 84 out of 100.

In an another study of Culture Index, the Cultural assessment shows that the CIL's organizational processes like CSR, Employee Engagement activities, work life balance, support system & benefits, Appreciation & recognition, Employee participation & involvement and communication are rated as "Best" & "Good" Culture of the Company. Improvements are required in other processes like Training & Development, Induction, Recruitment, diversity, career management, etc.

The overall study also provided various insights into the areas of further improvement in talent development.

VII. Mentoring System

In the year 2016-17, CIL has created a pool of around 290 internal mentors from among the experienced executives of the company for providing mentoring services to the young generation executives joining the company for their integrated grooming. They were given professional training on mentoring in different batches at Indian Institute of Coal Management, Ranchi.

VIII. Health Insurance

Coal India is planning to introduce Health Insurance to all employees of CIL & its subsidiaries including retired employees who are covered under Contributory Post Retirement Medicare Scheme of CIL & its subsidiaries. NIT for engaging Insurance Company for providing Health Insurance services with Aadhar linked Smart Card support is under preparation which will be published shortly.

IX. Industrial Relations

Employees are the central force of coal mining and the people processes in CIL include not only the concerns of the multiple stakeholders in the value chain of the company's operations, but also those affected directly and indirectly by such operations. The multiple stakeholders included company's own 3.1 lakhs employees and their families, around 1, 50,000 indirect workers, villagers around coalfields, auxiliary industries, Govt. & Non govt. agencies operating in the coalfields etc. Coal India is deeply committed to all the stakeholders and is in a constant endeavour to harmonize the varying needs of stakeholders and that of the company, for sustainable growth, with its people centric principles, policies and programmes. The following pro-active and strategic IR approach & practices in the company ensure sustainable industrial relations in the company.

a. Employee Participation in Management:

In general, decisions affecting employees are being taken through bilateral forum represented by employees and management. Bilateral forum such as housing committee, welfare committee, canteen committee, etc. are in operation at all projects. Similarly, bipartite meeting under the industrial relations system, are held periodically at Unit level, Area level and Corporate level to resolve issues pertaining to employees' service conditions and welfare. Every subsidiary is having an apex bipartite committee (Joint Consultative Committee) headed by Chairman-cum-Managing Director of the company and represented by trade unions. The Joint Consultative Committee looks into various strategic issues related to quality of life of employees in general. All these bipartite bodies are represented by employee representatives.

b. Freedom of Associations:

Democratic values are ingrained in the management of human resource in the company. Employees are free to be a part of any registered trade union, political parties and other govt./non-govt. organizations. The branches of all central trade unions and local unions are operating in coalfields. Their representation is allowed in the bipartite bodies in the company under the norms of the Industrial Relations System.

c. Non-Discrimination:

The company follows the principles of non-discrimination in employee management. There is no discrimination of the employees in the name of religion,caste,region,creed,gender, languages etc. All employees are given equal opportunity in service matters.

d. Reservation to special groups:

The company complies with the provisions under the Presidential Directives on reservation in appointments and promotions, to candidates/employees belonging to Scheduled caste, Scheduled Tribe, OBC, Physically challenged etc.

e. Prevention of Sexual Harassment at workplace:

Sexual harassment of any form is a misconduct under the Conduct Discipline and Appeal rules applicable to executive cadre employees as well as in the Standing Orders applicable to the non-executive cadre employees. Internal Complaints Committee (ICC) is functioning at all levels in the company under the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013.

f. Diversity Management:

The company makes effort to maintain diversity in the configuration of employees by recruiting people from different states through All India based selection and campus selection from across the country. Similarly, it provides reservation to SC, ST, OBC communities. The manpower of CIL constitutes 21.5% of SC, 12.5% of ST and 22.4% of OBC. The female employees constitute 7.7% of total manpower. There is limitation to increase the percentage of female employees due to legal restrictions in appointment of female employees for mining jobs which constitutes more than 90%.

g. Contract Labour Cell & Contract Labour Information Portal (CLIP):

CIL has a contract labour strength of around 1,50,000 who provide critical support to the core and peripheral functions of the company. CIL has set up a contract labour management cell at every subsidiary to better manage the workers engaged by the contractors. Similarly, by leveraging IT, CIL launched a portal for facilitating the contractors to manage their contract workers. The Contract Labour Information Portal (CLIP) maintains complete database of all contracts and contract workers, enables wage payment of contract workers, keeps account of various deductions like PF etc, monitors the health of contract workers and facilitates other compliance under the Contract Labour (Regulation & Abolition) Act 1970.

h. Employee Welfare:

The welfare measures of Coal India cover the community at a large, so as to ensure the poorer section of the Society get the maximum benefits. As such, it follows a "total care approach" towards employee welfare. The employee welfare programmes addresses not only the need to the employees but also their families. Employees are provided with free family accommodations, electricity, water supply, etc. The residential areas are well connected with roads and other community facilities like recreation centres, stadium, gyms, libraries, colony roads, shopping complex, play grounds/ parks, street lighting, drainage system, cooperative society, etc.

The employee and his family members, including dependent parents, are entitled to free medical treatment anywhere in the country. The company has also developed medical facilities at all its operational areas. We have a strong network of 80 fully equipped hospitals, 05 Ayurvedic dispensaries & 376 dispensaries equipped with diagnostic & surgical facilities spread across all business units, supported by 541 (69 BLS) ambulances and manned by 1150 doctors/specialists and around 4938 beds. Mobile dispensaries and Tele-medicine facilities meant for employees are also extended to nearby village populace. Further, Coal India has 299 empanelled hospitals across India for providing better health care to all the on roll and retired employees.

Educational facilities have been created for providing free education to the children of the employees. There are 62 public schools financed by the company to provide quality education. In addition to that, Coal India gives grant-in-aid to 284 privately managed schools. Coal India also gives occasional assistance to other 81 schools in and around the coal field areas. The company provides scholarships to meritorious students. It also supports higher education by bearing 100% financial support to children getting admission in Govt Medical Colleges and Government Engineering Colleges.

In order to supply essential commodities and Consumer goods at a cheaper rate in the Collieries, Central co-operatives and Primary Co-operative Stores along with Cooperative Credit Societies are functioning in the Coalfield areas of CIL.

Coal India also provides various amenities at workplaces for improving the overall work culture of the organization. Coal India has 422 Canteens, 6 Crèches, 15 Pit Head Baths, 446 Rest Shelters, drinking water facilities at all workplaces, etc

i. Post-Retirement Medical Support:

CIL has added a post-retirement medical benefit to its 3.1 lakhs of employees for providing critical health support to the employees and their spouses, post retirement. Subject to conditions, the scheme provides reimbursement of medical expenses for indoor and outdoor treatment for a maximum amount upto Rs 5 lakhs and Rs 25 lakhs, for ordinary cases, to non-executive and executives respectively and enhanced support in case of critical diseases such as Heart and vascular diseases, Cancer, Renal diseases, Paralysis, AIDS, Addison's disease & Adrenal Histoplasmosis.

j. **Social Security:** All employees are covered under the social security schemes of the company as below:

1. Gratuity - Up to ₹ 10 Lakhs as per Payment of Gratuity Act
2. Life Cover Scheme - In addition to Normal Gratuity ₹ 112800/-
3. Ex-Gratia- In addition to Employee Compensation Act, ₹ 84600/- in case of fatal mine accident, ₹ 5 Lakhs is paid to the next of kin of the deceased employee
4. Coal Mines Provident Fund (CMPF): All employees are covered under the Coal Mines Provident Fund scheme which is contributory fund with equal shares both by employees and the company.
5. Coal Mines Pension Scheme: The employees are covered under the pension scheme by which, on superannuation, they receive 25% of their last drawn notional salary (basic pay and dearness allowances) as monthly pension. In the event of death of the employee, the spouse and their children are eligible to receive pension.
6. Employment to the eligible dependent of the deceased employee or an employee who has been declared medically unfit.
7. Monthly monetary compensation in lieu of employment- Initial Basic of Category-I

k. **Grievance management:**

The company has a robust online stakeholder grievance management system to deal with the grievances of the stakeholders i.e. employees, consumers, customers and other stakeholders. Under the policy, all grievances are being addressed within the scheduled timeline and the stakeholders are informed accordingly. In the year 2016-17, Coal India has received a total of 3884 grievances in online portal, out of which, 3287 grievances have been disposed.

l. **Transparency:**

Transparency is one of the core values in Coal India Limited. The company provides value training to inculcate the values of the company among the employees. CIL fully complies with the provisions of RTI Act 2005.In the year 2016-17, Coal India has received a total of 1612 applications, out of which 958 replies have been sent & 496 transferred to other companies as CIL HQ is not the custodian of the information sought. All the circulars/ Office Orders/ Manuals/Policies/ Promotion orders are being uploaded on the company's website for wide publicity and transparency. The company encourages all its employees to disclose their assets by providing an online return filling system.

The above approach resulted in maintaining excellent industrial relations in the company leading to reduction in number of strikes, production loss & man shift loss.

9.0 ENVIRONMENT PROTECTION AND CONSERVATION

Environmental protection measures are taken concurrently with mining operations for maintaining acceptable levels of major physical attributes of environment namely air & water quality, hydrogeology, noise level & land resources.

Suitable water spraying systems for arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, coal transfer points and coal stock areas have been installed. Massive tree plantation in and around mining area, controlled blasting, use of modern techniques reduce air and noise pollution are being implemented.

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 waste water treatment facilities have also been provided to deal with the domestic effluent. Recharging of ground water is also taken up within mine premises as well as in nearby villages through rainwater harvesting, digging of ponds/development of lagoons, de-silting of existing ponds/tanks etc.

The level of pollutants is being monitored on routine basis as per the statutory guidelines to ascertain the efficacy of the pollution control measures being taken in the projects.

Technical and biological reclamation of the mined out areas and the external overburden dumps are being taken by planting native species of plants for restoring the ecology. ECO restoration site developed in Damoda, Tetulmari of BCCL, with technical guidance of Forest Research Institute. Eco Parks have been developed in many of the mined out areas of CIL like Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi of NCL, Saoner of WCL, Kayakalp Vatika, Rajarappa Eco Park in CCL etc.

The subsidiaries of CIL have planted around 94.015 million of trees covering an area over 37557.458 Ha. till March 2017 which includes 1.665 million over 661.19 Ha. in 2016-17. CIL introduced state-of-the-art Satellite Surveillance to monitor land reclamation and restoration for all opencast projects.

CIL has engaged Indian Council of Forestry Research & Education (ICFRE), Dehradun for Environmental Audit of 20 OC Mines of CIL intending the compliance of EC conditions. ICFRE has been carrying out the study in different subsidiaries of CIL.

CIL has signed MoU with National Environmental Research Institute (NEERI), Nagpur to carry out studies, monitoring and collaborative research work for "Sustainable Coal Mining in CIL". NEERI is also studying on the effectiveness of supplying de-shaled/ dry-beneficiated / washed coal (reduction in ash content by 5-6%) to power plants following all pollution control measures.

Technological Conservation

Adoption of modern technologies like Surface Miners, Continuous Miners, Highwall Miners at different subsidiaries of CIL, which generates lesser air borne pollution for carrying out mining activities as compared to conventional methods as drilling, blasting and use of explosives are eliminated. During the year 2016-17, CIL has produced about 48.89% of its production from open cast mines through Surface miners. Continuous miners contributed about 4.689 MTin the production from underground mines.

Renewable Energy Development

CIL has signed MoU with Energy Efficiency Services Limited (EESL) to promote energy efficiency provisions in CIL and its subsidiary companies. CIL has taken steps for using LED lights substituting CFL lights in CIL HQ at Kolkata and all its subsidiary companies. Till 31st March 2017, more than 64,000 LED bulbs were replaced in all subsidiary companies of CIL.

To promote, Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing 1000 MW Solar Power Projects. For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India (SECI).

In the 1st phase, tender was floated for setting up of 2x100 MW Solar PV Project in the state of Madhya Pradesh. But, due to current downward trend in prices of solar projects and availability of land in Madhya Pradesh Solar park the tenders were cancelled and SECI was advised to go for retendering of above projects.

CIL's initiatives has resulted in installation of 3 MW(Approx) capacity in CIL HQ and its Subsidiary Companies.

10. CORPORATE SOCIAL RESPONSIBILITY:

CSR activities were undertaken under various thematic areas, healthcare and promotion of sports being the prominent ones among them. The activities were entrusted to various implementing agencies, some of them being very prominent and well – known names like Ramakrishna Mission, Indian Medical Association, Department of Sports, Ministry of Youth Affairs and Sports,Central Pollution Control Board, Prayas Juvenile Aid Centre (JAC) Society, SAPNA to name a few. Funds were also transferred to subsidiaries of CIL (CCL and WCL) to help them in fulfilling their committed CSR liabilities.

Monitoring, an important aspect of community based projects, was greatly emphasized upon by CIL. Executives from CIL visited all the major CSR projects and the field visit reports thus prepared were circulated to all CSR Committee members. All the stalled projects (due to non-submission of Utilization Certificates (UCs) by implementing agencies have been revived.

In order to make the whole process of project approval digitized and transparent with minimum hassle to the implementing agencies, a beta version of CSR portal has been launched on 2nd October, 2016. A total of 215 implementing agencies have registered on the portal and a total of 150 projects have been uploaded.

The widespread public outreach of CSR activities is very important in order to establish and enhance CIL's image as a socially responsible company as well as to attract sincere partners as implementing agencies with innovate ideas for the upliftment of the underprivileged. To achieve this, a coffee table book on CSR activities is being made highlighting the major CSR initiatives of CIL and its subsidiaries during the past few years. The book is expected to be released shortly.

For internalization of CSR among the employees of CIL, a programme was organized on 9th June, 2017 where CSR activities of CIL and its subsidiaries were showcased in an interactive and participative manner. Brochures containing information about CSR activities of CIL were also distributed to employees.

The budget allocated for CSR activities for F.Y. 2016-17 was ₹ 127.34 crores, much more than the amount calculated as per the provisions of the Companies Act 2013 i.e. ₹ 13.52 crores. CIL was able to spend the whole amount allocated for CSR during the financial year.

Major Projects for which CSR fund was utilized in FY 16-17 by CIL (HQ)

- Installing 130 nos. of deep bore wells in Sidhi District, Madhya Pradesh for ensuring regular water supply
- Distribution of 12000 nos. of bicycles in Nuapada
- Financial assistance for procurement of CT scan machine and cath lab equipment to provide affordable healthcare
- Financial assistance to Dr. Aabaji Thatte Sewa aur Anusandhan Sanstha for National Cancer Institute, Nagpur through WCL
- Different development works in Purulia, West Bengal
- Imparting training to 400 persons in plastic engineering trades at CIPET, Murthal
- Construction of blood bank with component separation facility at IMA, Kanpur premises
- Installation of escalators at Suburban railway stations in Mumbai through WCL
- Financial assistance for CSR activities of CCL - Sports complex at Khelgaon (Hotwar), Ranchi
- Support for training and preparation of sportspersons for Olympics and Paralympics in different games
- Establishment of sixteen Central Ambient Air Quality Monitoring Systems (CAAQMS) in ten cities

ANNEXURE A

Disbursement of R&D projects of CIL during 2016-17

(Rupees in Lakh)

Sl. No.	Project Title	Implementing Agency	Date of start of the project	Revised/ Scheduled date of Completion	Total Approved Cost	Disbursement during 16-17	Progressive disbursement till 31.03.2017	Remarks
1	An integrated geo-physical approach for tectonic study in main coal basin of Singrauli Coalfields (CF) using 3-D inverse modeling of Gravity, Magnetic and AMT data .	Indian School of Mines, Dhanbad and CMPDI(HQ), Ranchi.	March 2015	Sep 2017	349.4 For ISM, Dhanbad-301.90 For CMPDI-47.50	23.00	143.00	On-going Project.
2	Demonstration of Coal Dry Beneficiation System using Radiometric Technique.	CMP Division , CMPDIL & Ardee Hi-Tech Pvt Ltd, Vishakhapatnam	Sep.2010	Mar.2017	2565.70 CMPDI- 1814.40 Ardee Hi-Tech-751.30	188.27	1402.16	Project Completed.
3	Development of guidelines for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol.	CIMFR, Dhanbad, ISM, Dhanbad, S&R Division, CIL (HQ), Kolkata. Technical Collaboration with SIMTARS, Australia.	15th April 2016	14th April 2019	1629.71 ISM-833.57 CIMFR-796.14	730.00	730.00	On-going Project.
4	Multiple layer trial blasting for better recovery with less diluted coal.	ISM, Dhanbad, CMPDI , Ranchi. Technical Participation- University of Queensland, Brisbane, Australia	15th July 2016	14th July 2018	496.24 ISM-431.24 CMPDI-65.0	150.00	150.00	On-going Project.
5	Studies on the Use of Coal and Petcoke as Fuel in the Cement Industry in India.	ISM, Dhanbad, CMPDI, Ranchi.	15th July 2016	14th July 2018	471.95 ISM-431.28 CMPDI-40.67	201.43	201.43	On-going Project.
6	Indigenous Development of Through The Earth (TTE) Two- Way Voice Communication System for Underground Mines.	Indian Institute Technology(IIT), Bombay and Central Mine Planing and Design Institute Limited (CMPDIL), Ranchi	15th Oct.2016	14th Apr 2019	139.8816 IIT, Bombay-121.8816 CMPDI-18.00	80.00	80.00	On-going Project.
	Reimbursement from completed projects					(-) 7.04		
	Total					1365.66		

Annual Accounts 2016-17
(Standalone)

BALANCE SHEET (STANDALONE) as at 31st March 2017

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
ASSETS				
Non-Current Assets				
(a) Property, Plant & Equipments	3	306.13	317.35	99.52
(b) Capital Work in Progress	4	13.52	13.13	225.92
(c) Exploration and Evaluation Assets	5	14.89	14.89	13.68
(d) Intangible Assets	6	0.31	0.47	-
(e) Financial Assets				
(i) Investments	7	11,529.07	11,416.51	11,180.58
(ii) Loans	8	0.43	51.51	63.42
(iii) Other Financial Assets	9	3,301.23	3,083.43	2,595.68
(f) Other non-current assets	10	98.83	86.31	52.65
Total Non-Current Assets (A)		**15,264.41**	**14,983.60**	**14,231.45**
Current Assets				
(a) Inventories	12	68.44	152.41	58.33
(b) Financial Assets				
(i) Investments	7	60.19	312.98	862.92
(ii) Trade Receivables	13	12.74	0.38	9.76
(iii) Cash & Cash equivalents	14	725.17	276.28	99.61
(iv) Other Bank Balances	15	196.92	4,188.29	5,695.38
(v) Loans	8	1,209.00	17.45	16.61
(vi) Other Financial Assets	9	503.40	712.18	800.86
(c) Current Tax Assets (Net)		795.77	630.95	378.38
(d) Other Current Assets	11	49.36	104.24	280.17
Total Current Assets (B)		**3,620.99**	**6,395.16**	**8,202.02**
Total Assets (A+B)		**18,885.40**	**21,378.76**	**22,433.47**

BALANCE SHEET (STANDALONE) as at 31st March 2017 Contd.

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	6,207.41	6,316.36	6,316.36
(b) Other Equity	17	7,712.39	9,729.45	10,694.26
Total Equity (A)		**13,919.80**	**16,045.81**	**17,010.62**
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Other Financial Liabilities	20	-	-	-
(b) Provisions	21	212.82	172.72	194.68
(c) Other Non-Current Liabilities	22	3,449.67	3,177.66	2,904.44
Total Non-Current Liabilities (B)		**3,662.49**	**3,350.38**	**3,099.12**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	107.64	72.70	86.25
(iii) Other Financial Liabilities	20	775.14	1,470.78	1709.16
(b) Other Current Liabilities	23	279.09	233.00	319.61
(c) Provisions	21	141.24	206.09	208.71
Total Current Liabilities (C)		**1,303.11**	**1,982.57**	**2,323.73**
Total Equity and Liabilities (A+B+C)		**18,885.40**	**21,378.76**	**22,433.47**

The Accompanying Notes form an integral part of Financial Statements.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing
Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance)
& CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

STATEMENT OF PROFIT AND LOSS (STANDALONE)
For the year ended 31.03.2017

(₹ in Crore)

		Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
	Revenue from Operations	24		
A	Sales (Net of other levies but including excise duty)		306.40	174.66
B	Other Operating Revenue (Net of other levies but including excise duty)		4.78	2.50
(I)	**Revenue from Operations (A+B)**		**311.18**	**177.16**
(II)	Other Income	25	15,004.75	17,129.39
(III)	**Total Income (I+II)**		**15,315.93**	**17,306.55**
(IV)	**Expenses**			
	Cost of Materials Consumed	26	8.22	10.32
	Changes in inventories of finished goods/work in progress and Stock in trade	27	83.49	(94.55)
	Excise Duty		21.30	11.63
	Employee Benefits Expense	28	415.63	360.72
	Power Expense		11.50	10.89
	Corporate Social Responsibility Expense	29	128.05	79.26
	Repairs	30	13.76	9.87
	Contractual Expense	31	83.39	91.23
	Finance Costs	32	(136.23)	(123.80)
	Depreciation/Amortization/ Impairment expense		17.52	16.41
	Provisions	33	0.23	52.54
	Write off	34	0.13	0.00
	Other Expenses	35	157.27	113.83
	Total Expenses (IV)		**804.26**	**538.35**
(V)	**Profit before exceptional items and Tax (III-IV)**		**14,511.67**	**16,768.20**
(VI)	Exceptional Items		-	-
(VII)	**Profit before Tax (V-VI)**		**14,511.67**	**16,768.20**
(VIII)	Tax expense	36	11.14	175.20
(IX)	**Profit for the period from continuing operations (VII-VIII)**		**14,500.53**	**16,593.00**
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax expense of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII)	**Profit for the Period (IX+XII)**		**14,500.53**	**16,593.00**

STATEMENT OF PROFIT AND LOSS (STANDALONE)
For the year ended 31.03.2017

(₹ in Crore)

		Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
	Other Comprehensive Income	37		
	A (i) Items that will not be reclassified to profit or loss		3.64	(18.64)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.24)	5.20
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XIV)	**Total Other Comprehensive Income**		**3.40**	**(13.44)**
(XV)	**Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)**		**14,503.93**	**16,579.56**
(XVI)	**Earnings per equity share (for continuing operation):**			
	(1) Basic		23.13	26.27
	(2) Diluted		23.13	26.27
(XVII)	**Earnings per equity share (for discontinued operation):**			
	(1) Basic		-	-
	(2) Diluted		-	-
(XVIII)	**Earnings per equity share (for discontinued & continuing operation):**			
	(1) Basic		23.13	26.27
	(2) Diluted		23.13	26.27

Refer note 38 (6) (e) for calculation of EPS

The Accompanying Notes form an integral part of Financial Statements.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

CASH FLOW STATEMENT (Indirect Method) (STANDALONE)
For the year ended 31.03.2017

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		14511.67	16768.20
Adjustment for :			
Depreciation / Impairment of fixed assets		17.52	16.41
Interest pertaining to Investing Activities		(282.42)	(558.83)
Finance cost related to financing activity		116.39	110.11
Fair value change (net)		(254.73)	(235.86)
Unwinding of discount		2.11	1.95
Interest / Dividend from Investments		(10,449.86)	(16,210.81)
Income on sale of investments		(3,914.16)	-
Profit/loss on sale of fixed assets		(0.01)	-
Povisions made & write off		0.36	52.54
Provision/Liability write back		(13.58)	(15.95)
Operating Profit before Current/Non Current Assets and Liabilities		**(266.71)**	**(72.24)**
Adjustment for :			
Trade Receivable		(12.36)	9.38
Inventories		83.97	(94.08)
Current/Non current/Loans, Other financial assets and other assets		251.82	217.30
Current/Non current Liablities/Provisions		(624.61)	(420.31)
Cash Generated from Operation		**(567.89)**	**(359.95)**
Income Tax Paid/Refund		(176.20)	(422.57)
Net Cash Flow from Operating Activities	(A)	**(744.09)**	**(782.52)**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(6.52)	(23.13)
Sale of investments in subsidiaries		4061.36	-
Investment in Non-current Investment		(5.03)	(0.07)
Investment in Bank Deposits		3773.87	1,018.98
Interest pertaining to Investing Activities		340.97	583.92
Interest / Dividend from Investments		10449.86	16210.81
Investment in Mutual Fund Investment		252.79	549.94
Net Cash from Investing Activities	(B)	**18867.30**	**18340.45**
CASH FLOW FROM FINANCING ACTIVITIES			
Loan given to subsidiaries		(1,200.00)	-
Interest & Finance cost pertaining to Financing Activities		(116.39)	(110.11)
Increase in Shifting & Rehabilitation Fund		272.01	273.22
Dividend on Equity shares		(12,352.76)	(17306.84)
Tax on Dividend on equity shares		(627.18)	(237.53)
Buyback of Equity share capital		(3,650.00)	-
Net Cash used in Financing Activities	(C)	**(17674.32)**	**(17381.26)**
Net Increase / (Decrease) in Cash & Cash equivalent (A+B+C)		**448.89**	**176.67**
Cash & Cash equivalent as at the beginning of the year (Refer Note 14 for components of cash & cash equivalents)		**276.28**	**99.61**
Cash & Cash equivalent as at the end of the year (Refer Note 14 for components of cash & cash equivalents)		**725.17**	**276.28**
(All figures in bracket represent outflow)			

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705
Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing
Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance)
& CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2017 -STANDALONE

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance as at 01.04.2015	Changes in Equity Share Capital during the Year	Balance as at 31.03.2016	Balance as at 01.04.2016	Changes in Equity Share Capital during the year	Balance as at 31.03.2017
6,20,74,09,177 Equity Shares of ₹10/- each (6,31,63,64,400) Equity Shares of ₹10/- each)	6,316.36	-	6,316.36	6,316.36	(108.95)	6,207.41

During the year, pursuant to Public Announcement (‘PA’) published on August 30, 2016 and letter of offer dated September 23, 2016, the Company has bought back its 10,89,55,223 number of Equity shares of face value of ₹10 each fully paid up through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28, 2016. Post such buy-back, the number of fully paid equity shares as on 31.03.2017 stands at 6,20,74,09,177.

B. OTHER EQUITY

(₹ in Crore)

	Capital Redemption reserve	General Reserve	Retained Earnings	Total
Balance as at 01.04.2015	904.18	7,861.61	1,652.04	10,417.83
Changes in accounting policy			275.94	275.94
Prior period errors	-	-	0.49	0.49
Restated balance as at 01.04.2015	904.18	7,861.61	1,928.47	10,694.26
Total Comprehensive Income for the year			16,579.56	16,579.56
Interim Dividend			(17,306.84)	(17,306.84)
Corporate Dividend tax			(237.53)	(237.53)
Transfer to/from General Reserve		10.17	(10.17)	-
Balance as at 31.03.2016	904.18	7,871.78	953.49	9,729.45
Balance as at 01.04.2016	904.18	7,871.78	953.49	9,729.45
Total Comprehensive Income for the year			14,503.93	14,503.93
Buyback of equity shares	108.95	(3,650.00)		(3,541.05)
Interim Dividend			(12,352.76)	(12,352.76)
Corporate Dividend tax			(627.18)	(627.18)
Transfer to/from General Reserve		8.01	(8.01)	-
Balance as at 31.03.2017	1,013.13	4,229.79	2,469.47	7,712.39

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705
Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

Note: 1 CORPORATE INFORMATION

Coal India Limited (CIL) is a Maharatna Company with having registered office at Kolkata, West Bengal and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CIL is an apex body with 8 wholly-owned subsidiaries in India out of which 7 subsidiaries are coal producing and 1 subsidiary is engaged in mine planning, designing and related consultancy services. The operations of the Company are spread across 8 states in India. CIL also has a fully owned mining company in Mozambique known as 'Coal India Africana Limitada' which is yet to commence operations. Further some of the subsidiaries of CIL, are also having another layer of subsidiaries. There are also Joint Ventures/Associates of CIL and some of its subsidiaries.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006. These financial statements for the year ended 31st March 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to Note no.38.6 for information on first time adoption of Ind AS.

The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.14);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.20).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore 'upto two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3 Revenue recognition

2.3.1Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

(a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, gross revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

2.3.2 Interest

Interest income is recognised using the Effective Interest Method.

2.3.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.3.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.3.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution are recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.5.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.5.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.5.1.2 Operating lease - Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.5.2 Company as a lessor

2.5.2.1 Operating leasesLease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

2.5.2.2 Finance leases Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.6 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land (incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Land" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant and Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.9 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;

- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.10Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

(a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or

(b) 2 years of touching of coal, or

(c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature "Other Mining Infrastructure". Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

2.11Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

2.12Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.13Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.14Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.14.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.14.2.1 Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.14.2.2 Debt instrument at FVTOCI

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.14.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Companyhas not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

2.14.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.14.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Companyhas transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.14.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.14.3 Financial liabilities

2.14.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.14.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.14.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.14.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.14.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15.Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.16Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.17Employee Benefits

2.17.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.

2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.17.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company’s net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.17.3 Other Employee benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.18Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.19Stripping Activity Expense/Adjustment

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

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

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

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the 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%	

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.20 Inventories

2.20.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.20.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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

2.20.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.21 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.22 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.23.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.23.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

(i) represent faithfully the financial position, financial performance and cash flows of the Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

2.23.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.23.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.23.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.23.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.23.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.23.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.24 Abbreviation used:

a.	CGU	Cash generating unit	l.	ECL	Eastern Coalfields Limited
b.	DCF	Discounted Cash Flow	m.	BCCL	Bharat Coking Coal Limited
c.	FVTOCI	Fair value through Other Comprehensive Income	n.	CCL	Central Coalfields Limited
d.	FVTPL	Fair value through Profit & Loss	o.	SECL	South Eastern Coalfields Limited
e.	GAAP	Generally accepted accounting principles	p.	MCL	Mahanadi Coalfields Limited
f.	Ind AS	Indian Accounting Standards	q.	NCL	Northern Coalfields Limited
g.	OCI	Other Comprehensive Income	r.	WCL	Western Coalfields Limited
h.	P&L	Profit and Loss	s.	CMPDIL	Central Mine Planning & Design Institute Limited
i.	PPE	Property, Plant and Equipment	t.	NEC	North Eastern Coalfields
j.	SPPI	Solely Payment of Principal and Interest	u.	IICM	Indian Institute of Coal Management
k.	EIR	Effective Interest Rate	v.	CIL	Coal India Limited

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Tele-communica-tion	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Total
Gross Carrying Amount:														
As at 1 April 2015	11.81	0.92	11.20	50.87	14.10	0.95	0.38	1.64	5.29	1.59	0.58	0.18	0.01	99.52
Additions	-	-	-	162.61	50.10	1.66	-	15.35	4.60	0.06	-	-	0.05	234.43
Deletions/ Adjustments	-	-	-	-	-0.05	-	-	-	-0.12	-0.01	-	-	-	-0.18
As at 31 March 2016	11.81	0.92	11.20	213.48	64.15	2.61	0.38	16.99	9.77	1.64	0.58	0.18	0.06	333.77
As at 1 April 2016	11.81	0.92	11.20	213.48	64.15	2.61	0.38	16.99	9.77	1.64	0.58	0.18	0.06	333.77
Additions	0.24	-	-	2.56	1.70	0.30	-	0.32	1.30	0.13	-	-	0.03	6.58
Deletions/ Adjustments	-	-	-	-0.03	-0.02	-	-	-	-0.30	-0.01	-	-	-0.04	-0.40
As at 31 March 2017	12.05	0.92	11.20	216.01	65.83	2.91	0.38	17.31	10.77	1.76	0.58	0.18	0.05	339.95
Accumulated Depreciation and Impairment														
As at 1 April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	0.01	1.09	4.79	5.70	0.37	-	1.53	2.47	0.40	-	0.02	-	16.38
Impairment	-	-	-	-	-	-	-	0.02	0.03	-	-	-	-	0.05
Deletions/ Adjustments	-	-	-	-	-	-	-	-	-0.01	-	-	-	-	-0.01
As at 31 March 2016	-	0.01	1.09	4.79	5.70	0.37	-	1.55	2.49	0.40	-	0.02	-	16.42
As at 1 April 2016	-	0.01	1.09	4.79	5.70	0.37	-	1.55	2.49	0.40	-	0.02	-	16.42
Charge for the year	-	0.01	1.09	5.34	5.70	0.35	-	1.68	2.76	0.40	-	0.02	-	17.35
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	0.05	0.05
Deletions/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2017	-	0.02	2.18	10.13	11.40	0.72	-	3.23	5.25	0.80	-	0.04	0.05	33.82

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Tele-communica-tion	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Total
Net Carrying Amont														
As at 31 March 2017	12.05	0.90	9.02	205.88	54.43	2.19	0.38	14.08	5.52	0.96	0.58	0.14	-	306.13
As at 31 March 2016 (Restated)	11.81	0.91	10.11	208.69	58.45	2.24	0.38	15.44	7.28	1.24	0.58	0.16	0.06	317.35
As at 1 April 2015 (Restated)	11.81	0.92	11.20	50.87	14.10	0.95	0.38	1.64	5.29	1.59	0.58	0.18	0.01	99.52

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Tele-communica-tion	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Total
Gross Carrying Amount:														
As at 1 April 2015	11.81	1.34	16.63	90.48	190.18	7.58	7.71	10.89	17.41	4.85	19.95	40.50	0.30	419.63
Accumulated Depreciation and Impairment														
As at 1 April 2015	-	0.42	5.43	39.61	176.08	6.63	7.33	9.25	12.12	3.26	19.37	40.32	0.29	320.11
Net carrying amount	11.81	0.92	11.20	50.87	14.10	0.95	0.38	1.64	5.29	1.59	0.58	0.18	0.01	99.52

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.
- As per accounts of F.Y. 2014-15, land in possession of NEC, Assam, Margherita included 8069.70 hectares of leasehold land for which no value was shown. A reconciliation was carried out during the previous year and actual land area was found to be 5558.23 hectares after deducting the leasehold area of 2500 hectares for which lease was not renewed by Meghalaya Government in the earlier years and some other adjustments of 11.47 hectares and reconciliation is in process. Identification and taking possession is in process for 137.46 hectares of freehold land for which the Hon'ble High Court of Guwahati in RFA no. 17/2004 has given verdict in favour of NEC vide court order dated 25.08.2015. Further, no value is receorded in the books for freehold land 935.33 hectares.

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 31.03.2017 of ₹11.42 Crore, continue to be let out to South Eastern Coalfields Ltd. for a lease rent of ₹1.80 Crore per annum under cancellable operating lease agreement. The above written down value of ₹11.42 Crore includes land of ₹ 3.73 Crore (at cost) and building of ₹ 5.25 Crore (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 31.03.2017 of ₹12.65 Crore have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹1.80 Crore under cancellable operating lease agreement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crore)

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Other Mining infrastructure/ Development	Others	Total
Gross Carrying Amount:						
As at 1 April 2015	216.98	0.30	-	8.64	-	225.92
Additions	11.67	0.07	-	3.54	-	15.28
Capitalisation/ Deletions	(227.92)	(0.15)	-	-	-	(228.07)
As at 31 March 2016	**0.73**	**0.22**	**-**	**12.18**	**-**	**13.13**
As at 1 April 2016	0.73	0.22	-	12.18	-	13.13
Additions	0.72	0.71	-	-	-	1.43
Capitalisation/ Deletions	(1.01)	(0.03)	-	-	-	(1.04)
As at 31 March 2017	**0.44**	**0.90**	**-**	**12.18**	**-**	**13.52**
Provision and Impairment						-
As at 1 April 2015	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-
As at 31 March 2016	**-**	**-**	**-**	**-**	**-**	**-**
As at 1 April 2016	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-
As at 31 March 2017	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amont						**-**
As at 31 March 2017	**0.44**	**0.90**	**-**	**12.18**	**-**	**13.52**
As at 31 March 2016 (Restated)	**0.73**	**0.22**	**-**	**12.18**	**-**	**13.13**
As at 1 April 2015 (Restated)	**216.98**	**0.30**	**-**	**8.64**	**-**	**225.92**

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Other Mining infrastructure/ Development	Others	Total
Gross Carrying Amount:						
As at 1 April 2015	217.03	0.32	-	8.64	-	225.99
Provision and Impairment	**-**	**-**	**-**	**-**	**-**	**-**
As at 1 April 2015	0.05	0.02	-	-	-	0.07
Net carrying amount	**216.98**	**0.30**	**-**	**8.64**	**-**	**225.92**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

	(₹ in Crore) Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1 April 2015	13.68
Additions	1.21
Deletions/Adjustments	-
As at 31 March 2016	**14.89**
As at 1 April 2016	14.89
Additions	-
Deletions/Adjustments	-
As at 31 March 2017	**14.89**
Provision and Impairment	
As at 1 April 2015	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2016	-
As at 1 April 2016	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2017	-
Net Carrying Amont	
As at 31 March 2017	**14.89**
As at 31 March 2016 (Restated)	**14.89**
As at 1 April 2015 (Restated)	**13.68**

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

Gross Carrying Amount :	
As at April 2015	15.86
Provision and Impairment	**-**
As at 1 April 2015	2.18
Net Carrying Amount	**13.68**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 : INTANGIBLE ASSETS

(₹ in Crore)

	Computer Software	Others	Total
Gross Carrying Amount:			
As at 1 April 2015	-	-	-
Additions	0.50	-	0.50
Deletions/Adjustments	-	-	-
As at 31 March 2016	**0.50**	**-**	**0.50**
As at 1 April 2016	0.50	-	0.50
Additions	-	-	-
Deletions/Adjustments	-	-	-
As at 31 March 2017	**0.50**	**-**	**0.50**
Amortisation and Impairment			
As at 1 April 2015	-	-	-
Charge for the year	0.03	-	0.03
Impairment	-	-	-
Deletions/Adjustments	-	-	-
As at 31 March 2016	**0.03**	**-**	**0.03**
As at 1 April 2016	0.03	-	0.03
Charge for the year	0.16	-	0.16
Impairment	-	-	-
Deletions/Adjustments	-	-	-
As at 31 March 2017	**0.19**	**-**	**0.19**
Net Carrying Amont			
As at 31 March 2017	**0.31**	**-**	**0.31**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 7 : INVESTMENTS

Non Current (₹ in Crore)

	Percentage (%) holding	Number of shares	Face value per share	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
a. Investment in Equity Instruments						
(i) Equity Shares in Subsidiary Companies						
Eastern Coalfields Limited (Sanctoria , West Bengal)	100%	22184500 (22184500)	1000 (1000)	2218.45	2218.45	2218.45
Central Coalfields Limited (Ranchi , Jharkhand)	100%	9400000 (9400000)	1000 (1000)	940.00	940.00	940.00
Bharat Coking Coal Limited (Dhanbad, Jharkhand)	100%	21180000 (21180000)	1000 (1000)	2118.00	2118.00	2118.00
Western Coalfields Limited (Nagpur , Maharastra)	100%	2971000 (2971000)	1000 (1000)	297.10	297.10	297.10
Central Mine Planning & Design Institute Limited (Ranchi , Jharkhand)	100%	190400 (190400)	1000 (1000)	19.04	19.04	19.04
Northern Coalfields Limited* (Singrauli, Madhya Pradesh)	100%	1365593 (1776728)	1000 (1000)	136.56	177.67	177.67
South Eastern Coalfields Limited* (Bilaspur, Chattisgarh)	100%	2987750 (3597000)	1000 (1000)	298.78	359.70	359.70
Mahanadi Coalfields Limited* (Sambalpur, Orissa)	100%	1412266 (1864009)	1000 (1000)	141.23	186.40	186.40
Coal India Africana Limitada (Moatize, Mozambique)	100%	(Quota Capital)		0.01	0.01	0.01
(ii) Equity Shares in Joint Venture Companies						
International Coal Venture Private Limited, New Delhi	0.22%	2800000 (2800000)	10 (10)	2.80	2.80	2.80
CIL NTPC Urja Private Limited, New Delhi	50%	76900 (76900)	10 (10)	0.08	0.08	0.03
Talcher Fertilizers Limited, Bhubneswar, Orissa	30.00%	15000 (15000)	10 (10)	0.02	0.02	-
Hidustan Urvarak & Rasayan Ltd, Kolkata	33.28%	5025000 (Nil)	10 (Nil)	5.03	-	-
(iii) Other Equity (Preference Share classifed as Equity Component)						
5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd.				1057.52	1057.52	1057.52
6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd.				855.61	855.61	855.61
(b) Investment in Preference Shares						
Preference Shares in Subsidiary Companies -Classified as debt Component						
5% redeemable cumulative Preference Shares in Bharat Coking Coal Ltd.		25390000 (25390000)	1000 (1000)	2015.54	1866.24	1728.00
6% redeemable cumulative Preference Shares in Eastern Coalfields Ltd.		20509700 (20509700)	1000 (1000)	1423.30	1317.87	1220.25
Total :				**11529.07**	**11416.51**	**11180.58**
Aggregate amount of unquoted investments:				11529.07	11416.51	11180.58
Aggregate amount of quoted investments:				-	-	-
Market value of quoted investments:				-	-	-
Aggregate amount of impairment in value of investments:				-	-	-

*Refer note 38 (6) (h) for additional information.

Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE-7 (contd.) NON - CURRENT INVESTMENTS - Unquoted at Cost

1 Investment in Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL)

The investment in Equity Shares of BCCL, a wholly owned subsidiary, is long term and strategic in nature. The Book Value of investment in BCCL as on 31.03.2017 is ₹2118.00 crore against which the accumulated loss as on 31.03.2017 is ₹1262.09 crore (₹1113.61 crore). The accumulated losses as on 31.03.2017 has come down to ₹1262.09 crore from ₹4106.03 crore as on 31.03.2013 (i.e. the end of the year in which it came out of BIFR).

Similarly, the investment in Equity Shares of ECL, a wholly owned subsidiary, is also long term and strategic in nature. The Book Value of investment in ECL as on 31.03.2017 is ₹2218.45 crore against which the accumulated loss as on 31.03.2017 is ₹1907.76 crore (₹1928.53 crore). The accumulated losses as on 31.03.2017 has come down to ₹1907.76 crore from ₹2716.00 crore as on 31.03.2015 (i.e. the end of the year in which it came out of BIFR).

In view of these companies turning around and the investments in these companies being long term and strategic in nature, book value of investment has been considered.

2 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 crore. The investment by CIL in CIAL is strategic and long term in nature. The advance given by CIL to CIAL has been fully provided for because the expenses incurred till date are for the coal blocks which could not be turned into feasible projects.Pursuant to the directives of CIL Board, a request was made through Govt. of India for allocation of a new prospective coal block, the response for which from Mozambique government is awaited. In view of above, the investment does not have any indication for impairment and as such the same are valued at cost.

3 Investment in International Coal Ventures Pvt. Ltd.

CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meetting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Government of India, vide its approval dated 8th November, 2007.

The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. was incorporated under Companies Act, 1956 on 20th May,2009 initially with an authorised capital of ₹1.00 crore and paid up capital of ₹0.70 crore. The authorised Capital and paid up Capital as on 31.03.2017 stood at ₹ 3500.00 Crore and ₹ 1270.67 Crore respectively. Out of above paid up capital, Coal India Ltd. is owning 0.22% share i.e. ₹ 2.80 crore face value of equity shares.

4 Investment in CIL NTPC Urja Private Ltd.

CIL NTPC Urja Pvt.Ltd., a 50:50 joint venture company was formed on 27th April'2010 between CIL & NTPC for setting up of joint integrated power plants along with mining of coal. Coal India Ltd. is presently holding 50% equity shares of face value of ₹0.08 crore in the joint venture Company.

5 Investment in Talcher Fertilizers Limited

A Joint venture company named Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited) was incorporated on 13th November, 2015 under the Companies Act, 2013 under a joint venture agreement dated 27th October,2015, among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited with an authorised share capital of ₹ 50 Crore, out of which CIL shall hold 29.67% share capital. However, presently Coal India Limited has invested ₹ 1.50 lakhs (i.e. 30%) in the joint venture company upto 31.03.2017.

6 Investment in Hindustan Urvarak and Rasayan Limited

By virtue of agreement dated 16th May, 2016 made between CIL and NTPC Ltd., a joint venture company named Hindustan Urvarak and Rasayan Limited (HURL) was formed. Subsequently, joint venture agreement has been revised on 31st October, 2016 to include IOCL, FCIL and HFCL as joint venture partners. The authorised share capital of the company is ₹ 100.00 Crore, out of which CIL shall hold 29.67% share capital. However, presently Coal India Limited has invested ₹5.03 crore (i.e. 33.28%) in the joint venture company upto 31.03.2017.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 7 (Contd.) : INVESTMENTS

Current (₹ in Crore)

	Number of units	NAV (In ₹)	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Investment in Mutual Fund					
UTI Mutual Fund	299529.434 (1272530.608)	1019.4457 (1019.4457)	30.54	129.73	302.41
SBI Mutual Fund	Nil (1025686.499)	Nil (1003.2500)	-	102.90	459.14
Canara Robeco Mutual Fund	Nil (10848.426)	Nil (1005.5000)	-	1.09	43.65
Union KBC Mutual Fund	Nil (287447.402)	Nil (1000.6506)	-	28.76	34.69
BOI AXA Mutual Fund	295769.562 (503702.748)	1002.6483 (1002.6483)	29.65	50.50	23.03
Total :			**60.19**	**312.98**	**862.92**
Aggregate of Quoted Investments:			-	-	-
Aggregate of unquoted investments:			60.19	312.98	862.92
Market value of Quoted Investments:			-	-	-
Aggregate amount of impairment in value of investments:			-	-	-

Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 8 : LOANS

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Non-Current						
Loans to Employees						
- Secured, considered good	0.43		0.63		0.80	
- Unsecured, considered good	-		-		-	
- Doubtful	-		-		-	
Less: Provision for doubtful loans	-	0.43	-	0.63	-	0.80
Loans to body corporates						
- Secured, considered good	-		-		-	
- Unsecured, considered good	-		50.88		62.62	
- Doubtful	1.50		1.50		1.50	
Less: Provision for doubtful loans	1.50	-	1.50	50.88	1.50	62.62
TOTAL		**0.43**		**51.51**		**63.42**
CLASSIFICATION						
Secured, considered good		0.43		0.63		0.80
Unsecured, Considered good		-		50.88		62.62
Doubtful		1.50		1.50		1.50
Current						
Loans to Related parties						
- Secured, considered good	-		-		-	
- Unsecured, considered good	1,200.00		-		-	
- Doubtful	-		-		-	
Less: Provision for doubtful loans	-	1,200.00	-	-	-	-
Loans to other body corporates						
- Secured, considered good	-		-		-	
- Unsecured, considered good	8.84		17.29		16.44	
- Doubtful	-		-		-	
Less: Provision for doubtful loans	-	8.84	-	17.29	-	16.44
Loans to Employees						
- Secured, considered good	0.16		0.16		0.17	
- Unsecured, considered good	-		-		-	
- Doubtful	-		-		-	
Less: Provision for doubtful loans	-	0.16	-	0.16	-	0.17
TOTAL		**1,209.00**		**17.45**		**16.61**
CLASSIFICATION						
Secured, considered good		0.16		0.16		0.17
Unsecured, Considered good		1,208.84		17.29		16.44
Doubtful		-		-		-

Loans to Related parties

Coal India Limited (Holding Co.) has extended a short term loan to its wholly owned subsidiaries viz. Mahanadi Coalfields Limited (₹700.00 crore), Northern Coalfields Limited (₹250.00 crore) and South Eastern Coalfields Limited (₹250.00 crore) for the purpose of its business activities @6.35% per annum.

Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Non Current						
Deposits with bank under						
- Mine Closure Plan		38.74		32.78		25.39
- Shifting & Rehabilitation Fund scheme*		3,259.27		3,047.73		2567.00
Other deposits	0.66		0.33		0.72	
Less : Provision for doubtful deposits	0.01	0.65	0.01	0.32	0.01	0.71
Security Deposit for utilities	2.74		2.77		3.30	
Less :Provision	0.17	2.57	0.17	2.60	0.72	2.58
Receivable for Exploratory drilling work	61.27		78.34		108.09	
Less: Provision	61.27	-	78.34	-	108.09	-
TOTAL		**3301.23**		**3083.43**		**2595.68**

1. **Deposit with bank under Mine Closure Plan**

   Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened. The interest earned/accrued during the year on such Escrow Account for ₹2.38 crore (₹2.29 crore) is included in interest income from deposit with banks disclosed in Note-25. (Refer Note 21 for Provision for Site Restoration/Mine Closure)

2. **Receivable for Exploratory Drilling Work**

   In view of critically weak financial position of ECL, which was under BIFR till 31st Dec 2014, expenditure incurred by CMPDIL on exploratory drilling works, falling under the command area of ECL was paid by CIL and shown as advance. Amount of advance, lying unadjusted for more than five years is being written off. Therefore, as an abundant precaution, advance made on this account upto 31st Dec 2014 was fully provided for.

   * Refer Note 22 - Shifting & Rehabilitation Fund

Current

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Current Account with						
- Subsidiaries	525.25		675.41		693.12	
Less: Provision	53.08	472.17	52.50	622.91	-	693.12
Interest accrued on						
- Bank Deposits		0.73		59.28		84.37
Claims receivables	2.26		2.26		2.26	
Less : Provision for doubtful claims	2.26	-	2.26	-	2.26	-
Other receivables	30.50		30.06		24.48	
Less : Provision for doubtful claims	-	30.50	0.07	29.99	1.11	23.37
TOTAL		**503.40**		**712.18**		**800.86**

1. Current account with Subsidiaries- The balances of the current account with the Subsidiaries are reconciled at regular intervals, and the same as on 31.03.2017 has also been reconciled. Adjustments arising out of reconcilation are carried out continuously.

2. Other receivables of ₹30.50 crore includes ₹24.47 crore (₹25.19 crore as on 31.03.2016 & ₹21.92 crore as on 01.04.2015) for interest receivable on deposits made on account of Shifting & rehabilitation fund.

   Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
(i) Capital Advances	97.98		85.47		55.97	
Less : Provision	-	97.98	-	85.47	3.57	52.40
(ii) Advances other than capital advances						
Advance for goods and services	0.85		0.84		1.36	
Less :Provision	-	0.85	-	0.84	1.11	0.25
TOTAL		**98.83**		**86.31**		**52.65**

NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

		As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
(a)	Advance for Revenue	1.35		1.12		1.11	
	Less : Provision	0.22	1.13	0.22	0.90	0.22	0.89
(b)	Advance payment of statutory dues	0.02		1.73		1.77	
	Less : Provision	0.02	-	0.02	1.71	0.02	1.75
(c)	Advance to Related Parties						
	For Research & Development with CMPDIL		34.70		22.31		25.87
(d)	Advance to Employees	0.99		19.15		24.96	
	Less : Provision	-	0.99	-	19.15	0.01	24.95
(e)	Advance- Others	5.16		2.37		174.89	
	Less : Provision	-	5.16	-	2.37	-	174.89
(f)	Deposits- Others	0.60		51.72		51.78	
	Less: Provision	-	0.60	0.79	50.93	0.85	50.93
(g)	Cenvat credit receivable		5.11		5.25		0.31
(h)	Other Receivables	2.41		2.39		5.27	
	Less: Provision	0.74	1.67	0.77	1.62	4.69	0.58
	TOTAL		**49.36**		**104.24**		**280.17**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 12 : INVENTORIES

(₹ in Crore)

		As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
	Stock of Coal	67.49		150.98		56.43	
	Less : Provision	0.06	67.43	0.06	150.92	0.06	56.37
A.	**Stock of Coal (Net)**		**67.43**		**150.92**		**56.37**
	Stores & Spares	1.82		2.58		2.95	
	Less : Provision	0.90	0.92	1.16	1.42	1.06	1.89
B.	**Stores & Spares (Net)**		**0.92**		**1.42**		**1.89**
C.	**Other Inventories**						
	Stock of Medicine at Central Hospital		0.09		0.07		0.07
	Total (A+B+C)		**68.44**		**152.41**		**58.33**

Method of valuation : Refer Note No. 2.20 - Significant Accounting Policies on "Inventories"

NOTE - 13 : TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Current						
Trade receivables						
- Secured, considered good	-		-		-	
- Unsecured, considered good	12.74		0.38		9.76	
- Doubtful	11.07		10.78		10.78	
Less : Provision	11.07	12.74	10.78	0.38	10.78	9.76
Total		**12.74**		**0.38**		**9.76**

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

Refer to 38(2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Balances with Banks			
- in Deposit Accounts	649.38	250.00	43.42
- in Current Accounts	70.61	22.12	52.21
- in Cash Credit Accounts	5.15	4.13	3.95
Cash on hand	0.03	0.03	0.03
Total Cash and Cash Equivalents	**725.17**	**276.28**	**99.61**
Bank Overdraft	-	-	-
Total Cash and Cash Equivalents (net of Bank Overdraft)	**725.17**	**276.28**	**99.61**

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

2. The details of Specified bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 are provided below:

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on 08.11.2016	312,500.00	104,593.30	417,093.30
(+) Permitted receipts	44,500.00	1,716,293.00	1,760,793.00
(-) Permitted payments	54,000.00	1,455,632.59	1,509,632.59
(-) Amount deposited in banks	303,000.00	124,298.00	427,298.00
Closing cash on hand as on 30.12.2016	**-**	**240,955.71**	**240,955.71**

Refer note 38 (2) for classification

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Balances with Banks			
- Deposit accounts	2.81	4090.80	5370.10
- Shifting and Rehabilitation Fund scheme	115.00	64.88	312.94
- Unpaid dividend accounts	10.34	7.79	12.34
- Dividend accounts	68.77	24.82	-
Total	**196.92**	**4188.29**	**5695.38**

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.
2. Fixed Deposit of ₹2.72 crore (₹4.50 crore as on 31.03.2016 & ₹4.01 crore as on 01.04.2015) are included above made as per the direction of the Court.

   Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Authorised			
8,00,00,00,000 Equity Shares of ₹10/- each (8,00,00,00,000 Equity Shares of ₹10/- each)	8000.00	8000.00	8000.00
	8,000.00	8,000.00	8,000.00
Issued, Subscribed and Paid-up			
6,20,74,09,177 Equity Shares of ₹10/- each (6,31,63,64,400) Equity Shares of ₹10/- each)	6207.41	6,316.36	6,316.36
	6,207.41	6,316.36	6,316.36

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	**4,89,49,71,329 (503,09,70,582)**	**78.857 (79.649)**
Life Insurance Corporation of India	**45,29,23,208 (36,43,17,692)**	**7.296 (5.77)**

2 During the year, the company has not issued any shares. However, pursuant to Public Announcement ('PA') published on August 30, 2016 and letter of offer dated September 23, 2016, the Company has bought back its 10,89,55,223 number of Equity shares of face value of ₹10 each fully paid up through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28, 2016. Post such buy-back, the number of fully paid equity shares as on 31.03.2017 stands at 6,20,74,09,177.

3 Listing of shares of Coal India Ltd. in Stock Exchange.

The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November,2010.

The details of disinvestment/Buyback of shares by Govt of India is furnished below:

Sl. No.	Financial year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF
5	2016-17	1.248%	7,88,42,816	Buyback
6	2016-17	0.92%	5,71,56,437	CPSE-ETF

Hence, the number of shares held by Govt of India stood at 4,89,49,71,329 i.e. 78.857% of the total 6,20,74,09,177 number of shares outstanding as on 31.03.2017.

4 The Company has only one class of equity shares having a face value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

5 Reconciliation of number of shares

	For the year ended 31.03.2017	For the year ended 31.03.2016
Opening Issued, subscribed and paid up number of shares	6,31,63,64,400	6,31,63,64,400
Less: Number of shares bought back by the company during the year	108,955,223	-
Closing Issued, subscribed and paid up number of shares	6,207,409,177	6,31,63,64,400

6 Refer Note 38 (6) (d) also for Authorised Share capital of the company

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 17 : OTHER EQUITY

(₹ in Crore)

	Capital Redemption reserve	General Reserve	Retained Earnings	Total
Balance as at 01.04.2015	**904.18**	**7,861.61**	**1,652.04**	**10,417.83**
Changes in accounting policy			275.94	275.94
Prior period errors			0.49	0.49
Restated balance as at 01.04.2015	**904.18**	**7,861.61**	**1,928.47**	**10,694.26**
Total comprehensive income during the year			16,579.56	16,579.56
Appropriations				
Transfer to/from General Reserve		10.17	(10.17)	-
Interim Dividend			(17,306.84)	(17,306.84)
Corporate Dividend tax			(237.53)	(237.53)
Balance as at 31.03.2016	**904.18**	**7,871.78**	**953.49**	**9,729.45**
Balance as at 01.04.2016	**904.18**	**7,871.78**	**953.49**	**9,729.45**
Total comprehensive income during the year	-	-	14,503.93	14,503.93
Appropriations				
Transfer to/from General Reserve	-	8.01	(8.01)	-
Interim Dividend	-	-	(12,352.76)	(12,352.76)
Corporate Dividend tax	-	-	(627.18)	(627.18)
Buyback of equity shares	108.95	(3,650.00)	-	(3,541.05)
Balance as at 31.03.2017	**1,013.13**	**4,229.79**	**2,469.47**	**7,712.39**

1. Interim Dividend- During the year the company has paid first interim dividend of ₹18.75 and second interim dividend of ₹1.15 totalling to ₹19.90 (₹27.40) per equity share of face value of ₹10/- each for the year 2016-17 amounting to ₹12,352.76 crore (₹ 17,306.84 crore).

   The Board of Directors of the company decided to recommend such interim dividend already paid as final dividend and no additional dividend has been recommended for the year 2016-17.
2. Corporate Dividend Tax - The above represents the Dividend Distribution Tax pertaining to the Dividend paid over and above the utilization of Dividend received from Subsidiaries, as per provisions of Income Tax Act,1961.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 18: BORROWINGS

(in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non-Current			
Term Loans			
-From Banks	-	-	-
-From Other Parties	-	-	-
Loans from Related Parties	-	-	-
Other Loans	-	-	-
Total	**-**	**-**	**-**
CLASSIFICATION			
Secured	-	-	-
Unsecured	-	-	-
Current			
Loans repayable on demand			
-From Banks	-	-	-
-From Other Parties	-	-	-
Loans from Related Parties	-	-	-
Other Loans	-	-	-
Total	**-**	**-**	**-**
CLASSIFICATION			
Secured	-	-	-
Unsecured	-	-	-

Cash Credit

The bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stores and spare parts and book debts of CIL and its Subsidiary Companies within consortium of banks. The total working capital credit limit available to CIL is ₹550.00 Crore, of which fund based limit is ₹250.00 Crore and non-fund based limit is ₹300.00 crore. Further, ₹2000.00 crore was set up as non-fund based limit outside consortium in order to facilitate import of HEMM. Coal India Limited is contingently liable to the extent such facility is actually utilised by the Subsidiary Companies.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 19 :TRADE PAYABLES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Current			
Trade Payables for Micro, Small and Medium Enterprises (MSME)	-	-	-
Trade Payables for other than MSME			
-Stores and Spares	1.58	1.58	2.36
-Power and Fuel	1.84	1.87	1.25
-Other expenses	104.22	69.25	82.64
TOTAL	**107.64**	**72.70**	**86.25**

There is no reported Micro, Small and Medium Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006", to whom the company owes dues and remaining outstanding as at 31.03.2017.

Trade Payables for other than MSME- Other expenses includes:

Rent	18.08	17.92	18.82
Municipal Tax	2.21	1.66	0.53
Recruitment expenses	16.07	-	-
Consultancy expenses	27.67	3.93	6.61
Other revenue expenses	40.19	45.74	56.68
Total	**104.22**	**69.25**	**82.64**

Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Security Deposits	-	-	-
Earnest Money	-	-	-
	-	-	-
Current			
Funds parked by subsidiaries	291.90	1,116.13	1,321.83
Current Account of			
- Subsidiaries	131.29	69.46	134.63
- IICM	197.30	186.85	177.61
Unpaid dividends*	79.12	32.61	12.34
Security Deposits	37.05	34.12	28.72
Earnest Money	20.81	14.77	18.69
Liability for Salary, Wages and Allowances	14.34	13.77	12.74
Others	3.33	3.07	2.60
TOTAL	**775.14**	**1,470.78**	**1,709.16**

* No amount is due for payment to Investor Education & Protection Fund.

1. **Current Account of Subsidiaries**

   The current account balances of the Subsidiary Companies are reconciled on regular intervals, and the same as on 31.03.2017 has been reconciled. Adjustment arising out of reconcilation are carried out continuously.

2. **Current Account of Indian Institute of Coal Management (IICM)**

   Current account balance of 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 ₹ 27.71 Crore. Further ₹ 15.46 Crore (net) were remitted to IICM during the period; and hire charges/ lease rent recovered from IICM amounted to ₹1.80 Crore (excluding service tax applicable thereon).

3. Unpaid dividend includes interim dividend of ₹68.77 crore (₹24.82 crore as on 31.03.2016 & 'Nil' as on 01.04.2015) declared but 30 days have not been lapsed so as to transfer in Unpaid Dividend account.

   Refer note 38 (2) for classification

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Employee Benefits			
- Gratuity	-	-	-
- Leave Encashment	23.33	13.45	46.21
- Other Employee Benefits	151.60	123.49	116.41
Site Restoration/Mine Closure	37.89	35.78	32.06
TOTAL	**212.82**	**172.72**	**194.68**
Current			
Employee Benefits			
- Gratuity	3.98	11.39	26.56
- Leave Encashment	9.97	9.82	10.23
- Ex- Gratia	11.46	11.48	9.90
- Performance Related Pay	28.90	98.44	105.04
- Other Employee Benefits	64.14	63.03	50.33
- Provision for Natioanal Coal Wage Agreement X	15.19	-	-
- Provision for Executive Pay Revision	2.67	-	-
Excise Duty on Closing Stock of Coal	4.86	11.43	5.81
Others	0.07	0.50	0.84
TOTAL	**141.24**	**206.09**	**208.71**

1. **Provision for Site Restoration/Mine Closure**

   The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The estimate of obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate (@8%) that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses. In reference to the above guidelines for preparation of mine closure plan, an escrow account has been opened. (Refer Note 9 for deposit with banks under Mine Closure Plan)

   No mining activity has been undertaken in Lekhapani and Tikak Extension mines as stage II forest clearance approval is pending. In view of this, no provision for mine closure has been considered for Lekhapani and Tikak Extension Mines in 2016-17 accounts. For existing MCP and Escrow Fund, in respect of these mines necessary approval from the Competent Authority is being sought for withdrawal and necessary accounting for this will be carried out after getting such approval.

2. Pending finalisation of National Coal Wage Agreement (NCWA)-X for Non Executives, an estimated adhoc provision @ ₹ 8000 /- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017 amounting to ₹ 15.19 Crore and shown as " Provision for National Coal Wage Agreement X" above. (Also refer Note-28)

3. Pending finalization of PSUs' pay revision for executives, an estimated adhoc provision @₹18000/- per employee (Executive) per month, considering total impact of increase in all elements of executive salary (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017 amounting to ₹2.67 crore and shown as "Executive Pay Revision" above. (Also refer Note-28)

4. Provision- Other Employee Benefits-Current includes ₹45.09 crore (₹38.58 crore as on 31.03.2016 & ₹33.62 crore as on 01.04.2015) provided for Superannuation benefits @9.84%.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 22 :OTHER NON CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Shifting & Rehabilitation Fund			
Opening balance	3177.66	2904.44	2520.05
Add: Interest from investment of the fund (Net of TDS)	217.80	267.01	222.73
Add: Contribution received	325.43	319.15	297.42
Less: Amount released to subsidiaries during the year	271.22	312.94	135.76
Total	**3,449.67**	**3,177.66**	**2,904.44**

Shifting and Rehabilitation Fund

1- Following the direction of the Ministry of Coal, the Company has setup a fund for implementation of action plan for shifting & rehabilitation, dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect.

The subsidiaries of CIL except CMPDIL and Coal India Africana Limitada are making a contribution of ₹6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects. (Refer Note 9 for deposits with bank under Shifting & Rehabilitation Fund scheme)

2- Interest earned (Net of TDS) on bank deposits earmarked for this fund is credited to this fund.

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Capital Expenditue		28.45		29.97		20.93
Statutory Dues:						
Sales Tax/Vat	1.37		0.47		2.42	
Provident Fund & Others	3.39		3.47		3.49	
Royalty & Cess on Coal	4.38		1.03		9.61	
Stowing Excise Duty	0.09		0.02		0.14	
National Mineral Exploration Trust	0.09		0.29		-	
District Mineral Foundation	23.41		-		-	
Other Statutory Levies	0.79		0.77		1.02	
Income Tax deducted/collected at Source	7.15	40.67	6.97	13.02	5.48	22.16
Advance for Coal Import		-		30.53		87.43
Advance from customers / others		46.51		20.98		42.10
Others liabilities		163.46		138.50		146.99
TOTAL		**279.09**		**233.00**		**319.61**

Other liabilities include ₹154.82 crore (₹130.62 crore as on 31.03.2016 & ₹140.54 crore as on 01.04.2015) towards TDS on interest earned on deposits made against Shifting & Rehabilitation fund as refered in Note-22.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

		For the year ended 31.03.2017		For the year ended 31.03.2016 (Restated)	
A.	**Sale of Coal**		415.24		212.74
	Less :Other Statutory Levies				
	Royalty	35.44		21.56	
	Assam Land Tax	3.88		1.71	
	Stowing Excise Duty	0.78		0.34	
	Central Sales Tax	5.48		2.79	
	Clean Energy Cess	31.08		7.18	
	State Sales Tax/VAT	6.82		3.66	
	National Mineral Exploration Trust	0.71		0.29	
	District Mineral Foundation	23.41		-	
	Other Levies	1.24		0.55	
	Total Levies		**108.84**		**38.08**
	Sales (Net of other levies but including excise duty) (A)		**306.40**		**174.66**
B.	**Other Operating Revenue**				
	Facilitation charges for coal import		-		0.38
	Subsidy for Sand Stowing & Protective Works		0.08		0.05
	Loading and additional transportation charges	4.85		2.14	
	Less : Other Statutory Levies	0.15	4.70	0.07	2.07
	Other Operating Revenue (Net of other levies but including excise duty) (B)		**4.78**		**2.50**
	Revenue from Operations (A+B)		**311.18**		**177.16**

1. Subsidy for Sand Stowing & Protective Works includes ₹0.08 received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation & Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works by NEC during the F.Y. 2016-17.

2. Sale of coal includes excise duty of ₹21.03 Crore (₹11.51 crore). Sale of coal net of excise duty is ₹285.37 crore (₹163.15 crore).

3. Loading and additional transportation charges includes excise duty of ₹0.27 Crore (₹0.12 crore). Loading and additional transportation charges net of excise duty is ₹4.43 crore (₹1.95 crore).

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Interest Income		
Deposits with Banks	282.42	558.83
Loans	0.02	0.07
Others	4.61	12.20
Dividend Income		
Investments in Subsidiaries	10,429.51	16,140.09
Investments in Mutual Funds	20.35	70.72
Income on Buyback of shares by subsidiaries	3,914.16	-
Other Non-Operating Income		
Apex Charges	276.77	268.01
Profit on Sale of Assets	0.01	-
Lease Rent	3.63	1.83
Liability / Provision Write Back	13.58	15.95
Excise Duty on Decrease in Stock	6.57	-
Miscellaneous Income	53.12	61.69
Total	**15,004.75**	**17,129.39**

1. Interim Dividend of 2016-17 received from CCL (₹3634.04 crore) , NCL (₹1680.00 crore), SECL (₹2133.47 crore) and MCL (₹2982.00 crore) has been accounted for during the year.
2. Income of ₹3914.16 crore (MCL: ₹1571.88 crore, NCL: ₹1203.01 crore and SECL: ₹1139.27 crore) has been accounted for during the year on account of premium received through buyback price of equity shares paid by the subsidiaries over and above the nominal value of shares extinguished through buyback.
3. Interest income from deposits with Banks and dividend income from investment in mutual fund includes interest/dividend income on investments of amount lying in Current Account of IICM. (Refer Note 20) .
4. Miscellaneous income includes incomes like receipt on account of holiday home bookings, RTI fees, application money for recruitments, misc. receipts from banks etc.

NOTE 26 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Explosives	2.65	4.31
Timber	0.42	0.56
Oil & Lubricants	2.31	2.02
HEMM Spares	0.18	0.15
Other Consumable Stores & Spares	2.66	3.28
Total	**8.22**	**10.32**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

	For the year ended 31.03.2017		For the year ended 31.03.2016 (Restated)	
Opening Stock of Coal	150.98		56.43	
Less: Deterioration of Coal	0.06	150.92	0.06	56.37
Less:-				
Closing Stock of Coal	67.49		150.98	
Less: Deterioration of Coal	0.06	67.43	0.06	150.92
Change in Inventory of Stock in trade { Decretion / (Accretion) }		**83.49**		**(94.55)**

NOTE 28 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Salary, Wages, Allowances ,Bonus etc.	256.78	255.76
Ex-Gratia	12.15	13.20
Performance Related Pay	8.20	7.69
Contribution to P.F. & Other Funds	27.71	27.73
Gratuity	11.24	(9.43)
Leave Encashment	22.10	16.25
Medical Expenses for existing employees	11.31	8.41
Medical Expenses for retired employees	31.26	23.63
Grants to Schools & Institutions	1.82	1.74
Sports & Recreation	0.15	0.53
Canteen & Creche	0.56	0.73
Power - Township	7.43	7.59
Hire Charges of Bus, Ambulance etc.	1.46	1.21
Other Employee Benefits	5.60	5.68
Natioanal Coal Wage Agreement X Provision*	15.19	-
Executive Salary Revision Provision*	2.67	-
	415.63	**360.72**

* Refer Note 21 (Footnote 2 & 3)

Refer Note 38 (4) for additional informations.

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
CSR Expenses	128.05	73.26
Donation to Nepal Earthquake Relief Fund	-	6.00
Total	**128.05**	**79.26**

In pursuance of section 135 of Companies Act 2013, an amount of ₹ 13.52 crore (being 2% of the average net profit of the company made during the three immediately preceding financial years - considered from the audited financial statements of the respective years prepared as per previous GAAP) was required to be spent during 2016-17 towards CSR activities. The company has spent ₹128.05 crore during the year.

NOTE 30 : REPAIRS

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Building	12.63	8.99
Plant & Machinery	0.41	0.41
Others	0.72	0.47
Total	**13.76**	**9.87**

NOTE 31 : CONTRACTUAL EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Transportation Charges :		
- Coal	0.41	0.04
- Stores & Others	0.02	-
Wagon Loading	0.75	0.16
Hiring of Plant and Equipments	81.33	90.39
Other Contractual Work	0.88	0.64
Total	**83.39**	**91.23**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 32 : FINANCE COSTS

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Interest Expense		
Funds parked by subsidiaries	2.11	1.95
Others	(254.73)	(235.86)
Unwinding of discounts	116.28	110.02
Fair value changes (net)	0.11	0.09
Total	**(136.23)**	**(123.80)**

1. Interest on funds parked by subsidiaries
   Interest has been paid on funds parked by Subsidiaries with CIL. Such interest is paid at annualised average yield rate at which CIL earns from its investment in Fixed Deposits/Mutual Funds.
2. Fair value changes (net) represents gain on valuation of debt component of investment in preference shares in subsidiary companies.

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
(A) Provision made for		
Doubtful debts	0.33	-
Doubtful Advances & Claims	0.58	52.50
Stores & Spares	0.08	0.09
Others	0.05	0.05
Total(A)	1.04	52.64
(B) Provision Reversal		
Doubtful Advances & Claims	0.04	0.10
Stores & Spares	0.34	-
Others	0.43	-
Total(B)	**0.81**	**0.10**
Total (A-B)	**0.23**	**52.54**

NOTE 34 : WRITE OFF (NET OF PAST PROVISIONS)

(₹ in Crore)

	For the year ended 31.03.2017		For the year ended 31.03.2016 (Restated)	
Doubtful debts	0.04		-	
Less :- Provided earlier	0.04	-	-	-
Doubtful advances	18.04		39.91	
Less :- Provided earlier	17.91	0.13	39.91	-
Total		**0.13**		**-**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 35 : OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Travelling expenses		
- Domestic	15.20	12.70
- Foreign	0.67	0.72
Training Expenses	11.81	4.09
Telephone & Postage	2.31	1.42
Advertisement & Publicity	6.94	14.10
Freight Charges	-	0.01
Demurrage	0.19	0.06
Donation/Subscription	0.22	0.71
Security Expenses	5.63	5.43
Hire Charges	5.72	4.75
CMPDI Charges	1.87	1.68
Legal Expenses	6.67	11.60
Bank Charges	0.39	0.28
Guest House Expenses	1.03	0.66
Consultancy Charges	35.12	23.20
Under Loading Charges	2.74	1.77
Auditor’s Remuneration & Expenses		
- For Audit Fees	0.26	0.19
- For Taxation Matters	0.06	0.02
- For Other Services	0.45	0.12
- For Reimbursement of Exps.	0.08	0.03
Internal & Other Audit Expenses	0.67	0.70
Rent	5.59	5.34
Rates & Taxes	1.95	1.90
Insurance	0.55	0.49
Loss on Foreign Exchange Transactions	0.01	0.03
Rescue/Safety Expenses	0.04	0.05
Dead Rent/Surface Rent	0.54	0.52
Siding Maintenance Charges	0.23	0.10
R & D expenses	-	0.01
Environmental & Tree Plantation Expenses	0.34	0.16
Expenses on Buyback of Shares	9.87	-
Miscellaneous expenses	40.12	20.99
Total	**157.27**	**113.83**

Note: Miscellaneous expenses includes:

Meeting expenses	5.15	2.80
Printing & Stationary	2.12	2.06
Recruitment expenses	23.32	0.52
Office contingency & other expenses	9.53	15.61
	40.12	**20.99**

NOTES TO THE FINANCIAL STATEMENTS-STANDALONE

NOTE 36 : TAX EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Current Year	11.14	175.20
Deferred tax	-	-
MAT Credit Entitlement	-	-
Earlier Years	-	-
Total	**11.14**	**175.20**

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
(A)	(i) Items that will not be reclassified to profit or loss		
	Changes in revaluation surplus		
	Remeasuremnt of defined benefit plans	3.64	(18.64)
	Equity instrument through OCI		
	Fair value changes relating to own credit risk of financial liabilities designated at FVTPL		
		3.64	(18.64)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		
	Changes in revaluation surplus	-	-
	Remeasuremnt of defined benefit plans	(0.24)	5.20
	Equity instrument through OCI	-	-
	Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
		(0.24)	5.20
	Total (A)	**3.40**	**(13.44)**
(B)	(i) Items that will be reclassified to profit or loss	-	-
	Exchange differences in translating the financial statements of a foreign operation	-	-
	Debt instrument through OCI	-	-
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	Exchange differences in translating the financial statements of a foreign operation	-	-
	Debt instrument through OCI	-	-
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
		-	-
	Total (B)	**-**	**-**
	Total (A+B)	**3.40**	**(13.44)**

NOTE – 38: ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (STANDALONE)

1. First time adoption of Ind AS

These financial statements of the Company, for the year ended 31st March 2017, are the first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (erstwhile - Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements as at and for the year ended 31st March 2016.

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Fair value measurement of financial assets or finan cial liabilities (Ind AS 101.D20)

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the Company has opted to apply Ind AS 109 prospectively.

(ii) Mine Closure, Site Restoration and Decommissioning Obligation in Property, Plant and Equipment (Ind AS 101.D21)

Appendix 'A' to Ind AS 16 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first-time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, a first-time adopter will not need to estimate what provision would have been calculated at earlier reporting dates. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

As a first time adopter of Ind AS, the Company has calculated the Mine Closure, Site Restoration and Decommissioning Obligation at the date of transition assuming that the same liability (present value) existed when the asset was first acquired/constructed.

Reconciliation of Equity as prepared under Indian GAAP with equity restated under Ind AS is summarised below:

(₹ in Crore)

Sl. No.	Nature of Adjustments	As at 31.03.2016	As at 01.04.2015
	Equity as per erstwhile Indian GAAP	**15533.35**	**16734.19**
1	Remeasurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	7.34	4.53
2	Effect of adjustments relating to Prior period (Net of tax)	(2.15)	0.49
3	Income on debt component of Compound Financial Instruments (net of tax)	507.27	271.41
	Equity as per Ind AS	**16045.81**	**17010.62**

2. Fair Value measurement

(a) Financial Instruments by Category

(₹ in Crore)

	31st March 2017			31st March 2016			1st April 2015		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets									
Investments* :									
Preference Share in Subsidiary (ECL and BCCL)									
• Debt Portion	3438.84			3184.11			2948.25		
• Equity Portion	1913.13			1913.13			1913.13		
Mutual Fund	60.19			312.98			862.92		
Loans			1209.43			68.96			80.03
Deposits & receivable			3804.63			3795.61			3396.54
Trade receivables			12.74			0.38			9.76
Cash & cash equivalents			725.17			276.28			99.61
Other Bank Balances			196.92			4188.29			5695.38
Financial Liabilities									
Trade payables			107.64			72.70			86.25
Security Deposit and Earnest money			57.86			48.89			47.41
Other Liabilities			717.28			1421.89			1661.75

* Investment in Equity Shares in Subsidiary/ Joint Ventures are measured at cost which stands at ₹6177.10 Crore as on 31.03.2017 (₹6319.27 Crore as on 31.03.2016, ₹6319.20 Crore as on 01.04.2015) and are not included above.

(b) Fair value hierarchy

The Company uses the judgments and estimates in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

Mutual Fund Investments are classified as FVTPL have been valued as per Level I of Fair Value Hierarchy.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices of instruments.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The milestone payments (security deposits) coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision

of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

3. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Company is exposed to market risk, credit risk and liquidity risk.This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis/ Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk: Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as including outstanding receivables.

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs")); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Provision for expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach

As on 31.03.2017 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	12.74	-	-	-	-	11.07	23.81
Expected loss rate	-	-	-	-	-	100%	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	11.07	11.07

As on 31.03.2016 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	-	-	-	-	0.38	10.78	11.16
Expected loss rate	-	-	-	-	-	100%	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	10.78	10.78

As on 01.04.2015 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	9.31	-	-	0.45	-	10.78	20.54
Expected loss rate	-	-	-	-	-	100%	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	10.78	10.78

Reconciliation of loss allowance provision – Trade receivables

(₹ in Crore)

Loss allowance on 01.04.2015	10.78
Change in loss allowance	-
Loss allowance on 31.03.2016	10.78
Changes in loss allowance	0.29
Loss allowance on 31.03.2017	11.07

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

C. Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows:

	31.03.2017	31.03.2016	01.04.2015
Equity Share capital	6207.41	6316.36	6316.36
Long term debt	-	-	-

4. Employee Benefits: Recognition and Measurement (Ind AS-19)

i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹27.71 Crore (₹27.73 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded
- o Gratuity
- o Leave Encashment

(b) Unfunded
- o Life Cover Scheme
- o Settlement Allowance
- o Group Personal Accident Insurance
- o Leave Travel Concession
- o Medical Benefits
- o Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is ₹ 378.30 Crore.

(₹ in Crore)

Particulars	Opening Actuarial Liability as on 01.04.2016	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2017
Gratuity	140 .94	(1.98)	138.96
Earned Leave	41.73	9.35	51.08
Half Pay Leave	15.31	2.50	17.81
Life Cover Scheme	0.75	(0.02)	0.73
Settlement Allowance Executives	0.62	0.12	0.74
Settlement Allowance Non-executives	1.42	(0.04)	1.38
Gross Personal Accident Insurance Scheme	0.03	-	0.03
Leave Travel Concession	12.73	0.50	13.23
Medical Benefits Executives	127.54	19.77	147.31
Medical Benefits Non-Executives	3.06	2.97	6.03
Compensation to dependents in case of mine accidental death	1.09	(0.09)	1.00
Total	**345.22**	**33.08**	**378.30**

iii) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below:-

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2017
CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	140.94	144.71
Current Service Cost	11.88	10.78
Interest Cost	9.45	9.83
Actuarial (Gain) / Loss on obligations due to change in financial assumption	5.81	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	(7.91)	19.22
Benefits Paid	21.21	43.60
Present Value of obligation at end of the period	138.96	140.94

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	136.69*	125.83
Interest Income	9.91	10.06
Employer Contributions	21.21	46.60
Benefits Paid	21.21	43.60
Return on Plan Assets excluding Interest income	1.55	0.58
Fair Value of Plan Asset as at end of the period	148.15	139.47

*Past Years Gratuity payment due of ₹ 2.78 Crore has been paid by the company in the current year

Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	9.19	(1.47)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	148.15	139.47
Fund Liability	138.96	140.94

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	7.25%	8.00%
Rate of Compensation Increase (Salary Inflation)	Executives- 9.00% Non-Executives- 6.50%	6.25%
Average Expected Future Service (Remaining Working Life)	8	11
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00% p.a.	1.00% p.a.

Expense Recognized in Statement of Profit / Loss	As at 31.03.2017	As at 31.03.2016
Current Service Cost	11.88	10.78
Net Interest Cost	(0.46)	(0.23)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	11.42	10.55

(₹ in Crore)

Other Comprehensive Income	As at 31.03.2017	As at 31.03.2016
Actuarial (Gain) / Loss on obligations due to change in financial assumption	5.82	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	(7.91)	19.22
Total Actuarial (Gain) / Loss	(2.09)	19.22
Return on Plan Asset, excluding Interest Income	1.55	0.58
Balance at the end of the period	(3.64)	18.64
Net (Income) / Expense for the period recognised in Other Comprehensive Income	(3.64)	18.64

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Sensitivity Analysis	Increase	Decrease
Discount Rate (-/+ 0.5%)	135.32	142.80
% Change Compared to base due to sensitivity	(2.62%)	2.76%
Salary Growth (-/+ 0.5%)	139.25	138.64
% Change Compared to base due to sensitivity	0.21%	(0.23%)
Attrition Rate (-/+ 0.5%)	139.06	138.87
% Change Compared to base due to sensitivity	0.07%	(0.07%)
Mortality Rate (-/+ 10%)	139.76	138.17
% Change Compared to base due to sensitivity	0.57%	(0.57%)

Statement Showing Cash Flow Information

₹ in Crore

Next Year Total (Expected)	139.57
Minimum Funding Requirements	-
Company's Discretion	

Statement Showing Benefit Information Estimated Future payments (Past Service)

Year	₹ in Crore
1	24.08
2	20.15
3	19.94
4	20.41
5	14.12
6 to 10	58.68
More than 10 years	64.65
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	222.04
Less Discount For Interest	83.08
Projected Benefit Obligation	138.96

Outlook Next Year Components of Net Periodic benefit Cost Next Year

Current service Cost (Employer portion Only) Next period	7.94
Interest Cost next period	9.20
Expected Return on Plan Asset	10.74
Benefit Cost	6.40

Statement Showing expected return on Plan Asset at end Measurement	As at 31.03.2017	As at 31.03.2016
Current liability	23.25	22.74
Non-Current Liability	115.71	118.20
Net Liability	138.96	140.94

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2017

CERTIFICATES AS PER IND AS 19 (2015)

₹ in Crore

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	57.04	54.54
Current Service Cost	11.82	8.23
Interest Cost	3.66	4.04
Actuarial (Gain) / Loss on obligations due to change in financial assumption	11.94	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	(2.44)	(1.73)
Benefits Paid	13.13	8.04
Present Value of obligation at end of the period	68.89	57.04

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	35.00	-
Interest Income	2.54	-
Employer Contributions	13.13	43.05
Benefits Paid	13.13	8.05
Return on Plan Assets excluding Interest income	0.18	-
Fair Value of Plan Asset as at end of the period	37.72	35.00

Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	(31.17)	(22.04)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	37.72	35.00
Fund Liability	68.89	57.04

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	7.25%	NA
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.50% for Non-Executives	6.25%
Average Expected Future Service (Remaining Working Life)	8	11
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00% p.a.	1.00% p.a.
Voluntary Retirement	Ignored	Ignored

Expense Recognized in Statement of Profit / Loss	As at 31.03.2017	As at 31.03.2016
Current Service Cost	11.82	8.23
Net Interest Cost	1.12	4.04
Net Actuarial Gain / Loss	9.32	(1.73)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	22.26	10.54

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Sensitivity Analysis	**Increase**	**Decrease**
Discount Rate (-/+ 0.5%)	66.47 Crore	71.50 Crore
% Change Compared to base due to sensitivity	(3.52)%	3.79%
Salary Growth (-/+ 0.5%)	71.45 Crore	66.49 Crore
% Change Compared to base due to sensitivity	3.71%	(3.48)%
Attrition Rate (-/+ 0.5%)	68.94 Crore	68.84 Crore
% Change Compared to base due to sensitivity	0.07%	(0.07)%
Mortality Rate (-/+ 10%)	66.83 Crore	66.18 Crore
% Change Compared to base due to sensitivity	0.51%	(0.51)%

Statement Showing Benefit Information
Estimated Future payments (Past Service)

Year	₹ in Crore
1	8.12
2	7.66
3	5.98
4	7.55
5	6.89
6 to 10	32.55
More than 10 years	61.99
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	130.75
Less Discount For Interest	61.85
Projected Benefit Obligation	68.89

Statement Showing expected return on Plan Asset at end Measurement	**As at 31.03.2017**	**As at 31.03.2016**
Current liability	7.84	7.53
Non-Current Liability	61.05	49.51
Net Liability	68.89	57.04

5. Unrecognised items

a) Contingent Liabilities

I. Claims against the company not acknowledged as debt

(₹ in Crore)

		31.03.2017	**31.03.2016**
1	Central Govt.	-	-
2	State Govt. and Local authorities	12.19	12.34
3	Central Public Sector Enterprises	0.15	8.18
4	Others	598.98	12.85
	Total	**611.32**	**33.37**

II. Guarantee
The company has given guarantee on behalf of subsidiaries Eastern Coalfields Limited and Mahanadi Coalfields Limited to the extent of their obligations under loans (principal and interest) made to Export Development Corporation, Canada and Banque Nationale De Paris and Natexis Banque (for purchase of Machinery from Liebherr France). The outstanding balance as on 31.03.2017 stood at ₹167.20 Crore (₹174.14Crore) and ₹6.64 Crore (₹7.77 Crore) respectively. Other bank guarantee issued is ₹ 1.01 Crore (₹11.40 Crore).

III. Letter of Credit :

As on 31.03.2017 outstanding letters of credit is Nil (Nil).

b) Commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹23.03 Crore (₹79.97 Crore).

Other Commitment: ₹312.24 Crore

6. OTHER INFORMATION

a) Government Assistance
Subsidy for Sand Stowing & Protective Works includes ₹ 0.08 Crore received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation & Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works by NEC during the F.Y. 2016-17.

b) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31.03.2017 are given below:

(₹ in Crore)

Provisions	Opening Balance as on 1.04.2016	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Note 3:-Property, Plant and Equipment:					
Impairment of Assets	0.05	0.05	-	-	0.10
Note 8:- Loans :					
Other Loans	1.50	-	-	-	1.50
Note 9:- Other Financial Assets:					
Current Account with Subsidiaries	52.50	0.58	-	-	53.08
Claim receivables	2.26	-	-	-	2.26
Other Receivables	0.07	-	0.07	-	-
Other Deposits	0.01	-	-	-	0.01
Against Security Deposit for Utilities	0.17	-	-	-	0.17
Exploratory Drilling Work	78.34	-	17.07	-	61.27
Note 11:- Other Current Assets :					
Advances for Revenue	0.22	-	-	-	0.22
Advance Payment Against Statutory Dues	0.02	-	-	-	0.02
Other Deposits	0.79	-	0.79	-	-
Other Receivables	0.77	-	0.03	-	0.74
Note 12:-Inventories :					
Stock of Coal	0.06	-	-		0.06
Stock of Stores & Spares	1.16	0.08	0.34		0.90
Note 13:-Trade Receivables :					
Provision for bad & doubtful debts	10.78	0.33	0.04		11.07
Note 21 :- Non-Current & Current Provision :					
Performance related pay	98.44	8.20	77.74		28.90
NCWA-X	-	15.19	-		15.19
Executive Pay Revision	-	2.67	-		2.67
Mine Closure	35.78	-	-	2.11	37.89
Others	0.50	-	0.43		0.07

c) Segment Reporting

The Company is primarily engaged in a single segment business of production and sale of Coal and there is significant income from dividend from Subsidiaries also. The details are given below:

Description	Coal Mining		Other Incidental Activities		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Revenue :						
External sales:	306.40	174.66	-	-	306.40	174.66
Dividend Income:	-	-	10429.51	16140.09	10429.51	16140.09
Buyback Income	-	-	3914.16	-	3914.16	-
Total Revenue :	**306.40**	**174.66**	**14343.67**	**16140.09**	**14650.07**	**16314.75**
Segment Result (before tax and interest)	(122.63)	(60.42)	14343.67	16140.09	14221.04	16079.67
Add: Prior period adjustment	-	-	-	-	-	-
Net Segment Result (before tax and interest) :	(122.63)	(60.42)	14343.67	16140.09	14221.04	16079.67
Unallocated Income /Expenditure (Net)	-	-	-	-	(153.00)	(77.08)
Operating Profit	-	-	-	-	14068.04	16002.59
Finance Cost	2.13	1.97	(138.36)	(125.76)	(136.23)	(123.79)
Interest Income	1.20	0.84	306.20	640.98	307.40	641.82

Description	Coal Mining		Other Incidental Activities		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Income Tax	-	-	-	-	11.14	175.20
Profit from Ordinary Activities:	**3.33**	**2.81**	**167.84**	**515.22**	**14500.53**	**16593.00**
Other Information						
Segment Assets	239.16	264.25	-	-	239.16	264.25
Unallocated Corporate Assets	-	-	-	-	6295.24	8770.54
Total Assets :	**239.16**	**264.25**	**-**	**-**	**6534.40**	**9034.79**
Segment Liabilities:	371.09	295.27	-	-	371.09	295.27
Unallocated Corporate Liabilities:	-	-	-	-	4568.71	5037.70
Total Liabilities :	**371.09**	**295.27**	**-**	**-**	**4939.80**	**5332.97**
Segment Capital Expenditure:	3.90	7.91	-	-	3.90	7.91
Unallocated Capital Expenditure:	-	-	-	-	4.07	243.46
Total Capital Expenditure :	**3.90**	**7.91**	**-**	**-**	**7.97**	**251.37**
Depreciation (Including provision for impairment):	10.32	5.39	-	-	10.32	5.39
Unallocated Depreciation (Including Other provisions):	-	-	-	-	23.68	11.07
Total Depreciation (Including provision for impairment) :	10.32	5.39	-	-	34.00	16.46

Note: There are four underground mines and three opencast projects under operations of NEC (Coal Mining segment), out of which three underground mines viz. Tipong colliery, Baragolai colliery, and Ledo colliery are non-productive due to mining restrictions imposed by Directorate General of Mines Safety (DGMS) during the financial year 2016-17.

d) Authorised Share Capital

(₹ in Crore)

	As on 31.03.17	As on 31.03.16	As on 01.04.15
8,00,00,00,000 Equity Shares of ₹10/- each	8,000.00	8,000.00	8,000.00
90,41,800 Non-Cumulative 10% Redeemable Preference Shares of ₹ 10/- each	904.18	904.18	904.18

e) Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders	14500.53 Crore	16593.00 Crore
ii)	Weighted Average no. of Equity Shares Outstanding	6270095744	6316364400
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 10/- per share)	₹23.13	₹26.27

f) Related Party Disclosures

A. Key Managerial Personnel

Mr. S. Bhattacharya, Chairman-Cum-Managing Director
Mr. R. Mohan Das, Director (P&IR)
Mr. C.K. Dey, Director (Finance)
Mr. B. K. Saxena, Director (Marketing) (upto 31.01.2016)
Mr. S.N. Prasad, Director (Marketing) (w.e.f. 01.02.2016)
Late Mr. N. Kumar. Director (Technical) (upto 17.10.2016)
Mr. Shekhar Saran, Director (Technical)- Additional Charge
Mr. M Viswanathan, Company Secretary
Independent Directors (appointed on 17.11.2015)
Ms. Loretta M. Vas
Dr. S.B. Agnihotri
Dr. D.C. Panigrahi
Dr. Khanindra Pathak
Mr. Vinod Jain

Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	**Short Term Employee Benefits**		
	Gross Salary	1.46	1.69
	Medical Benefits	0.12	0.07
	Perquisites and other benefits	2.11	0.38
ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.16	0.16
iii)	**Termination Benefits**	0.18	0.10
	TOTAL	**4.03**	**2.40**

Note:

(i) Provision on the basis of actuarial valuation of defined benefits have not been considered in the above remuneration being determined by actuary for the employees of company as a whole and included in Note 38 (4).

(ii) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹2000 per month as per service conditions.

Payment to Independent Directors

(₹ in Crore)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Sitting Fees	0.54	0.08

Balances Outstanding with Key Managerial Personnel as on 31.03.2017

Sl. No.	Particulars	As on 31.03.2017	As on 31.03.2016
i)	Amount Payable	0.24	Nil
ii)	Amount Receivable	Nil	Nil

B. Related Party Transactions within Group

The Company being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government.

Coal India Limited has entered into transactions with its subsidiaries which include Apex charges, Rehabilitation charges, Lease rent, Interest on Funds parked by subsidiaries, IICM charges and other expenditure incurred by or on behalf of other subsidiaries through current account. As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

Nature of Transaction	Purpose	Amount (₹ in Crore)
Apex Charges	Levied on subsidiaries for management consultancy services provided by CIL	276.77
Rehabilitation Charges	Levied on subsidiaries for shifting and rehabilitation dealing with fire and stabilization of unstable areas of ECL and BCCL as per direction of Ministry of Coal, GOI.	325.43
Lease Rent Income	Lease Rent levied on assets leased out by CIL to Indian Institute of Coal Management (IICM) and Dankuni Coal Complex, SECL	3.60
Interest on Funds parked by subsidiaries	Interest on funds parked by subsidiaries with CIL calculated at the average yield earned by CIL	116.28
IICM charges	IICM charges levied on subsidiaries for training of the employees and development of IICM	27.68
Short Term Loan	Short term loan extended to subsidiaries (viz. NCL, SECL and MCL)	1200.00

g) Taxation

An amount of ₹11.38 Crore (₹170 Crore) is provided in the accounts during current year towards income tax.

The Company is having a deferred tax asset (net) on the basis of calculation as per Ind AS-12. Since 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 and since without considering such dividend there is no virtual certainty of generation of future taxable income, as a prudent practice no deferred tax asset is recognised in the accounts.

Relationship between tax expense (income) and accounting profit

Sl No.	Particulars	Amount (₹ in Crore)	Tax Expense (₹ in Crore)
1	Profit as per Statement of Profit and Loss including OCI	14,515.31	5,023.75
2	**Less: Exempt Income:**		
	Dividend Income from Investments in Subsidiaries	10,429.51	3,609.65
	Income on Buyback of shares by subsidiaries	3,914.16	1,354.69
	Profit excluding Exempt Income	**171.64**	**59.41**
3	**Additions:**		
	Depreciation as per Companies Act' 2013	17.52	6.06
	Provisions	1.04	0.36
	CSR Expenses	128.05	44.32
	Unwinding of Discount	2.11	0.73
		320.36	**110.88**
4	**Deductions:**		-
	Depreciation as per Income Tax Act	29.00	10.04
	Fair Value Change as per Ind AS	254.73	88.16
	Contribution to Escrow Fund	3.74	1.29
5	**Taxable Profit**	**32.89**	**11.38**
6	Tax Expense @ 34.61% (rounded off)	11.38	

- There is no change in applicable tax rate as compared to previous year.
- Applicable tax rate i.e. 34.61% (rounded off) is computes as Tax Rate- 30%, Surcharge 12% on such tax and Education cess and Secondary and Higher Education Cess calculated at the rate of 2% and 1% of such income-tax and surcharge.

h) During the year 2016-17, three subsidiaries of CIL viz. NCL, SECL and MCL have bought back its shares from CIL. The details of such buy back are as follows:

Name of the Subsidiary	No. of Shares bought back by Subsidiary	Buy Back Price	Consideration received by CIL	No. of Shares held by CIL post buy back
NCL	411135	₹30260.70	₹1244.12 Crore	1365593
SECL	609250	₹19699.47	₹1200.19 Crore	2987750
MCL	451743	₹35796.02	₹1617.06 Crore	1412266

i) Goods procured by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

j) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

k) 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.

l) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

m) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

n) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash &bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

o) During the financial year 2013-14, a case of misappropriation of Company's fund for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹ 1.17 Crore approximately.

p) Value of imports on CIF basis

(₹ in Crore)

	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(i)	Raw Material	NIL	NIL
(ii)	Capital Goods	NIL	NIL
(iii)	Stores, Spares & Components	NIL	NIL

q) Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	0.29	0.25
Training Expenses	0.53	0.03
Others	0.23	-

r) Earning in Foreign Exchange: Nil

s) Total Consumption of Stores and Spares

(₹ in Crore)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	NIL	-	NIL	-
(ii) Indigenous	8.22	100%	10.32	100%

t) Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal

(₹ in Crore and Quantity in '000 MT)

	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Qty.	Value	Qty.	Value
Opening Stock	**359.87**	**150.92**	**215.22**	**56.37**
Production	600.29	-	486.53	257.71
Sales	776.97	306.68	341.87	163.15
Own Consumption	-	-	0.01	0.01
Write Off	-	-	-	-
Closing Stock	**183.19**	**67.43**	**359.87**	**150.92**

u) Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

a) Loans given are shown in Note 8 under the head 'Loans to related parties'and Investments made are shown in Note 7 under the respective heads.

b) Corporate guarantees given by the company in respect of loans taken by subsidiaries as at 31.03.2017-

(₹ in Crore)

Name of the Company	As at 31.03.2017	As at 31.03.2016
1.Eastern Coalfields limited		
(Loan taken from Export Development Bank of Canada)	167.20	174.14
2. Mahanadi Coalfields Limited		
(Loan taken from Liebherr France)	6.64	7.77

v) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

Reconciliation of Profit between IND AS and previous Indian GAAP

(₹ in Crore)

Sl. No.	Nature of Adjustments	Year ended 31.03.2016
	Net Profit as per previous Indian GAAP (after tax)	16343.53
1	Remeasurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	2.81
2	Actuarial loss/gain on remeasurement of employee defined benefit plan as per Ind AS 19 recognised in "Other Comprehensive Income" (Net of tax)	13.44
3	Effect of adjustments relating to Prior period (Net of tax)*	(2.64)
4	Income on debt component of Compound Financial Instruments (net of tax)	235.86
	Net Profit as per Ind AS (after tax) attributable to equity shareholders	**16593.00**
	Other Comprehensive Income (after tax)	(13.44)
	Total Comprehensive Income as per Ind AS (after tax) attributable to equity shareholders	**16579.56**

***Prior period adjustments**

Expense Head	Note No.	Amount (₹ in Crore)
Depreciation/Amortization/ Impairment expense	Statement of Profit and Loss	0.19
Repairs-Building	30	0.29
Provision reversal	33	1.91
Dead Rent/Surface Rent	35	0.25
Total		**2.64**

w) Others

i. Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

ii. Previous period's figures in Note No. 3 to 38 are in brackets.

iii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2017 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

As per our report annexed

For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

Annual Accounts 2016-17

(Consolidated CIL & its Subsidiaries)

BALANCE SHEET AS AT 31.03.2017 - CONSOLIDATED

(₹ in Crore)

	Note No.	As at 31.03.17	As at 31.03.16 (Restated)	As at 01.04.15 (Restated)
ASSETS				
Non-Current Assets				
(a) Property, Plant & Equipments	3	22,032.20	20,662.55	18,456.35
(b) Capital Work in Progress	4	8,590.10	4,553.22	4,103.85
(c) Exploration and Evaluation Assets	5	1,717.74	1,351.13	1,033.03
(d) Intangible Assets	6	57.75	68.81	80.99
(e) Financial Assets				
(i) Investments	7	969.39	966.11	966.91
(ii) Loans	8	23.32	80.60	100.39
(iii) Other Financial Assets	9	9,453.67	8,883.05	7,236.61
(f) Deferred Tax Assets (net)		2,732.76	2,044.54	1,959.62
(g) Other non-current assets	10	2,238.88	1,891.67	1,540.67
Total Non-Current Assets (A)		**47,815.81**	**40,501.68**	**35,478.42**
Current Assets				
(a) Inventories	12	8,945.27	7,569.17	6,156.95
(b) Financial Assets				
(i) Investments	7	513.47	1,939.96	1,850.39
(ii) Trade Receivables	13	10,735.85	11,447.61	8,481.19
(iii) Cash & Cash equivalents	14	3,579.93	4,876.40	3,155.89
(iv) Other Bank Balances	15	27,649.88	33,138.51	43,661.71
(v) Loans	8	12.48	21.80	21.25
(vi) Other Financial Assets	9	2,822.73	2,491.07	2,787.65
(c) Current Tax Assets (Net)		7,462.95	4,397.87	3,973.71
(d) Other Current Assets	11	6,540.50	6,444.13	7,217.70
Total Current Assets (B)		**68,263.06**	**72,326.52**	**77,306.44**
Total Assets (A+B)		**116,078.87**	**112,828.20**	**112,784.86**

BALANCE SHEET AS AT 31.03.2017 - CONSOLIDATED

	Note No.	As at 31.03.17	As at 31.03.16 (Restated)	As at 01.04.15 (Restated)
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	6,207.41	6,316.36	6,316.36
(b) Other Equity	17	18,319.37	28,516.80	34,785.05
Equity attributable to equityholders of the company		**24,526.78**	**34,833.16**	**41,101.41**
Non-Controlling Interests		345.92	104.78	65.80
Total Equity (A)		**24,872.70**	**34,937.94**	**41,167.21**
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	294.80	263.06	201.83
(ii) Other Financial Liabilities	20	1,042.48	1,219.41	1,115.84
(b) Provisions	21	43,817.20	41,542.71	38,248.43
(c) Other Non-Current Liabilities	22	3,819.71	3,510.92	3,188.34
Total Non-Current Liabilities (B)		**48,974.19**	**46,536.10**	**42,754.44**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	2,713.00	929.03	0.03
(ii) Trade payables	19	3,900.24	3,297.15	2,923.97
(iii) Other Financial Liabilities	20	4,556.99	3,988.14	3,712.96
(b) Other Current Liabilities	23	21,675.70	15,092.01	14,562.21
(c) Provisions	21	9,386.05	8,047.83	7,664.04
Total Current Liabilities (C)		**42,231.98**	**31,354.16**	**28,863.21**
Total Equity and Liabilities (A+B+C)		**116,078.87**	**112,828.20**	**112,784.86**

The Accompanying Notes form an integral part of the Financial Statements.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31.03.2017 - CONSOLIDATED

(₹ in Crore)

		Note No.	For the year ended 31.03.17	For the year ended 31.03.16 (Restated)
	Revenue from Operations	24		
A	Sales (Net of other levies but including excise duty)		81,054.13	81,071.68
B	Other Operating Revenue (Net of other levies but including excise duty)		2,754.00	2,489.30
(I)	**Revenue from Operations (A+B)**		**83,808.13**	**83,560.98**
(II)	Other Income	25	5,515.60	5,940.58
(III)	**Total Income (I+II)**		**89,323.73**	**89,501.56**
(IV)	**EXPENSES**			
	Cost of Materials Consumed	26	6,963.40	7,039.76
	Changes in inventories of finished goods/work in progress and Stock in trade	27	(1,238.15)	(1,444.22)
	Excise Duty		5,587.52	5,553.35
	Employee Benefits Expense	28	33,514.29	30,126.78
	Power Expense		2,558.07	2,490.54
	Corporate Social Responsibility Expense	29	489.67	1,082.16
	Repairs	30	1,287.65	1,241.67
	Contractual Expense	31	12,304.09	11,128.42
	Finance Costs	32	411.73	386.16
	Depreciation/Amortization/ Impairment		2,910.07	2,825.91
	Provisions	33	2,043.61	577.35
	Write off	34	26.97	307.22
	Stripping Activity Adjustment		2,672.21	2,811.42
	Other Expenses	35	5,358.89	3,935.24
	Total Expenses (IV)		**74,890.02**	**68,061.76**
(V)	**Profit before exceptional items and Tax (I-IV)**		**14,433.71**	**21,439.80**
(VI)	Exceptional Items		-	-
(VII)	**Profit before Tax (V-VI)**		**14,433.71**	**21,439.80**
(VIII)	Tax expense	36	5,165.96	7,171.87
(IX)	**Profit for the period from continuing operations (VII-VIII)**		**9,267.75**	**14,267.93**
(X)	Profit/(Loss) from discontinued operations		(0.01)	(0.01)
(XI)	Tax exp of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		(0.01)	(0.01)
(XIII)	Share in JV's/Associate's profit/(loss)		(1.76)	(1.14)
(XIV)	**Profit for the Period (IX+XII+XIII)**		**9,265.98**	**14,266.78**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017 - CONSOLIDATED

(₹ in Crore)

		Note No.	For the year ended 31.03.17	For the year ended 31.03.16 (Restated)
	Other Comprehensive Income	37		
	A (i) Items that will not be reclassified to profit or loss		140.15	455.01
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(58.16)	(160.89)
	B (i) Items that will be reclassified to profit or loss		0.01	0.29
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV)	**Total Other Comprehensive Income**		**82.00**	**294.41**
(XVI)	**Total Comprehensive Income for the period (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**9,347.98**	**14,561.19**
	Profit attributable to:			
	Owners of the company		9,266.23	14,266.82
	Non-controlling interest		(0.25)	(0.04)
			9,265.98	**14,266.78**
	Other Comprehensive Income attributable to:			
	Owners of the company		82.00	294.41
	Non-controlling interest		-	-
			82.00	**294.41**
	Total Comprehensive Income attributable to:			
	Owners of the company		9,348.23	14,561.23
	Non-controlling interest		(0.25)	(0.04)
			9,347.98	**14,561.19**
(XVII)	Earnings per equity share (for continuing operation):			
	(1) Basic		14.78	22.59
	(2) Diluted		14.78	22.59
(XVIII)	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
(XIX)	Earnings per equity share (for discontinued & continuing operation):			
	(1) Basic		14.78	22.59
	(2) Diluted		14.78	22.59
	Refer note 38 (7) (c) for calculation of EPS			

The Accompanying Notes form an integral part of the Financial Statements.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED 31.03.2017

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		14,432.19	21,438.69
Adjustment for :			
Depreciation / Impairment of fixed assets		2,910.07	2,825.91
Interest on Bank Deposits		(2,767.30)	(4,112.65)
Finance cost related to financing activity		30.63	20.65
Unwinding of discount		381.10	365.51
Share in (profit)/loss of JV		1.76	1.14
Interest / Dividend from investments		(265.02)	(347.36)
Profit / Loss on sale of Fixed Assets		3.98	(1.73)
Provisions made & write off		2,070.58	884.57
Liability write back		(702.26)	(187.28)
Stripping Activity Adjustment		2,672.21	2,811.42
Operating Profit before Current/Non Current Assets and Liabilities		**18,767.94**	**23,698.87**
Adjustment for :			
Trade Receivable		711.76	(2,966.42)
Inventories		(1,376.10)	(1,412.22)
Current/Non current/Loans, Other financial assets and other assets		(502.34)	79.34
Current/Non current/Provisions, Other financial liabilities and other liabilities		7,188.30	1,629.62
Cash Generated from Operation		**24,789.56**	**21,029.19**
Income Tax Paid/Refund		(8,942.70)	(7,875.42)
Net Cash Flow from Operating Activities	**(A)**	**15,846.86**	**13,153.77**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(8,676.13)	(5,785.67)
Investment in Bank Deposit		4,245.16	8,994.46
Change in investments		1,426.49	(89.57)
Investment in Joint Venture		(5.03)	(0.07)
Interest pertaining to Investing Activities		3,193.21	4,679.63
Interest / Dividend from investments		270.94	355.31
Net Cash from Investing Activities	**(B)**	**454.64**	**8,154.09**
CASH FLOW FROM FINANCING ACTIVITIES			
Change in Borrowings		1,816.85	990.23
Interest & Finance cost pertaining to Financing Activities		(30.63)	(20.65)
Receipt of Shifting & Rehabilitation Fund		272.01	273.22
Dividend on Equity shares		(12,352.76)	(17,306.84)
Tax on Dividend on Equity shares		(2,750.36)	(3,523.31)
Buyback of Equity Share Capital		(3,650.00)	-
Tax on Buyback of Equity Share Capital		(903.08)	-
Net Cash used in Financing Activities	**(C)**	**(17,597.97)**	**(19,587.35)**
Net Increase / (Decrease) in Cash & Cash equivalent (A+B+C)		**(1,296.47)**	**1,720.51**
Cash & Cash equivalent as at the beginning of the year (Refer Note 14 for components of cash & cash equivalents)		**4,876.40**	**3,155.89**
Cash & Cash equivalent as at the end of the year (Refer Note 14 for components of cash & cash equivalents)		**3,579.93**	**4,876.40**
(All figures in bracket represent outflow)			

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing
Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance)
& CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31.03.2017 - CONSOLIDATED

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance as at 01.04.2015	Changes In Equity Share Capital during the year	Balance as at 31.03.2016	Balance as at 01.04.2016	Changes In Equity Share Capital during the year	Balance as at 31.03.2017
6,20,74,09,177 Equity Shares of ₹10/- each (6,31,63,64,400 Equity Shares of ₹10/- each)	6,316.36	-	6,316.36	6,316.36	(108.95)	6,207.41

During the year, pursuant to Public Announcement ('PA') published on August 30, 2016 and letter of offer dated September 23, 2016, the Company has bought back its 10,89,55,223 number of Equity shares of face value of ₹10 each fully paid up through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28, 2016. Post such buy-back, the number of fully paid equity shares as on 31.03.2017 stands at 6,20,74,09,177.

B. OTHER EQUITY

	Other Reserves		General Reserve	Retained Earnings		Total
	Capital Redemption reserve	Capital reserve		Surplus	Accumulated losses in ECL & BCCL	
Balance as at 01.04.2015	1,808.36	9.74	21,511.02	16,055.82	(5,177.25)	34,207.69
Changes in Accounting policy	-	-	-	815.06	(271.25)	543.81
Prior period errors	-	-	-	35.62	(2.07)	33.55
Restated balance as at 01.04.2015	**1,808.36**	**9.74**	**21,511.02**	**16,906.50**	**(5,450.57)**	**34,785.05**
Additions during the year	-	10.04	-	-	-	10.04
Adjustments during the year	-	(1.60)	-	-	(7.77)	(9.37)
Total comprehensive income during the year	-	-	-	13,118.73	1,442.50	14,561.23
Appropriations						
Transfer to / from General reserve	-	-	1,628.51	(1,628.51)	-	(0.00)
Interim Dividend	-	-	-	(17,306.84)	-	(17,306.84)
Corporate Dividend tax	-	-	-	(3,523.31)	-	(3,523.31)
Balance as at 31.03.2016	**1,808.36**	**18.18**	**23,139.53**	**7,566.57**	**(4,015.84)**	**28,516.80**
Balance as at 01.04.2016	1,808.36	18.18	23,139.53	7,566.57	(4,015.84)	28,516.80
Additions during the year	-	2.32	-	-	-	2.32

	Other Reserves		General Reserve	Retained Earnings		Total
	Capital Redemption reserve	Capital reserve		Surplus	Accumulated losses in ECL & BCCL	
Adjustments during the year	-	(0.69)	-	(0.04)	-	(0.73)
Total comprehensive income during the year				9,475.94	(127.71)	9,348.23
Appropriations						
Transfer to / from General reserve	-	-	510.75	(510.75)	-	-
Interim Dividend	-	-	-	(12,352.76)	-	(12,352.76)
Corporate Dividend tax	-	-	-	(2,750.36)	-	(2,750.36)
Buyback of Equity Shares	256.15	-	(3,797.20)	-	-	(3,541.05)
Tax on Buyback	-	-		(903.08)	-	(903.08)
Balance as at 31.03.2017	**2,064.51**	**19.81**	**19,853.08**	**525.52**	**(4,143.55)**	**18,319.37**

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

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing
Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance)
& CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS (CONSOLIDATED)

1. First time adoption of Ind AS

Coal India Limited (CIL) is a Maharatna Company with headquarters at Kolkata, West Bengal and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in mining and production of Coal and also operates Coal washeries. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

CIL is an apex body with 8 wholly-owned subsidiaries in India out of which 7 subsidiaries are coal producing and 1 subsidiary is engaged in mine planning, designing and related consultancy services. The operations of the Company are spread across 8 states in India. CIL also has a fully owned mining company in Mozambique known as 'Coal India Africana Limitada' which is yet to commence operations. Further some of the subsidiaries of CIL, are also having another layer of subsidiaries. There are also Joint Ventures/Associates of CIL and some of its subsidiaries.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company (CIL Consolidated) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March 2016, the CIL Consolidated (hereinafter referred as "Company") prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006. These financial statements for the year ended 31st March 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to Note no. 38.6 for information on first time adoption of Ind AS.

The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' up to two decimal points.

2.2 Basis of consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within the CIL Consolidated normally uses accounting policies as adopted by the CIL Consolidated for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within CIL Consolidated, appropriate adjustments are made to the financial statement of such constituent company to ensure conformity with the CIL Consolidated accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2.2 Associates

Associates are all entities over which the Company has significant influence but no control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the associates on the basis of objective evidence.

2.2.3 Joint arrangements

Joint arrangements are those arrangements where the Company is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

2.2.4 Joint Operations

Joint operations are those joint arrangements whereby the Company is having rights to the assets and obligations for the liabilities relating to the arrangements.

Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

2.2.5 Joint ventures

Joint ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, s classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the joint venture on the basis of objective evidence.

2.2.6 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

2.2.7 Changes in ownership interests

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition

2.4.1 Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

(a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, gross revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

2.4.2 Interest

Interest income is recognised using the Effective Interest Method.

2.4.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.4.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.4.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.6 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.6.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.6.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6.1.2 **Operating lease -** Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.6.2 Company as a lessor

Operating leases Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance leases Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.7 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.8 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land (incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Land” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/ development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.9 Mine Closure, Site Restoration and Decommissioning Obligation

The company’s obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.10 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo

chemical and geo physical studies;

- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/ indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

(a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or

(b) 2 years of touching of coal, or

(c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature "Other Mining Infrastructure". Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

2.12 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

2.13 Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount,the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.14 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.15.1 Financial assets

2.15.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.15.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.15.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.15.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.15.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.15.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.15.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.15.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.15.3 Financial liabilities

2.15.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.15.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.15.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.15.3.5Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.154 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.15.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16. Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.17 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.18 Employee Benefits

2.18.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.

2.18.2 Post-employment benefits and other long term employee benefits

2.18.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.18.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.18.3 Other Employee benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.19Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.20 Stripping Activity Expense/Adjustment

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

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

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

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the 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%	

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.21Inventories

2.21.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

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

2.21.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.22Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.23Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.24.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.24.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements :

(i) represent faithfully the financial position, financial performance and cash flows of the Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

2.24.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.24.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.24.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.25 Abbreviation used:

a.	CGU	Cash generating unit	l.	ECL	Eastern Coalfields Limited
b.	DCF	Discounted Cash Flow	m.	BCCL	Bharat Coking Coal Limited
c.	FVTOCI	Fair value through Other Comprehensive Income	n.	CCL	Central Coalfields Limited
d.	FVTPL	Fair value through Profit & Loss	o.	SECL	South Eastern Coalfields Limited
e.	GAAP	Generally accepted accounting principles	p.	MCL	Mahanadi Coalfields Limited
f.	Ind AS	Indian Accounting Standards	q.	NCL	Northern Coalfields Limited
g.	OCI	Other Comprehensive Income	r.	WCL	Western Coalfields Limited
h.	P&L	Profit and Loss	s.	CMPDIL	Central Mine Planning & Design Institute Limited
i.	PPE	Property, Plant and Equipment	t.	NEC	North Eastern Coalfields
j.	SPPI	Solely Payment of Principal and Interest	u.	IICM	Indian Institute of Coal Management
k.	EIR	Effective Interest Rate	v.	CIL	Coal India Limited

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Tele-communi-cation	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Others	Total
Gross Carrying Amount:															
As at 1st April 2015	308.35	3,659.95	2,344.58	2,236.29	8,398.56	79.28	125.99	72.46	43.99	55.23	0.58	918.15	212.05	0.89	18,456.35
Additions	97.72	1,564.78	317.02	429.27	2,194.74	41.79	41.93	57.44	106.48	28.64	-	253.08	28.57	-	5,161.46
Deletions/ Adjustments	(56.37)	52.78	-	(0.36)	(218.64)	(3.38)	(0.56)	(0.93)	5.56	(1.86)	-	(42.30)	(10.35)	-	(276.41)
As at 31st March 2016	349.70	5,277.51	2,661.60	2,665.20	10,374.66	117.69	167.36	128.97	156.03	82.01	0.58	1,128.93	230.27	0.89	23,341.40
As at 1st April 2016	349.70	5,277.51	2,661.60	2,665.20	10,374.66	117.69	167.36	128.97	156.03	82.01	0.58	1,128.93	230.27	0.89	23,341.40
Additions	52.88	1,657.21	194.70	264.54	1,633.20	21.25	77.68	59.08	24.54	24.37	-	359.13	42.42	-	4,411.00
Deletions/ Adjustments	6.07	(6.97)	-	2.98	(93.47)	(2.28)	(0.06)	(0.16)	(0.79)	(3.44)	-	(9.82)	(21.35)	-	(129.29)
As at 31st March 2017	408.65	6,927.75	2,856.30	2,932.72	11,914.39	136.66	244.98	187.89	179.78	102.94	0.58	1,478.24	251.34	0.89	27,623.11
Accumulated Depreciation and Impairment															
As at 1st April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	286.52	334.54	126.93	1,800.04	19.01	21.13	19.47	31.18	11.58	-	87.44	14.21	-	2,752.05
Impairment	-	-	-	-	-	-	-	0.02	0.03	-	-	46.76	37.97	-	84.78
Deletions/ Adjustments	-	0.26	-	0.67	(150.71)	(0.17)	0.21	(1.29)	0.26	(1.19)	-	0.95	(6.97)	-	(157.98)
As at 31st March 2016	-	286.78	334.54	127.60	1,649.33	18.84	21.34	18.20	31.47	10.39	-	135.15	45.21	-	2,678.85
As at 1st April 2016	-	286.78	334.54	127.60	1,649.33	18.84	21.34	18.20	31.47	10.39	-	135.15	45.21	-	2,678.85
Charge for the year	-	381.05	290.87	128.39	1,810.55	20.78	24.13	24.90	44.72	13.46	-	115.73	5.62	-	2,860.20
Impairment	-	-	-	-	2.50	-	-	-	-	-	-	49.51	33.82	-	85.83
Deletions/ Adjustments	-	(3.40)	-	14.48	(45.74)	3.01	1.38	2.51	(5.61)	(1.29)	-	0.70	(0.01)	-	(33.97)
As at 31st March 2017	-	664.43	625.41	270.47	3,416.64	42.63	46.85	45.61	70.58	22.56	-	301.09	84.64	-	5,590.91
Net Carrying Amount															
As at 31st March 2017	408.65	6,263.32	2,230.89	2,662.25	8,497.75	94.03	198.13	142.28	109.20	80.38	0.58	1,177.15	166.70	0.89	22,032.20

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Tele-communi-cation	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Others	Total
As at 31st March 2016 (Restated)	349.70	4,990.73	2,327.06	2,537.60	8,725.33	98.85	146.02	110.77	124.56	71.62	0.58	993.78	185.06	0.89	20,662.55
As at 1st April 2015 (Restated)	308.35	3,659.95	2,344.58	2,236.29	8,398.56	79.28	125.99	72.46	43.99	55.23	0.58	918.15	212.05	0.89	18,456.35

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 1st April 2015

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Tele-communi-cation	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Air-craft	Other Mining Infra-structure	Surveyed off Assets	Others	Total
Gross Carrying Amount															
As at 1st April 2015	308.35	5,377.98	3,917.49	4,256.21	27,943.92	221.36	478.83	312.43	188.18	278.95	19.95	4,764.32	610.80	33.56	48,712.33
Accumulated Depreciation and Impairment															
As at 1st April 2015	-	1,718.03	1,572.91	2,019.92	19,545.36	142.08	352.84	239.97	144.19	223.72	19.37	3,846.17	398.75	32.67	30,255.98
Net carrying amount	308.35	3,659.95	2,344.58	2,236.29	8,398.56	79.28	125.99	72.46	43.99	55.23	0.58	918.15	212.05	0.89	18,456.35

Note:

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.
- As per accounts of F.Y. 2014-15, land in possession of NEC, Assam, Margherita included 8069.70 hectares of leasehold land for which no value was shown. A reconciliation was carried out during the previous year and actual land area was found to be 5558.23 hectares after deducting the leasehold area of 2500 hectares for which lease was not renewed by Meghalaya Government in the earlier years and some other adjustments of 11.47 hectares and reconciliation is under process. Identification and taking possession is in process for 137.46 hectares of freehold land for which the Hon'ble High Court of Guwahati in RFA No. 17/2004 has given verdict in favour of NEC vide court order dated 25.08.2015. Further, no value is recorded in the books for freehold land 935.33 hectares.

2 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.

3 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.

4 Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2017 of ₹ 12.65 Crore have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹1.80 Crore under cancellable operating lease agreement.

5 Depreciation has been provided based on useful life as mentioned in Note 2.8. However, pending completion of technical assessment to segregate the value of certain assets embedded within different class of assets, depreciation has been provided on these assets on the basis of useful life of the unsegregated class of assets.

6 Others include Assets taken on Nationalisation of Coal Mines.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crore)

	Building (including water supply, roads and culverts)	Plant and Equip-ments	Railway Sidings	Other Mining infra-structure/ Develop-ment	Rail Corridor Devel-opment Expenses	Rail Corridor under Construc-tion	Others	Total
Gross Carrying Amount								
As at 1st April 2015	651.29	2,052.78	191.35	1,137.01	5.07	31.04	35.31	4,103.85
Additions	404.97	1,030.69	76.04	470.49	23.95	235.39	105.52	2,347.05
Capitalisation/ Deletions	(451.96)	(982.46)	(3.46)	(311.49)	-	-	(105.41)	(1,854.78)
As at 31st March 2016	**604.30**	**2,101.01**	**263.93**	**1,296.01**	**29.02**	**266.43**	**35.42**	**4,596.12**
As at 1st April 2016	604.30	2,101.01	263.93	1,296.01	29.02	266.43	35.42	4,596.12
Additions	590.96	2,253.00	1,129.48	1,341.80	515.62	199.59	90.58	6,121.03
Capitalisation/ Deletions	(298.63)	(1,246.13)	(27.96)	(406.62)	-	-	(94.18)	(2,073.52)
As at 31st March 2017	**896.63**	**3,107.88**	**1,365.45**	**2,231.19**	**544.64**	**466.02**	**31.82**	**8,643.63**
Provision and Impairment								-
As at 1st April 2015	-	-	-	-	-	-	-	-
Charge for the year	0.90	16.56	3.85	9.01	-	-	0.08	30.40
Impairment	-	9.87	-	8.34	-	-	0.05	18.26
Deletions/Adjustments	(0.34)	(0.50)	(0.33)	(4.53)	-	-	(0.06)	(5.76)
As at 31st March 2016	**0.56**	**25.93**	**3.52**	**12.82**	**-**	**-**	**0.07**	**42.90**
As at 1st April 2016	0.56	25.93	3.52	12.82	-	-	0.07	42.90
Charge for the year	1.38	6.56	4.11	7.43	-	-	0.02	19.50
Impairment	-	3.08	-	(4.52)	-	-	0.01	(1.43)
Deletions/Adjustments	(0.52)	(5.03)	(0.83)	(1.04)	-	-	(0.02)	(7.44)
As at 31st March 2017	**1.42**	**30.54**	**6.80**	**14.69**	**-**	**-**	**0.08**	**53.53**
Net Carrying Amount								
As at 31st March 2017	**895.21**	**3,077.34**	**1,358.65**	**2,216.50**	**544.64**	**466.02**	**31.74**	**8,590.10**
As at 31st March 2016 (Restated)	**603.74**	**2,075.08**	**260.41**	**1,283.19**	**29.02**	**266.43**	**35.35**	**4,553.22**
As at 1st April 2015 (Restated)	**651.29**	**2,052.78**	**191.35**	**1,137.01**	**5.07**	**31.04**	**35.31**	**4,103.85**

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 1st April 2015

	Building (including water supply, roads and culverts)	Plant and Equip-ments	Railway Sidings	Other Mining infra-structure/ Develop-ment	Rail Corridor Devel-opment Expenses	Rail Corridor under Construc-tion	Others	Total
Gross Carrying Amount:								
As at 1st April 2015	673.34	2,152.87	240.00	1,214.33	5.07	31.04	37.54	4,354.19
Provision and Impairment								
As at 1st April 2015	22.05	100.09	48.65	77.32	-	-	2.23	250.34
Net carrying amount	**651.29**	**2,052.78**	**191.35**	**1,137.01**	**5.07**	**31.04**	**35.31**	**4,103.85**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crore)

	Exploration and Evaluation Costs
Gross Carrying Amount	
As at 1st April 2015	1,033.03
Additions	330.44
Deletions/Adjustments	(12.34)
As at 31st March 2016	**1,351.13**
As at 1st April 2016	1,351.13
Additions	415.52
Deletions/Adjustments	(34.96)
As at 31st March 2017	**1,731.69**
Provision and Impairment	
As at 1st April 2015	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31st March 2016	-
As at 1st April 2016	-
Charge for the year	-
Impairment	13.28
Deletions/Adjustments	0.67
As at 31st March 2017	**13.95**
Net Carrying Amont	
As at 31st March 2017	**1,717.74**
As at 31st March 2016 (Restated)	**1,351.13**
As at 1st April 2015 (Restated)	**1,033.03**

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 1st April 2015

Gross Carrying Amount	
As at 1st April 2015	1,041.53
Provision and Impairment	
As at 1st April 2015	8.50
Net Carrying Amount	**1,033.03**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 : INTANGIBLE ASSETS

(₹ in Crore)

	Computer Software	Intangible Exploratory Assets*	Others	Total
Gross Carrying Amount				
As at 1st April 2015	9.27	26.88	44.84	80.99
Additions	6.31	-	-	6.31
Deletions/Adjustments	(4.74)	-	(10.24)	(14.98)
As at 31st March 2016	**10.84**	**26.88**	**34.60**	**72.32**
As at 1st April 2016	10.84	26.88	34.60	72.32
Additions	1.60	-	-	1.60
Deletions/Adjustments	-	-	(8.69)	(8.69)
As at 31st March 2017	**12.44**	**26.88**	**25.91**	**65.23**
Amortisation and Impairment				
As at 1st April 2015	-	-	-	-
Charge for the year	3.51	-	-	3.51
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31st March 2016	**3.51**	**-**	**-**	**3.51**
As at 1st April 2016	3.51	-	-	3.51
Charge for the year	3.97	-	-	3.97
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31st March 2017	**7.48**		**-**	**7.48**
Net Carrying Amount				
As at 31st March 2017	**4.96**	**26.88**	**25.91**	**57.75**
As at 31st March 2016 (Restated)	**7.33**	**26.88**	**34.60**	**68.81**
As at 1st April 2015 (Restated)	**9.27**	**26.88**	**44.84**	**80.99**

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 1st April 2015

	Computer Software	Intangible Exploratory Assets*	Others	Total
Gross Carrying Amount				
As at 1st April 2015	14.96	26.88	44.84	86.68
Accumulated Amortisation and Impairment				
As at 1st April 2015	5.69	-	-	5.69
Net carrying amount	**9.27**	**26.88**	**44.84**	**80.99**

*Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL)

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 7 : INVESTMENTS

(₹ in Crore)

Non Current Investments	**No. of shares/units As on 31.03.2017**	**Face Value per share As on 31.03.2017**	**As at 31.03.2017**	**As at 31.03.2016 (Restated)**	**As at 01.04.2015 (Restated)**
Investment in Co-operative shares (Unquoted)					
"B" class shares in Coal Mines Officers Cooperative Credit Society Ltd.	500 (500)	1000 (1000)	0.05	0.05	0.05
"D" class shares in Dishergarh colly Worker's central co-opt store Ltd.	1000 (1000)	100 (100)	0.01	0.01	0.01
Shares of ₹25/- each in the Mugma coalfield colly Worker's central co-opt store Ltd	4000 (4000)	25 (25)	0.01	0.01	0.01
"B" class shares in Sodepur colly Employee's co-opt credit society Ltd.	500 (500)	100 (100)	0.005	0.005	0.005
"B" class shares in Dhenomain colly. Employees' co-opt credit society Ltd.	500 (500)	100 (100)	0.005	0.005	0.005
Consumer Cooperative Societies Ltd Baikunthpur	250 (250)	10 (10)	-	-	
Total (A)			**0.08**	**0.08**	**0.08**
Investments in Secured Bonds (quoted)					
7.55 % Secured Non convertible IRFC Tax free 2021 series 79 bonds	20000 (20000)	100000 (100000)	200.00	200.00	200.00
8% Secured Non convertible IRFC bonds Tax free	**1087537 (1087537)**	**1000 (1000)**	**108.75**	**108.75**	**108.75**
7.22 % Secured Non convertible IRFC bond Tax free	4999 (4999)	1000100 (1000100)	499.95	499.95	499.95
7.22 % Secured Redeemable REC bond Tax free	1500000 (1500000)	1000 (1000)	150.00	150.00	150.00
Total (B)			**958.70**	**958.70**	**958.70**
Equity Shares in Joint Venture Companies (Unquoted)					
International Coal Venture Private Limited, New Delhi	2800000 (2800000)	10 (10)	7.14	7.28	8.13
CIL NTPC Urja Private Limited , New Delhi	76900 (76900)	10 (10)	0.03	0.03	-
Talcher Fertilizers Limited, Bhubneswar, Orissa	15000 (15000)	10 (10)	0.01	0.02	-
Hidustan Urvarak & Rasayan Limited, Kolkata	5025000 (Nil)	10 (Nil)	3.43	-	-
Total (C)			**10.61**	**7.33**	**8.13**
Grand Total (A+B+C)			**969.39**	**966.11**	**966.91**
Aggregate amount of unquoted investments:			10.69	7.41	8.21
Aggregate amount of quoted investments:			958.70	958.70	958.70
Market Value of Quoted Investment			995.19	993.69	978.68

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 7 (contd.)

INVESTMENTS

(₹ in Crore)

	Number of units	NAV/FV per Unit (In ₹)	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Current					
Mutual Fund Investments					
BOI AXA Mutual fund	411487.489 (1028632.478)	1002.65 (1002.65)	41.26	103.13	24.36
Canara Robeco Mutual fund	79356.872 (711832.567)	1005.50 (1005.50)	7.97	71.57	139.15
SBI Mutual Fund	1679885.316 (11221351.782)	1003.25 (1003.25)	168.54	1125.78	992.06
Union KBC Mutual fund	235629.751 (668499.775)	1000.65 (1000.65)	23.59	66.88	82.64
UTI Mutual Fund	2669073.844 (5616635.396)	1019.45 (1019.45)	272.11	572.60	399.46
Sub Total (A)			**513.47**	**1939.96**	**1637.67**
8.5% Tax Free Special Bonds (fully paid up) on securitization of sundry debtors					
Uttar Pradesh	-	-	-	-	33.44
Haryana	-	-	-	-	1.33
Maharastra	-	-	-	-	56.71
West Bengal	-	-	-	-	11.32
Madhya Pradesh	-	-	-	-	74.77
Gujarat	-	-	-	-	35.15
Sub Total (B)			**-**	**-**	**212.72**
Total (A + B)			**513.47**	**1939.96**	**1850.39**
Aggregate amount of unquoted investments:			513.47	1939.96	1850.39
Aggregate amount of quoted investments:			-	-	-
Market Value of Quoted Investment			-	-	-

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 8 : LOANS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non-Current			
Loans to Employees			
- Secured, considered good	23.17	29.36	37.19
- Unsecured, considered good	0.15	0.36	0.58
- Doubtful	0.10	0.10	0.10
	23.42	29.82	37.87
Less: Provision for doubtful loans	0.10	0.10	0.10
	23.32	29.72	37.77
Other Loans			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	50.88	62.62
- Doubtful	1.50	1.50	1.50
	1.50	52.38	64.12
Less: Provision for doubtful loans	1.50	1.50	1.50
	-	**50.88**	**62.62**
TOTAL	**23.32**	**80.60**	**100.39**
CLASSIFICATION			
Secured, considered good	23.17	29.36	37.19
Unsecured, Considered good	0.15	51.24	63.20
Doubtful	1.60	1.60	1.60
Current			
Loans to Employees			
- Secured, considered good	2.91	3.55	3.56
- Unsecured, considered good	0.73	0.96	1.25
- Doubtful	-	-	-
	3.64	4.51	4.81
Less: Provision for doubtful loans	-	-	-
	3.64	4.51	4.81
Other Loans			
- Secured, considered good	-	-	-
- Unsecured, considered good	8.84	17.29	16.44
- Doubtful	-	-	-
	8.84	17.29	16.44
Less: Provision for doubtful loans	-	-	-
	8.84	17.29	16.44
TOTAL	**12.48**	**21.80**	**21.25**
CLASSIFICATION			
Secured, considered good	2.91	3.55	3.56
Unsecured, Considered good	9.57	18.25	17.69
Doubtful	-	-	-

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Bank Deposits	89.61	167.96	142.37
Deposits with bank under			
Site Restoration/Mine Closure Plan	5,347.22	4,257.81	3,256.63
Shifting & Rehabilitation Fund scheme*	3,259.27	3,047.73	2,567.00
Receivable from Escrow Account for Site Restoration/Mine Closure Expenses	356.99	84.36	29.25
Other Deposits	204.56	1,142.78	1,124.20
Less : Provision for doubtful deposits	0.05	0.05	0.01
	204.51	1,142.73	1,124.19
Security Deposit for utilities	2.74	2.77	3.30
Less : Provision	0.17	0.17	0.72
	2.57	2.60	2.58
Receivable for Exploratory drilling works	61.27	78.34	108.09
Less : Provision	61.27	78.34	108.09
	-	-	-
Other receivables	205.01	191.44	130.81
Less: Provision	11.51	11.58	16.22
	193.50	179.86	114.59
TOTAL	**9,453.67**	**8,883.05**	**7,236.61**

* Refer Note 22 - Shifting & Rehabilitation Fund

Current

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Receivable from Escrow Account for Site Restoration/Mine Closure Expenses	75.81	-	-
Interest accrued on			
- Investments	31.29	37.21	45.16
- Bank Deposits	976.30	1,402.21	1,969.19
-Others	3.62	2.74	3.15
Other deposits	303.05	271.70	191.89
Less : Provision for doubtful deposits	-	-	0.49
	303.05	271.70	191.40
Claims receivables	603.84	158.21	116.38
Less : Provision for doubtful claims	33.02	16.95	14.70
	570.82	141.26	101.68
Other receivables	870.91	643.23	484.50
Less : Provision for doubtful claims	9.07	7.28	7.43
	861.84	635.95	477.07
TOTAL	**2,822.73**	**2,491.07**	**2,787.65**

1. Deposit with bank under Mine Closure Plan
   Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan, an Escrow Account has been opened.(Refer Note 21 for Provision for Site Restoration/Mine Closure Expenses)
2. Other Deposits - Non current of ₹ 204.56 Crore includes ₹170.03 Crore (₹153.80 Crore) deposited for P&T, Electricity etc.of South Eastern Coalfields Limited.
3. Other Receivable - Non current of ₹ 205.01 Crore includes ₹175.60 Crore (₹162.91 Crore) deposited under protest with tax authorities and others of South Eastern Coalfields Limited.
4. Other Deposits-Current of ₹ 303.05 crore includes ₹ 150.71 crore (₹ 129.84 crore) for Escrow Account for mine closure plan which has been opened with scheduled banks in accordance with the guidelines issued by the Ministry of Coal.
5. Claims recievables of ₹ 603.84 Crore includes arrears towards District Mineral Foundation cess (DMF) of ₹ 468.48 crores of Western Coalfields Limited to be collected from the customers.
6. In Mahanadi Coalfields Ltd., balance in other deposit account (non current) includes ₹ 1.79 Crs. (including accrued interest of ₹ 1.21 Crs.) which is under lien to Hon'ble District Court of Sundargarh.

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(i) Capital Advances	2,078.91	1,715.39	1,364.74
Less : Provision for doubtful advances	8.61	9.32	15.37
	2,070.30	1,706.07	1,349.37
(ii) Advances other than capital advances			
(a) Security Deposit for utilities	136.84	140.74	141.41
Less : Provision for doubtful deposits	3.14	3.28	3.28
	133.70	**137.46**	**138.13**
(b) Other Deposits	34.18	34.07	32.90
Less : Provision for doubtful deposits	0.65	0.90	1.11
	33.53	**33.17**	**31.79**
(c) Advance for Revenue	2.07	15.76	23.84
Less : Provision for doubtful advances	0.79	0.79	2.46
	1.28	**14.97**	**21.38**
(d) Prepaid Expenses	0.07	-	-
TOTAL	**2,238.88**	**1,891.67**	**1,540.67**

Capital Advance includes ₹ 850.27 Crs. given to EC Railway for construction of Tori-Shivpur Rail Line by Central Coalfields Limited.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(a)	Advance for Capital	0.11	0.11	0.11
	Less : Provision for doubtful advances	-	-	-
		0.11	**0.11**	**0.11**
(b)	Advance for Revenue	490.64	645.36	476.02
	Less : Provision for doubtful advances	6.32	6.27	6.11
		484.32	**639.09**	**469.91**
(c)	Advance payment of statutory dues	984.66	653.61	490.85
	Less : Provision for doubtful advances	0.53	0.96	0.59
		984.13	**652.65**	**490.26**
(d)	Advance to Employees	87.86	424.20	548.95
	Less : Provision for doubtful advances	0.29	0.58	1.85
		87.57	**423.62**	**547.10**
(e)	Advance- Others *	420.48	316.96	383.96
	Less : Provision for doubtful claims	3.39	3.40	8.16
		417.09	**313.56**	**375.80**
(f)	Deposits- Others	3,172.95	3,417.26	4,251.48
	Less: Provision	1.66	41.48	41.54
		3,171.29	**3,375.78**	**4,209.94**
(g)	CENVAT / VAT CREDIT Receivable	966.32	600.41	561.57
	Less: Provision	59.55	54.04	46.58
		906.77	**546.37**	**514.99**
(h)	MAT CREDIT ENTITLEMENT	-	52.71	174.62
	Less: Provision	-	-	-
		-	**52.71**	**174.62**
(i)	Prepaid Expenses	35.59	32.75	25.04
(j)	Receivables- Others	461.66	408.26	414.62
	Less: Provision	8.03	0.77	4.69
		453.63	**407.49**	**409.93**
	TOTAL	**6,540.50**	**6,444.13**	**7,217.70**

* Refer Note 38(7)(i)

1. Commercial Tax Department, Madhya Pradesh and Uttar Pradesh has raised a demand of ₹ 1692.01 Crore (₹ 1322.06 Crore) till 31.03.2017 for Sales Tax and Entry tax, against which an appeal has been filed and ₹ 405.93 Crore (₹ 322.10 Crore) has been deposited under protest by Northern Coalfields Limited and shown under Deposit - others of ₹ 3172.95 Crore above. The claim of ₹ 1692.01 Crore has been shown as Contingent Liability.
2. Tax Deposits under protest of ₹ 1090.00 crores of Northern Coalfields Limited, ₹ 539.38 crores of Bharat Coking Coal Limited and ₹ 684.72 crores of Mahanadi Coalfields Limited has been included in Deposits-Others of ₹ 3172.95 crores above.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 12 : INVENTORIES

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(a)	Stock of Coal	7,865.76	6,625.36	5,164.13
	Coal under Development	32.15	-	8.20
	Less : Provision	485.12	462.82	460.17
	Stock of Coal (Net)	**7,412.79**	**6,162.54**	**4,712.16**
(b)	Stock of Stores & Spares (at cost)	1,542.79	1,433.27	1,442.73
	Add: Stores-in-transit	60.14	47.09	65.93
	Less : Provision	286.20	267.67	263.48
	Net Stock of Stores & Spares (at cost)	**1,316.73**	**1,212.69**	**1,245.18**
(c)	Stock of Medicine at Central Hospital	5.67	3.92	2.72
(d)	Workshop Jobs:			
	Work-in-progress and Finished Goods	210.68	190.60	197.49
	Less: Provision	1.57	1.57	1.57
	Net Stock of Workshop Jobs	**209.11**	**189.03**	**195.92**
(e)	Press Jobs:			
	Work-in-progress and Finished Goods	0.97	0.99	0.97
		0.97	**0.99**	**0.97**
	Total	**8,945.27**	**7,569.17**	**6,156.95**

Method of valuation : Refer Note No. 2.21 - Significant Accounting Policies on “Inventories”

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 13 : TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Current			
Trade receivables			
Secured considered good	304.14	185.06	180.43
Unsecured considered good	10,431.71	11,262.55	8,300.76
Doubtful	3,782.82	2,220.20	2,510.32
	14,518.67	13,667.81	10,991.51
Less : Provision for bad & doubtful debts	3,782.82	2,220.20	2,510.32
Total	**10,735.85**	**11,447.61**	**8,481.19**

1. No Trade or other receivables are due from Directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or member.

2. Against the levy of 5% tax under “Madhya Pradesh Gramin Avsanrachana Tatha Sadak Vikas Adhiniyam, 2005” (MPGATSVA 2005), some consumers as well as WCL has moved to the Hon’ble High Court of Madhya Pradesh, Jabalpur whereby vide interim order dated 15/02/2006 the Company is being directed not to deposit this tax to the State Government but to keep in a fixed deposit. The matter was later decided by the Jabalpur High Court in favour of MP Government against which 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 interim order dated 02-08-2010 directed the Company to file its returns for all the years under protest as per MPGATSVA (2005) and also directed the assessing officer to complete the assessments of returns filed by the Company. In compliance with the Supreme Court directions, up to 31/03/2017 the assessing officers raised total demand of ₹ 533.55 Crores against the Company (₹ 487.48 Crores) which is paid in full as per the legal advice. However, the Company has preferred Appeals against the assessment orders / demand notes with Competent Appellate Authority, Jabalpur and Bhopal.

   Up to 31/03/2017, an amount of ₹ 562.81 Crores (₹ 518.89 Crores) has been received from customers on account of MPGATSVA Tax (including VAT/CST thereon upto 31st March,2016).

   Against this ₹ 533.55 Crores is paid under protest (including ₹ 2.86 Crores on account of VAT/CST) against the demand raised by Assessing Officer up to 31/03/2017.

   Out of balance amount, ₹ 23.92 Crores has been kept in deposit leaving balance of ₹ 5.34 Crores to be deposited. The cumulative interest accrued on fixed deposits made on this account is added to liability, part of which is yet to be deposited.

   Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(a)	Balances with Banks			
	in Deposit Accounts	1,314.74	2,421.08	1,885.64
	in Current Accounts	2,253.97	2,278.81	1,450.90
	in Cash Credit Accounts	5.15	4.13	9.27
(b)	Bank Balances outside India	0.01	0.14	1.14
(c)	Cheques, Drafts and Stamps in hand	22.05	168.79	6.20
(d)	Cash on hand	0.20	2.15	1.96
(e)	Others	4.30	1.30	0.88
	Total Cash and Cash Equivalents	**3,600.42**	**4,876.40**	**3,355.99**
(f)	Bank Overdraft	(20.49)	-	(200.10)
	Total Cash and Cash Equivalents(net of Bank Overdraft)	**3,579.93**	**4,876.40**	**3,155.89**

1. Cash and cash equivalents comprises of cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

2. The details of Specified bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 are provided below:

(₹ in Crore)

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on 08.11.2016	1.65	0.53	2.18
(+) Permitted receipts	0.37	180.05	180.42
(-) Permitted payments	0.02	150.86	150.88
(-) Amount deposited in banks	2.00	28.91	30.91
Closing cash on hand as on 30.12.2016	**-**	**0.81**	**0.81**

3. The bank guarantees issued by CCL on account of two court cases i.e. Ghisha Lal Goyal Vs CCL in case 08/01 and M/s Nav Shakti Fuels Vs CCL &Ors in FA No. 101/2007 and to The Secretary, Department of IT and E-Governance, Govt. of Jharkhand, Ranchi against lien secured by Deposits in Account no. 0404002100045433 for an amount of ₹ 4.10 Crs.

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Balances with Banks			
Deposit accounts	27,455.77	33,041.02	43,336.43
Shifting and Rehabilitation Fund scheme	115.00	64.88	312.94
Unpaid dividend accounts	10.34	7.79	12.34
Dividend accounts	68.77	24.82	-
Total	**27,649.88**	**33,138.51**	**43,661.71**

Refer note 38 (3) for classification

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.

NOTES:

2. Following are the list of restrictive/held under lien/earmarked for specific purposes in the above Bank deposits

BCCL

1. Deposit Account with maturity more than 3 months includes Fixed Deposit of ₹ 1.10 Crore pledged with Bank as margin money for Bank guarantee.
2. Deposit Account includes Fixed Deposit of ₹ 297.27 Crore pledged with UCO Bank, Dhanbad for availing overdraft facility of ₹ 275.00 Crore.
3. Deposit Account includes Fixed Deposit of ₹ 101.11 Crore pledged with Bank of India, Dhanbad for availing overdraft facility of ₹ 96.05 Crore.

CCL

1. ₹ 5.41 crore deposited against the order of the Hon'ble High Court, Kolkata against a claim from customer.
2. ₹ 25.47 Crore deposited as per order of Hon'ble High Court, Kolkata against 20% extra price charged from parties during the period Nov. 2006 to April 2008.
3. ₹ 13.68 Crore Deposited against the order of the Hon'ble High Court, Jharkhand, case no. WP(C) 4179 of 2016 against encashment of Bank Guarantee of M/s. Adhunik Alloys & Power Limited.

NCL

1. Deposit with Banks includes fixed deposit of ₹ 2.87 crore (₹ 2.44 crores as on 31.03.2016) pledged with Bank as margin money for BG Interest accrued thereon is ₹ 0.22 crores (₹ 0.36 crores as on 31.03.2016).
2. Deposits with Bank includes ₹ 5.57 Crores (₹ 5.24 crores as on 31.03.2016) as per the order of Hon'ble High Court, Kolkata, has been kept in separate interest bearing account. Interest accrued on these deposit are ₹ 0.07 Crores (Previous Year ₹ 0.11 Crores).

WCL

Balance with banks in deposit account includes deposit for :

1. Bank Guarantee ₹ 4.16 Crores (₹ 4.74 Crores as on 31.03.2016)
2. Undisbursed wages ₹ 2.04 Crores (₹ 2.04 Crores as on 31.03.2016)
3. Court cases for Union fund, Relief fund, MPGATSVA ₹ 170.90 Crores (₹ 100.98 Crores as on 31.03.2016)

SECL

1. Fixed Deposit amounting to ₹ 0.32 Crores at Dankuni Coal Complex,a unit of the Company is in name of Coal India Ltd. Interest earned and TDS thereon has been transferred to CIL.
2. Deposit accounts with Banks includes ₹ 408.37 Crore (₹ 504.41Crores)held by the company is being deposited in separate Bank accounts which has been recovered from the consumers for Terminal Tax, from suppliers on explosives bills.

MCL

1. Fixed deposit includes ₹ 0.04 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per Court order.
2. Fixed deposit includes ₹ 0.19 crore made against interim order of Hon'ble High Court for encashment of BG of M/s IRC Logistics Ltd.
3. Fixed deposit includes ₹ 7.89 crore made against BG encashment (FSA) by the Company in respect of M/s Videocon Industries Ltd as per interim order of Hon'ble High Court , Cuttack .
4. Fixed deposits includes ₹ 0.15 crore made for 40% Tapering money by the Company in respect of M/S Shri Mahavir Ferro Alloys Pvt. Ltd. as per order of Hon'ble High Court , Cuttack till the final outcome of the Writ petition no. 3109 of 2015.
5. Fixed deposits includes ₹ 5.97 crore made against interim order of Hon'ble High court Cuttack (Odisha) that is to be deposited in any nationalized bank for remaining amount of compensation involved in the disputed land.
6. Fixed deposit of ₹ 1.00 crore made as per directives of Hon'ble High Court of Odisha regarding encashment of BG submitted by M/s MCL-KSIPL JV.
7. Fixed deposit amounting to ₹ 13.35 Crore that has been placed under lien of State Bank India for issuing letter of comfort for issuance of Bank Guarantee in favour of President of India to fulfill the terms of allocation of blocks on behalf of subsidiary company. - M/S MJSJ Coal Ltd.
8. Fixed deposit includes ₹ 5.47 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per Court order.

CIL

Fixed deposits of ₹ 2.72 crores (₹.4.50 crores as on 31.03.2016 & ₹ 4.01 Crores as on 01.04.2015) are included as per the direction of the Court.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Authorised			
8,00,00,00,000 Equity Shares of ₹10/- each (8,00,00,00,000 Equity Shares of ₹10/- each)	8,000.00	8,000.00	8,000.00
	8,000.00	8,000.00	8,000.00
Issued, Subscribed and Paid-up			
6,20,74,09,177 Equity Shares of ₹10/- each (6,31,63,64,400 Equity Shares of ₹10/- each)	6,207.41	6,316.36	6,316.36
	6,207.41	6,316.36	6,316.36

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	4,89,49,71,329 (503,09,70,582)	78.857 (79.649)
Life Insurance Corporation of India	45,29,23,208 (36,43,17,692)	7.296 (5.77)

2. During the year, the company has not issued any shares. However, pursuant to Public Announcement ('PA') published on August 30, 2016 and letter of offer dated September 23, 2016, the Company has bought back its 10,89,55,223 number of Equity shares of face value of ₹ 10/- each fully paid up through tender offer route under Stock Exchange mechanism and extinguished these shares on October 28, 2016. Post such buy-back, the number of fully paid equity shares as on 31.03.2017 stands at 6,20,74,09,177.

3. Listing of shares of Coal India Ltd. In Stock Exchange.

   The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November,2010. The details of disinvestment of shares by Govt of India is furnished below:

Sl. No.	Financial year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF
5	2016-17	1.248%	7,88,42,816	Buyback
6	2016-17	0.92%	5,71,56,437	CPSE-ETF

   Hence, the number of shares held by Govt of India stood at 4,89,49,71,329 i.e. 78.857% of the total 6,20,74,09,177 number of shares outstanding as on 31.03.2017.

4. The Company has only one class of equity shares having face value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

5 Reconciliation of number of shares

	For the year ended 31.03.2017	For the year ended 31.03.2016
Opening Issued, subscribed and paid up number of shares	6,31,63,64,400	6,31,63,64,400
Less: Number of shares bought back by the company during the year	108,955,223	-
Closing Issued, subscribed and paid up number of shares	**6,207,409,177**	**6,31,63,64,400**

6 Refer Note 38 (7) (b) also for Authorised Share Capital of the Company

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 17 : OTHER EQUITY

(₹ in Crore)

	Other Reserves		General Reserve	Retained Earnings		Total
	Capital Redemption reserve	Capital reserve*		Surplus	Accumulated losses in ECL & BCCL	
Balance as at 01.04.2015	**1,808.36**	**9.74**	**21,511.02**	**16,055.82**	**(5,177.25)**	**34,207.69**
Changes in Accounting policy	-	-	-	815.06	(271.25)	543.81
Prior period errors	-	-	-	35.62	(2.07)	33.55
Restated balance as at 01.04.2015	**1,808.36**	**9.74**	**21,511.02**	**16,906.50**	**(5,450.57)**	**34,785.05**
Additions during the year	-	10.04	-	-	-	10.04
Adjustments during the year	-	(1.60)	-	-	(7.77)	(9.37)
Total comprehensive income during the year	-	-	-	13,118.73	1,442.50	14,561.23
Appropriations						
Transfer to / from General reserve	-	-	1,628.51	(1,628.51)	-	0.00
Interim Dividend	-	-	-	(17,306.84)	-	(17,306.84)
Corporate Dividend tax	-	-	-	(3,523.31)	-	(3,523.31)
Balance as at 31.03.2016	**1,808.36**	**18.18**	**23,139.53**	**7,566.57**	**(4,015.84)**	**28,516.80**
Balance as at 01.04.2016	**1,808.36**	**18.18**	**23,139.53**	**7,566.57**	**(4,015.84)**	**28,516.80**
Additions during the year	-	2.32	-	-	-	2.32
Adjustments during the year	-	(0.69)	-	(0.04)		(0.73)
Total comprehensive income during the year	-	-	-	9,475.94	(127.71)	9,348.23
Appropriations						
Transfer to / from General reserve	-	-	510.75	(510.75)	-	-
Interim Dividend	-	-	-	(12,352.76)	-	(12,352.76)
Corporate Dividend tax	-	-	-	(2,750.36)	-	(2,750.36)
Buyback of Equity Shares	256.15	-	(3,797.20)	-	-	(3,541.05)
Tax on Buyback	-	-		(903.08)	-	(903.08)
Balance as at 31.03.2017	**2,064.51**	**19.81**	**19,853.08**	**525.52**	**(4,143.55)**	**18,319.37**

Interim Dividend- During the year the company has paid first interim dividend of ₹ 18.75 and second interim dividend of ₹ 1.15 totalling to ₹19.90 (₹ 27.40) per equity share of face value of ₹ 10/- each for the year 2016-17 amounting to ₹ 12,352.76 crore (₹ 17,306.84 crore).

The Board of Directors of the Company decided to recommend such interim dividend already paid as final dividend and no additional dividend has been recommended for the year 2016-17.

Corporate Dividend Tax - The above represents the Dividend Distribution Tax pertaining to the Dividend paid over and above the utilization of Dividend received from Subsidiaries, as per provisions of Income Tax Act,1961.

*Refer Statement of Changes in Equity also.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 18: BORROWINGS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non-Current			
Term Loans			
Export Development Corporation , Canada	161.01	168.00	164.33
Banque Nationale De Paris and Natexis Banque, France	6.13	7.21	6.90
Loans from Related Parties			
IRCON International Ltd.	92.75	63.92	30.60
Chattisgarh State Infrastructure Development Corpn Ltd. (CSIDCL)	34.91	23.93	-
Total	**294.80**	**263.06**	**201.83**
CLASSIFICATION			
Secured	127.66	87.85	30.60
Unsecured	167.14	175.21	171.23
Current			
Loans repayable on demand			
-From Banks	2,603.78	929.00	-
-From Other Parties	0.03	0.03	0.03
Loans from Related Parties			
IRCON International Ltd.	78.69	-	-
Chattisgarh State Infrastructure Development Corpn Ltd.	30.50	-	-
Total	**2,713.00**	**929.03**	**0.03**
CLASSIFICATION			
Secured	2,712.97	929.00	-
Unsecured	0.03	0.03	0.03

Notes:

1 Loan Guaranteed by Directors:

Particulars of Loan	Amount in ₹ Crores	Nature of Guarantee
Export Development Corp., Canada	161.01	Guarantee executed by the President of India
Banque Nationale De Paris and Natexis Banque, France	6.13	The GOI provided an irrevocable and unconditional guarantee in relation to all our payment obligations.

Current maturities of the long term borrowing for ₹ 6.19 Crore in respect of Export Development Corp., Canada, loan & ₹ 0.51 Crore in respect of Banque Nationale De Paris and Natexis Banque, France, France is also guaranteed as above.

Repayment Schedule :

Export Development Corp. Canada: Repayment of instalments is made semi-annually i.e. on January 31 and on July 31. Banque Nationale De Paris and Natexis Banque, France: Repayment under these loan facilities will be completed on September 30, 2028 and September 30, 2030.

2 Loan from IRCON International Ltd :

The subsidiary companies of SECL M/s Chattisgarh East Railway Limited (CERL) & M/s Chattisgarh East-West Railway Limited (CEWRL) has taken loan from IRCON International Ltd amounting to ₹ 39.00 crore (₹ 39.00 crore) and ₹ 39.00 crore (₹ 19.50 crore), which are secured by first charge on all infrastructures to be created/developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding 5 years from the date of signing of Loan Agreement. Interest due as on Balance sheet date are ₹ 9.98 crore (₹ 5.03 crore) & ₹ 4.77 crore (₹ 0.39 crore) for CERL & CEWRL respectively. Rate of interest are @12% p.a with compounding at quaterly rest.

3 CERL has entered into a Term Loan Agreement with IRCON and CSIDCL on 26.05.2016, 30.01.2017 and 17.01.2017 at a rate linked to SBI MCLR as on 01.05.2016 with a spread of 50 basis points which comes to 9.65% per annum with componding at quarterly rests. The repayment period of loan shall be within 6 months of the Financial Closure of Phase-I Project of CERL or within 1 year from the date of the signing of this loan agreement, whichever is earlier.

4 Loan from Chattisgarh State Infrastructure Development Corpn Ltd. (CSIDCL) :

The subsidiary companies of SECL M/s Chattisgarh East Railway Limited (CERL) & M/s Chattisgarh East-West Railway Limited (CEWRL) has taken loan from CSIDCL amounting to ₹15.00 crore (₹ 15.00 crore) and ₹ 15.00 crore (₹ 7.50 crore), which are secured by first charge on all infrastructures to be created/developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding 5 years from the date of signing of Loan Agreement. Interest due as on Balance sheet date are ₹ 3.08 crore (₹ 1.25 crore) & ₹ 1.83 crore (₹ 0.18 crore) for CERL & CEWRL respectively. Rate of interest are @12% p.a with compounding at quaterly rest.

5 Bank Borrowings and Cash Credit :

A. The bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal , stores and spare parts and book debts of CIL and its subsidiary companies within consortium of banks.

B. The total working capital credit limit available to CIL is ₹550.00 Crore, of which fund based limit is ₹ 250.00 Crore and non-fund based limit is ₹300.00 crore. Further, ₹2000.00 crore was set up as non-fund based limit outside consortium in order to facilitate import of HEMM. Coal India Limited is contingently liable to the extent such facility is actually utilised by the Subsidiary Companies.

6 Details of Loans repayable on demand - from Banks

Subsidiary	Name of Bank	Loan Amount (₹ in Crore)	
		As on 31.03.2017	As on 31.03.2016
CCL	Bank of India	280.00	285.00
	Bank of Baroda	370.00	63.50
	UCO Bank	280.00	-
	Canara Bank	73.78	-
	Corporation Bank	100.00	-
	Andhra Bank	-	283.50
	Syndicate Bank	-	166.18
	Oriental Bank of Commerce	-	130.82
MCL	UCO Bank	1,500.00	-
Total		**2,603.78**	**929.00**

Note :

i. Interest rate on the above loans varies from 7.16% to 7.75% w.r.t FY 2016-17

ii. Securitisation of the above loans is against Fixed Deposits pledged.

iii. Tenure of the above loans is subject to maturity of Fixed Deposits (Maturity period of FDs is less than 1 year).

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 19 :TRADE PAYABLES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Current			
Trade Payables for Micro, Small and Medium Enterprises	10.37	13.20	17.69
Other Trade Payables for			
Stores and Spares	608.49	448.51	502.13
Power and Fuel	362.20	506.27	355.11
Other expenses	2,919.18	2,329.17	2,049.04
TOTAL	**3,900.24**	**3,297.15**	**2,923.97**

The outstanding amount on account of trade payables for Micro, Small and Medium Enterprises is not due for payment for more than 45 days as on 31.03.2017 and there is no interest due theron.

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Security Deposits	498.87	587.86	578.75
Earnest Money	8.22	13.64	1.30
Others	535.39	617.91	535.79
	1,042.48	**1,219.41**	**1,115.84**
Current			
Current Account of IICM	197.30	186.85	177.61
Current maturities of long-term debt	6.70	6.70	6.38
Unpaid dividends*	79.12	32.61	12.34
Security Deposits	969.02	839.08	693.10
Earnest Money	456.92	284.65	326.77
Liability for Salary, Wages and Allowances	1,887.46	1,960.57	1,910.51
Others	960.47	677.68	586.25
TOTAL	**4,556.99**	**3,988.14**	**3,712.96**

1. Current Account of Indian Institute of Coal Management (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 ₹ 27.71 Crore. Further ₹ 15.46 Crore (net) were remitted to IICM during the period; and hire charges/ lease rent recovered from IICM amounted to ₹ 1.80 Crore (excluding service tax applicable thereon).
2. Unpaid dividend includes interim dividend of ₹ 68.77 crore (₹ 24.82 crore) declared but 30 days have not been lapsed so as to transfer in Unpaid Dividend account.

*No amount is due for payment to Investor Education & Protection Fund

Refer note 38 (3) for classification

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Employee Benefits			
Gratuity	58.80	72.77	98.22
Leave Encashment	1,669.40	2,752.08	2,757.32
Other Employee Benefits	1,506.51	1,406.55	1,511.54
	3,234.71	**4,231.40**	**4,367.08**
Site Restoration/Mine Closure	6,314.41	5,731.04	5,098.21
Stripping Activity Adjustment	34,125.06	31,452.83	28,641.41
Others	143.02	127.44	141.73
TOTAL	**43,817.20**	**41,542.71**	**38,248.43**
Current			
Employee Benefits			
Gratuity	559.09	808.84	1,154.71
Leave Encashment	365.80	359.55	365.16
Ex- Gratia	1,621.20	1,480.79	1,254.11
Performance Related Pay	1,574.10	3,106.54	3,092.48
Other Employee Benefits	1,802.75	1,587.97	1,297.74
NCWA-X	2,102.27	-	-
Executive Pay Revision	95.26	-	-
	8,120.47	**7,343.69**	**7,164.20**
Site restoration / Mine Closure	116.92	112.15	50.72
Excise Duty on Closing Stock of Coal	782.44	588.20	443.16
Others	366.22	3.79	5.96
TOTAL	**9,386.05**	**8,047.83**	**7,664.04**

1. Provision for Site Restoration/Mine Closure

   The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The estimate of obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate (@8%) that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses. In reference to above guidlines for implementation of mine closure plan, an escrow account has been opened and total amount deposited on these escrow account amounting to ₹ 5347.22 Crores as on 31.03.2017 (₹ 4257.81 Crores) (Refer Note 9).
2. Pending finalisation of National Coal Wage Agreement (NCWA)-X for Non Executives, an estimated adhoc provision @ ₹ 8000 /- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017 amounting to ₹ 2102.27 Crore and shown as " Provision for National Coal Wage Agreement X above". An amount of ₹ 0.88 Crore is being capitalised for development mines.(Also refer Note-28)
3. Pending finalization of PSUs' pay revision for executives, an estimated adhoc provision @₹18000/- per employee (Executive) per month, considering total impact of increase in all elements of executive salary (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017 amounting to ₹ 95.26 Crore and shown as "Executive Pay Revision" above. An amount of ₹0.16 Crore is being capitalised for development mines. (Also refer Note-28)
4. Provision- Other Employee Benefits-Current includes ₹1493.76 crore (PY ₹1305.83 crore) provided for Pension and Superannuation benefits @9.84% as on 31.03.2017.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 22 :OTHER NON CURRENT LIABILITIES

(in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Shifting & Rehabilitation Fund			
Opening balance	3,177.66	2,904.44	2,520.05
Add: Interest from investment of the fund (Net of TDS)	217.80	267.01	222.73
Add: Contribution received	325.43	319.15	297.42
Less: Amount released to subsidiaries during the year	271.22	312.94	135.76
	3,449.67	3,177.66	2,904.44
Deferred Income	370.04	333.26	283.90
Total	**3,819.71**	**3,510.92**	**3,188.34**

1. Shifting and Rehabilitation Fund

   Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect. The subsidiaries of CIL [except CMPDIL and Coal India Africana Limitada] are making a contribution of ₹ 6/- per tonne of their respective coal despatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects. (Refer Note: 9)

2. Deferred Income includes subsidy received under The Coal Mines (Conservation and Development) Act, 1974 on account of capital nature works.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Capital Expenditure	1,292.19	1,076.12	1,017.59
Statutory Dues:	147.64	151.76	130.60
Provident Fund & Others	423.20	443.25	407.57
Central Excise Duty	21.82	29.63	29.10
Royalty & Cess on Coal	728.29	597.85	612.11
Stowing Excise Duty	132.83	128.32	120.90
Clean Energy Cess	3,451.04	2,514.70	919.13
National Mineral Exploration Trust	44.50	59.10	-
District Mineral Foundation	1,055.35	446.15	-
Other Statutory Levies	350.66	424.13	778.45
Income Tax deducted/collected at Source	284.07	265.45	251.81
	6,639.40	**5,060.34**	**3,249.67**
Advance for Coal Import	-	30.53	87.43
Advance from customers / others	9,799.25	5,519.27	7,213.81
Cess Equalization Account	1,627.86	1,521.54	1,410.51
Others liabilities	2,317.00	1,884.21	1,583.20
TOTAL	**21,675.70**	**15,092.01**	**14,562.21**

1. 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 realisation made from customers on the value of despatches of coal, considering the sale price prevailing on 31st March of the previous financial year, there remains a balance payable amounting to ₹ 1627.86 crore (₹ 1521.54 crore) which has been shown under Cess Equalisation Account.

2. Other Statutory levies includes Bazaar fee amounting to ₹ 97.93 Cr. As on 31.03.2017 (₹ 156.51 Cr.) which includes (i) total liability accrued during the period from Jan-Mar 2017 amounting to ₹ 22.64 Cr and (ii) unrealised amount of Bazar fee upto December 2016 from SAIL not yet paid (₹ 75.29 Cr.).Realised amount of Bazaar Fee against billing upto 31.12.2016 amounting to ₹ 389.05 Cr. has so far (upto 31.03.2017) been released to Mining Area Development Authority (MADA).

3. In Bharat Coking Coal Limited, as per the terms of Agreement, there are Receivables from DLF against cost of supply of (i) rejects and (ii) startup/back up / emergency power by Madhuban Coal Washery (MCW) to DLF and Payables to DLF for Energy received by MCW from Captive Power Plant (CPP) installed by DLF. The matter is sub-judice at Dhanbad Court and at Appellate Tribunal for Electricity, New Delhi on account of disputes over price/quality of rejects vis-à-vis below guaranteed performance of CPP. Accordingly, interest receivable/payable on net outstanding has not been accounted for at this stage. However, the net interest (@ 18% p.a simple) upto 31st March, 2017 amounting to ₹ 24.93 Crore (upto 31st March, 2016 ₹ 23.57 Crore) payable to DLF and has been considered as Contingent Liability.

4. 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 Crore (₹ 103.29 Crore) has been shown as liability for Cess on Royalty under the head Other Current Liabilities. Pending outcome of Special Leave Petition in Supreme Court,against the judgment of Ranchi Bench of Hon'ble Patna High Court in favour of the Company the same is shown as liability for Cess on Royalty under the head Other Current Liabilities.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
A.	**Sales of Coal**	122,294.46	108,147.54
	Less : Other Statutory Levies		
	Royalty	8,119.70	7,933.86
	Cess on Coal	2,172.88	2,073.25
	Assam Land Tax	3.88	1.71
	Stowing Excise Duty	527.73	517.51
	Central Sales Tax	1,206.91	1,082.94
	Clean Energy Cess	21,110.28	11,312.47
	State Sales Tax/VAT	2,951.49	2,559.84
	National Mineral Exploration Trust	190.34	114.96
	District Mineral Foundation	4,085.60	755.82
	Other Levies	871.52	723.50
	Total Levies	**41,240.33**	**27,075.86**
	Sales (Net) (A)	**81,054.13**	**81,071.68**
B.	**Other Operating Revenue**		
	Facilitation charges for coal import	-	0.38
	Subsidy for Sand Stowing & Protective Works	126.84	126.85
	Loading and additional transportation charges	2,738.24	2,438.56
	Less : Other Statutory Levies	111.08	76.49
		2,627.16	2,362.07
	Other Operating Revenue (Net) (B)	**2,754.00**	**2,489.30**
	Revenue from Operations (A+B)	**83,808.13**	**83,560.98**

1. Subsidy for Sand Stowing & Protective Works of ₹ 126.84 crore received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation & Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works during the year.

2. Sales of coal includes excise duty of ₹ 5443.77 Crore (₹ 5429.90 crore). Sales of coal net of excise duty is ₹ 75610.36 crore (₹75641.78 crore).

3. Loading and additional transportation charges includes excise duty of ₹ 143.75 Crore (₹ 123.45 crore). Loading and additional transportation charges net of excise duty is ₹ 2483.41 crore (₹ 2238.62 crore).

4. Net sales includes ₹ 331.19 crores on sale of 34.64 Lakh Te coal related to Gare Palma IV/2&3 Mine and ₹ 92.22 crores on sale of 6.54 Lakh Te coal of Gare Palma IV/1 for which Coal India Ltd. has been appointed akin to a designated custodian w.e.f 01.04.2015 (through SECL).

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Interest Income		
Deposits with Banks	2,767.30	4,112.65
Investments	70.53	82.27
Loans	0.71	1.04
Others	697.58	552.01
Dividend Income		
Investments in Mutual Funds	194.49	263.61
Investments in Govt Securities (8.5% Tax free Special Bonds)	-	1.48
Other Non-Operating Income		
Profit on Sale of Assets	4.62	3.39
Gain on Foreign exchange Transactions	1.14	-
Exchange Rate Variance	7.17	-
Lease Rent	28.31	29.55
Liability / Provision Write Backs	702.26	187.28
Excise Duty on Decrease in Stock	57.80	4.41
Miscellaneous Income	983.69	702.89
Total	**5,515.60**	**5,940.58**

Interest income from Deposits with banks, Dividend Income from investment in Mutual Funds includes interest/dividend income received from investments of amount lying in Current Account of IICM [Refer Note-20]

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 26 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Explosives	1,779.77	1,793.94
Timber	29.46	35.31
Oil & Lubricants	2,573.47	2,467.04
HEMM Spares	1,378.40	1,385.98
Other Consumable Stores & Spares	1,202.30	1,357.49
Total	**6,963.40**	**7,039.76**

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
	Opening Stock of Coal	6,625.37	5,161.61
	Add: Adjustment of opening stock	0.09	8.20
	Less: Deterioration of Coal	464.61	460.15
		6,160.85	4,709.66
	Closing Stock of Coal	7,865.53	6,623.57
	Less: Deterioration of Coal	486.59	462.82
		7,378.94	6,160.75
A	**Change in Inventory of Coal**	**(1,218.09)**	**(1,451.09)**
	Opening Stock of Workshop made finished goods and WIP	190.59	197.49
	Less: Provision	1.56	1.57
		189.03	195.92
	Closing Stock of Workshop made finished goods and WIP	210.67	190.60
	Less: Provision	1.56	1.57
		209.11	189.03
B	**Change in Inventory of workshop**	**(20.08)**	**6.89**
	Press Opening Job		
	i) Finished Goods	0.47	0.45
	ii) Work in Progress	0.52	0.52
		0.99	0.97
	Less: Press Closing Job		
	i) Finished Goods	0.62	0.47
	ii) Work in Progress	0.35	0.52
		0.97	0.99
C	**Change in Inventory of Closing Stock of Press Job**	0.02	(0.02)
	Change in Inventory of Stock in trade (A+B+C) { Decretion / (Accretion) }	**(1,238.15)**	**(1,444.22)**

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 28 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Salary, Wages, Allowances ,Bonus etc.	21,933.75	21,760.68
Provision for National Coal Wages Agreement (NCWA) - X*	2,101.39	-
Executive Pay Revision*	95.10	-
Ex-Gratia	1,666.22	1,641.49
Performance Related Pay	198.97	273.59
Contribution to P.F. & Other Funds	2,666.44	2,635.76
Gratuity	1,029.68	912.12
Leave Encashment	1,349.67	754.07
Voluntary Retirement Scheme	0.91	3.05
Workman Compensation	10.15	4.49
Medical Expenses for existing employees	427.45	384.71
Medical Expenses for retired employees	96.43	70.36
Grants to Schools & Institutions	139.69	135.31
Sports & Recreation	27.27	25.05
Canteen & Creche	4.17	4.07
Power - Township	909.59	867.03
Hire Charges of Bus, Ambulance etc.	63.01	53.04
Other Employee Benefits	794.40	601.96
	33,514.29	**30,126.78**

* Refer Note 21 (Footnotes 2 & 3)

Refer Note 38 (5) for additional informations.

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSS

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
CSR Expenses	489.67	1,076.16
Donation to Nepal Earthquake Relief Fund	-	6.00
Total	**489.67**	**1,082.16**

Note: According to section 135 of the Companies Act,2013 CSR Expenses should be at least 2% of the average net profit of the Company made during the three immediately preceeding financial years.The said information in respect of CIL is being tabulated as under:

Name of the Company	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount required to be spent in accordance with Section 135 of the Companies Act,2013	Actual CSR Expenditure for FY 2016-17	Amount required to be spent in accordance with Section 135 of the Companies Act,2013	Actual CSR Expenditure for FY 2015-16
ECL	29.19	21.62	33.17	62.61
BCCL	26.85	11.45	33.00	50.67
CCL	55.90	30.29	53.00	212.90
NCL	74.23	77.33	76.60	153.97
WCL	8.68	10.81	8.66	65.27
SECL	120.24	42.50	127.68	270.85
MCL	113.36	166.60	112.97	184.62
CMPDIL	0.78	1.02	0.46	2.01
CIL	13.52	128.05	19.69	73.26
Total	**442.75**	**489.67**	**465.23**	**1076.16**

NOTE 30 : REPAIRS

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Building	378.49	402.03
Plant & Machinery	840.00	774.66
Others	69.16	64.98
Total	**1,287.65**	**1,241.67**

NOTE 31 : CONTRACTUAL EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Transportation Charges :		
Sand	62.55	61.88
Coal	3,135.27	2,914.65
Stores & Others	9.50	3.64
Wagon Loading	196.35	175.05
Hiring of Plant and Equipments	7,879.87	7,004.62
Other Contractual Work	1,020.55	968.58
Total	**12,304.09**	**11,128.42**

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 32 : FINANCE COSTS

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Interest Expenses		
Borrowings	7.10	12.22
Unwinding of discounts	381.10	365.51
Others	23.53	8.43
Total	**411.73**	**386.16**

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
(A) Provision made for		
Doubtful debts	2,215.40	781.82
Doubtful Advances & Claims	19.54	10.37
Stores & Spares	22.52	8.10
Others	151.54	171.93
Total (A)	**2,409.00**	**972.22**
(B) Provision Reversal		
Doubtful debts	336.96	375.32
Doubtful Advances & Claims	25.14	10.05
Stores & Spares	2.00	4.07
Others	1.29	5.43
Total(B)	**365.39**	**394.87**
Total (A-B)	**2,043.61**	**577.35**

NOTE 34 : WRITE OFF (NET OF PAST PROVISIONS)

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Doubtful debts	332.65	994.94
Less :- Provided earlier	315.70	700.43
	16.95	294.51
Doubtful advances	30.08	48.33
Less :- Provided earlier	24.34	39.91
	5.74	8.42
Others	6.27	4.29
Less :- Provided earlier	1.99	-
	4.28	4.29
Total	**26.97**	**307.22**

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 35 : OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Travelling expenses		
Domestic	152.64	161.04
Foreign	2.87	1.86
Training Expenses	58.51	45.10
Telephone & Postage	38.71	37.30
Advertisement & Publicity	48.19	62.75
Freight Charges	40.07	49.55
Demurrage	86.57	60.44
Donation/Subscription	1.44	1.79
Security Expenses	743.68	580.21
Hire Charges	281.95	242.18
Legal Expenses	26.95	28.28
Bank Charges	1.26	1.51
Guest House Expenses	12.05	10.69
Consultancy Charges	53.23	38.73
Under Loading Charges	460.49	461.68
Loss on Sale/Discard/Surveyed of Assets	8.60	1.66
Auditor's Remuneration & Expenses		
For Audit Fees	2.51	1.62
For Taxation Matters	0.13	0.08
For Other Services	1.92	1.61
For Reimbursement of Exps.	1.55	1.44
Internal & Other Audit Expenses	16.66	16.02
Rehabilitation Charges	325.37	319.17
Royalty & Cess	1,340.08	824.01
Central Excise Duty	247.61	146.31
Rent	11.93	10.21
Rates & Taxes	457.19	72.02
Insurance	4.86	4.48
Loss on Foreign Exchange Transactions	0.01	0.12
Loss on Exchange rate variance	9.60	24.72
Lease Rent	2.40	0.53
Rescue/Safety Expenses	49.07	58.95
Dead Rent/Surface Rent	9.28	15.59
Siding Maintenance Charges	66.61	89.09
Land/Crops Compensation	0.12	0.46
R & D expenses	2.74	9.32
Environmental & Tree Plantation Expenses	116.28	87.41
Expenses on Buyback of shares	10.20	-
Miscellaneous expenses	665.56	467.31
Total	**5,358.89**	**3,935.24**

NOTES TO THE FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 36 : TAX EXPENSE

(₹ in Crore)

	For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
Current Year	6,114.55	7,479.15
Deferred tax	(653.50)	(118.50)
MAT Credit Entitlement	(8.66)	(38.71)
Earlier Years	(286.43)	(150.07)
Total	**5,165.96**	**7,171.87**

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

		For the year ended 31.03.2017	For the year ended 31.03.2016 (Restated)
(A)	**(i) Items that will not be reclassified to profit or loss**		
	Changes in revaluation surplus	-	-
	Remeasurement of defined benefit plans	140.15	455.01
	Equity instrument through OCI	-	-
	Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	Share of OCI in Joint ventures	-	-
		140.15	455.01
	(ii) Income tax relating to items that will not be reclassified to profit or loss		
	Changes in revaluation surplus	-	-
	Remeasurement of defined benefit plans	(58.16)	(160.89)
	Equity instrument through OCI	-	-
	Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	Share of OCI in Joint ventures	-	-
		(58.16)	(160.89)
	Total (A)	**81.99**	**294.12**
(B)	**(i) Items that will be reclassified to profit or loss**		
	Exchange differences in translating the financial statements of a foreign operation	-	-
	Debt instrument through OCI	-	-
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	Share of OCI in Joint ventures	0.01	0.29
		0.01	0.29
	(ii) Income tax relating to items that will be reclassified to profit or loss		
	Exchange differences in translating the financial statements of a foreign operation	-	-
	Debt instrument through OCI	-	-
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	Share of OCI in Joint ventures	-	-
		-	-
	Total (B)	**0.01**	**0.29**
	Total (A+B)	**82.00**	**294.41**

NOTE – 38: ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONSOLIDATED)

1. First time adoption of Ind AS

These financial statements of the Company, for the year ended 31st March 2017, are the first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (erstwhile - Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements as at and for the year ended 31st March 2016.

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Fair value measurement of financial assets or financial liabilities (Ind AS 101.D20)

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the Company has opted to apply Ind AS 109 prospectively.

(ii) Mine Closure, Site Restoration and Decommissioning Obligation in Property, Plant and Equipment (Ind AS 101.D21)

Appendix 'A' to Ind AS 16 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first-time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, a first-time adopter will not need to estimate what provision would have been calculated at earlier reporting dates. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

As a first time adopter of Ind AS, the Company has calculated the Mine Closure, Site Restoration and Decommissioning Obligation at the date of transition assuming that the same liability (present value) existed when the asset was first acquired/constructed.

Reconciliation of Equity as prepared under Indian GAAP with equity restated under Ind AS is summarised below:

(₹ in Crore)

Sl. No.	Nature of Adjustments	As at 31.03.2016	As at 01.04.2015
	Equity as per erstwhile Indian GAAP	**33897.60**	**40323.07**
1	Remeasurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	934.86	606.13
2	Effect of adjustments relating to Prior period (Net of tax)	(45.85)	(4.04)
3	Tax on Proposed dividend	-	89.46
4	Other Adjustments (net of tax)	46.55	56.79
	Equity as per Ind AS	**34833.16**	**41101.41**

2. Principles of Consolidation and Financial Reporting of Interest in Jointly Controlled Entities and Subsidiaries

i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Parent Company, i.e. for the year ended 31st March, 2017.

ii) The consolidated financial statements relate to Coal India Limited, its wholly owned subsidiary companies, namely, Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Northern Coalfields Limited (NCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Mahanadi Coalfields Limited (MCL), Central Mine Planning & Design Institute Limited (CMPDIL) & Coal India Africana Limitada (Overseas Subsidiary); joint venture companies, namely, CIL-NTPC Urja Pvt. Limited, International Coal Ventures Pvt. Ltd. (ICVL), Hindustan Urvarak and Rasayan Limited (HURL) and Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited).

iii) CIL NTPC Urja Pvt. Ltd., a 50 : 50 joint venture company was formed on 27th April, 2010 between CIL & NTPC and CIL has invested ₹0.08 Crore upto 31.03.2017. The audited financial statements of the above joint venture company upto the year ended 31.03.2017 have been considered in consolidation using Equity Method.

iv) A joint venture company named Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited) was incorporated on 13th November, 2015 under the Companies Act, 2013 by virtue of a joint venture agreement among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited dated 27th October, 2015. The joint venture company has authorised share capital of ₹50 Crore and issued capital of ₹0.05 Crore out of which Coal India Ltd. owns 15000 shares worth ₹0.015 Crore face value of equity shares as on 31.03.2017. The audited financial statements of the joint venture company for the year ended 31.03.2017 have been considered in consolidation using Equity Method.

v) CIL had entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Cabinet, Govt. of India, vide its approval dated 8th November, 2007. The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. has been formed by incorporation under Companies Act, 1956 on 20th May, 2009 with an authorised capital of ₹1.00 Crore and paid up capital of ₹0.70 Crore. The authorised Capital and paid up Capital as on 31.03.2017 stood at ₹3500.00 Crore and ₹1270.67 Crore respectively. Out of above paid up capital, Coal India Ltd. owns 0.22% share i.e. worth ₹2.80 Crore face value of equity shares.The audited financial statements of the joint venture company for the year ended 31.03.2017 have been considered in consolidation using Equity Method.

vi) A joint venture agreement between Coal India Limited (CIL) and NTPC Limited for revival of Sindri & Gorakhpur Fertilizer units of FCIL was executed on 16th May, 2016. Accordingly, a joint venture company named Hindustan Urvarak and Rasayan Limited (HURL) was incorporated on 15th June, 2016 under the Companies Act, 2013.Thereafter, a Supplemental Agreement was executed dated 31st October, 2016 among Coal India Limited (CIL), NTPC Limited, Indian Oil Corporation Limited (IOCL), Fertilizer Corporation of India Limited (FCIL) and Hindustan Fertilizer Corporation Limited (HFCL) for revival of Sindri & Gorakhpur Fertilizer units of FCIL and Barauni unit of HFCL through HURL. The joint venture company has authorised share capital of ₹100 Crore divide into 10 crore equity shares of ₹10 each. It is agreed in line with cabinet approval dated 13.07.2016 that FCIL and HFCL shall together hold 10.99% equity shareholding in the company at the time of commencement of commercial production of the Project and the other three parties i.e. CIL, NTPC and IOCL shall have equal equity shareholding after providing shares to FCIL and HFCL together.

The joint venture company has issued and paid up share capital of ₹15.10 Crore out of which Coal India Ltd. owns 5024999 shares worth ₹5.03 Crore face value of equity shares as on 31.03.2017. The audited financial statements of the joint venture company for the year ended 31.03.2017 have been considered in consolidation using Equity Method.

vii) The financial statements of Mahanadi Coalfields Ltd. (MCL) have been consolidated with its four subsidiary companies – MNH Shakti Limited, MJSJ Coal Limited, Mahanadi Basin Power Limited and Mahanadi Coal Railway Limited.

viii) In Mahanadi Coalfields Ltd. (MCL), a joint venture company named Neelanchal Power Transmission Group Pvt. Limited was incorporated by virtue of a joint venture agreement between the MCL and Odisha Power Transmission Corporation Limited on 8th January, 2013. Upto 31.03.2017, MCL has incurred ₹0.02 Crore (₹0.02 Crore) for miscellaneous expenses incidental for incorporation and the same has been included in Claims receivables (Note 9). There is no investment in the joint venture company upto 31.03.2017.

ix) On incorporation of subsidiaries on the basis of joint venture agreement as per directives from the Ministry of Coal, MCL has deposited money / transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2017 is as under:-

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Non-Controlling Interest
1) MNH Shakti Ltd.	70%	16.07.2008	Ananda Vihar, Burla, Sambalpur	₹25.53 Crore
2) MJSJ Coal Ltd.	60%	13.08.2008	House No. 42,1st Floor, Anand Nagar, Hakim Para, Angul	₹38.04 Crore
3) Mahanadi Basin Power Ltd.	100%	02.12.2011	Plot No. G-3, Mancheswar Railway Colony, Bhubaneswar	--
4) Mahanadi Coal Railway Ltd.	64%	31.08.2015	MDF Room, Corporate Office, MCL HQ, Jagriti Vihar, Burla, Sambalpur	₹0.02 Crore
Total			**₹63.59 Crore**	

All the subsidiaries are in development stage and the related expenditure has been consolidated.

x) On incorporation of subsidiaries, in terms of Memorandum of Understanding (MOU) signed on 03.11.2012 between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh (GoCG) for establishment of two Railway Corridors viz., East Corridor and East West Corridor, 2 (two) Subsidiary Companies of SECL have been incorporated under the Companies Act, 1956 viz., M/s Chhattisgarh East Railway Limited (CERL) and M/s Chhattisgarh East-West Railway Limited (CEWRL) has deposited money/transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2017 is as under:-

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Non-Controlling Interest
1) M/s Chhattisgarh East Railway Limited	67.23%	12.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹100.14 Crore
2) M/s Chhattisgarh East-West Railway Limited	64.06%	25.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹181.07 Crore
Total				**₹281.21 Crore**

All the subsidiaries are in development stage and the related expenditure has been consolidated.

xi) In terms of Memorandum of Understanding signed on 07.05.2015 between Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand, a Subsidiary Company named as Jharkhand Central Railway limited (JCRL) has been incorporated on 31.08.2015 under the Companies Act, 2013 with an authorised share capital of ₹5 Crore. The committed equity share holding pattern, as per MOA of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively. Subsequently in the 4th Board meeting of JCRL held on 20th May, 2016 and in the AGM held on 21st June, 2016, the Authorised Capital has been increased to ₹100 Crore.

As on Balance Sheet date, out of ₹32.00 Crore, JCRL has allotted shares to the value of ₹3.20 Crore and the allotment of shares for the remaining amount is pending. In the case of IRCON International Limited and Government of Jharkhand, shares have been allotted for ₹1.30 Crore and ₹0.005 Crore respectively.

The paid up share capital of JCRL as on 31.03.2017 is ₹4.505 Crore. JCRL has incurred a loss of ₹0.58 Crore during the year ended 31.03.2017.

The audited Financial Statements of the above subsidiary company upto the year ended 31.03.2017 have been considered in consolidation.

xii) Investment in Subsidiary (Overseas)

Coal India Ltd., formed a 100% owned subsidiary in Republic of Mozambique, named “Coal India Africana Limitada” (CIAL). The initial paid up capital on such formation (known as “Quota Capital”) was ₹0.01 Crore (USD 1000). The financial statements upto 31.03.2017 of CIAL has been prepared in accordance with General Accounting Plan for small entities in Mozambique (PGC-PE) and has been audited by other auditor of Mozambique which have been considered for consolidation. Adjustment for difference with Indian GAAP, if any, being insignificant has not been considered.

xiii) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from individual financial statements, which fairly present the needed disclosure.

xiv) Additional information relating to Subsidiaries/ Joint Ventures (As per schedule III of Companies Act, 2013)

Name of the entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in Crore)	As % of Consolidated Profit or Loss	Amount (₹ in Crore)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Crore)	As % of Consolidated Income	Amount (₹ in Crore)
Coal India Limited	49.10	12,042.23	1.60	147.84	4.15	3.40	1.62	151.24
Subsidiaries								
Indian								
Eastern Coalfields Ltd.	(4.29)	(1052.15)	0.07	6.13	17.85	14.64	0.22	20.77
Bharat Coking Coal Ltd.	(0.83)	(204.57)	(1.83)	(169.98)	26.22	21.50	(1.59)	(148.48)
Central Coalfields Ltd.	9.40	2306.09	14.99	1388.83	14.30	11.73	14.98	1400.56
Northern Coalfields Ltd.	10.84	2658.19	22.70	2103.31	(23.48)	(19.25)	22.29	2084.06
Western Coalfields Ltd.	9.21	2260.03	(8.39)	(777.03)	15.32	12.56	(8.18)	(764.47)
South Eastern Coalfields Ltd.	13.59	3334.15	22.00	2038.35	48.90	40.10	22.23	2078.45
Mahanadi Coalfields Ltd.	13.45	3298.90	48.45	4489.70	(1.12)	(0.92)	48.02	4488.78
Central Mine Planning & Design Institute Ltd.	0.96	236.66	0.44	40.59	(2.16)	(1.77)	0.42	38.82
Foreign								
Coal India Africana Limitada, Mozambique	(0.07)	(17.44)	-	-	-	-	-	-
Less: Non Controlling Interest in all Subsidiaries	1.41	345.92	-	(0.25)	-	-	-	(0.25)
Total (A)	**99.96**	**24,516.17**	**100.02**	**9,267.99**	**99.99**	**81.99**	**100.02**	**9,349.98**
Joint Ventures (Investment as per the Equity Method)								
Indian								
International Coal Ventures Private Ltd.	0.03	7.14	-	(0.15)	0.01	0.01	-	(0.14)
CIL NTPC Urja Private Ltd.	-	0.03	-	-	-	-	-	-
Talcher Fertilizers Ltd.	-	0.01	-	(0.01)	-	-	-	(0.01)
Hindustan Urvarak and Rasayan Limited	0.01	3.43	(0.02)	(1.60)	-	-	(0.02)	(1.60)
Total (B)	**0.04**	**10.61**	**(0.02)**	**(1.76)**	**0.01**	**0.01**	**(0.02)**	**(1.75)**
Total (A+B)	**100.00**	**24,526.78**	**100.00**	**9,266.23**	**100.00**	**82.00**	**100.00**	**9,348.23**

3. Fair Value measurement

(a) Financial Instruments by Category

(₹ in Crore)

	31st March 2017			31st March 2016			1st April 2015		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets									
Investments*:									
Secured Bonds			958.70			958.70			968.12
Co-Operative Share			0.08			0.08			0.08
Mutual Fund	513.47			1,939.96			1637.67		
Other Investments									1850.39
Loans			35.80			102.40			121.64
Deposits & receivable			12,276.40			11,374.12			10,024.26
Trade receivables			10,735.85			11,447.61			8,481.19
Cash & cash equivalents			3,579.93			4,876.40			3,155.89
Other Bank Balances			27,649.88			33,138.51			43,661.71
Financial Liabilities									
Borrowings			3,007.80			1,192.09			201.86
Trade payables			3,900.24			3,297.15			2,923.97
Security Deposit and Earnest money			1,933.03			1,725.23			1,599.92
Other Liabilities			3,666.44			3,482.32			3,228.88

* Investment in Equity Shares in Joint Ventures are measured using Equity method which stands at ₹10.61 Crore as on 31.03.2017 (₹7.33 Crore -31.03.2016, ₹8.13 Crore - 01.04.2015) and are not included above.

(b) Fair value hierarchy

The Company uses the judgments and estimates in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

Mutual Fund Investments are classified as FVTPL have been valued as per Level I of Fair Value Hierarchy.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices of instruments.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The milestone payments (security deposits) coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

4. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Company is exposed to market risk, credit risk and liquidity risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables, financial asset measured at amortised cost	Ageing analysis/ Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk: Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as including outstanding receivables.

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities (“PPUs”) and independent power producers (“IPPs”);
- FSAs with customers in non-power industries (including captive power plants (“CPPs”)); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Provision for expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach

As on 31.03.2017 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	5,273.36	3,520.26	1,876.62	2,118.56	561.30	1,168.57	14,518.67
Expected loss rate	14.30%	23.14%	32.97%	14.30%	46.12%	88.43%	
Expected credit losses (Loss allowance provision)	754.32	814.70	618.66	302.94	258.86	1,033.34	3,782.82

As on 31.03.2016 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	6,381.81	2,183.18	1,419.66	999.35	1,420.76	1,263.05	13,667.81
Expected loss rate	2.34%	6.99%	12.32%	25.92%	24.96%	89.42%	
Expected credit losses (Loss allowance provision)	149.63	152.60	174.84	259.05	354.61	1,129.47	2,220.20

As on 01.04.2015 (₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	2,594.58	2,747.16	853.98	2,891.64	777.78	1,126.37	10,991.51
Expected loss rate	2.36%	3.70%	9.52%	31.66%	49.98%	85.40%	
Expected credit losses (Loss allowance provision)	61.21	101.55	81.29	915.59	388.72	961.96	2,510.32

Reconciliation of loss allowance provision – Trade receivables

(₹ in Crore)

Loss allowance on 01.04.2015	2,510.32
Change in loss allowance	-290.12
Loss allowance on 31.03.2016	2,220.20
Changes in loss allowance	1,562.62
Loss allowance on 31.03.2017	3782.82

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

C. Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows:

	31.03.2017	31.03.2016	01.04.2015
Equity Share capital	6207.41	6316.36	6316.36
Long term debt	294.80	263.06	201.83

5. Employee Benefits: Recognition and Measurement (Ind AS-19)

i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹2666.44 Crore (₹2635.76 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded
- o Gratuity
- o Leave Encashment

(b) Unfunded
- o Life Cover Scheme
- o Settlement Allowance
- o Group Personal Accident Insurance
- o Leave Travel Concession
- o Medical Benefits
- o Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is ₹ 18740.18 Crore.

(₹ in Crore)

Particulars	Opening Actuarial Liability as on 01.04.2016	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2017
Gratuity	12876.19	183.31	13,059.50
Earned Leave	2665.84	596.09	3,261.93
Half Pay Leave	441.96	128.72	570.68
Life Cover Scheme	82.75	2.01	84.76
Settlement Allowance Executives	44.95	1.24	46.19
Settlement Allowance Non-executives	149.02	1.37	150.39
Gross Personal Accident Insurance Scheme	1.14	0.05	1.19
Leave Travel Concession	284.61	19.70	304.31
Medical Benefits Executives	933.28	102.87	1,036.15
Medical Benefits Non-Executives	17.70	29.95	47.65
Compensation to dependents in case of mine accidental death	189.11	(1.54)	187.57
Total	**17686.55**	**1,063.77**	**18,750.32**

iii) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2017

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	12876.19	13144.92
Current Service Cost	921.26	851.83
Interest Cost	878.22	983.23
Actuarial (Gain) / Loss on obligations due to change in financial assumption	678.39	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	(672.79)	(424.54)
Benefits Paid	1621.76	1679.24
Present Value of obligation at end of the period	13059.51	12876.19

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	12378.06*	12209.02
Interest Income	897.40	976.71
Employer Contributions	1107.65	860.19
Benefits Paid	1621.76	1679.25
Return on Plan Assets excluding Interest income	145.74	30.46
Fair Value of Plan Asset as at end of the period	12907.09	12397.13

*Past Years Gratuity payment due of ₹19.07 Crore has been paid by the company in the current year

(₹ in Crore)

Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	(152.42)	(479.06)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	12907.09	12397.13
Fund Liability	13059.51	12876.19

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	7.25%	8.00%
Rate of Compensation Increase (Salary Inflation)	Executives- 9.00%	6.25%
	Non-Executives- 6.50%	
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00% p.a.	1.00% p.a.

(₹ in Crore)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2017	As at 31.03.2016
Current Service Cost	921.26	851.83
Net Interest Cost	(19.18)	6.52
Benefit Cost (Expense recognised in Statement of Profit/Loss)	902.08	858.35

(₹ in Crore)

Other Comprehensive Income	As at 31.03.2017	As at 31.03.2016
Actuarial (Gain) / Loss on obligations due to change in financial assumption	678.39	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	(672.79)	(424.54)
Total Actuarial (Gain) / Loss	5.60	(424.54)
Return on Plan Asset, excluding Interest Income	145.74	30.46
Net (Income) / Expense for the period recognised in Other Comprehensive Income	(140.14)	(455.00)

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2017

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	3107.82	3045.95
Current Service Cost	598.84	481.41
Interest Cost	204.39	216.99
Actuarial (Gain) / Loss on obligations due to change in financial assumption	481.33	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	48.89	(8.32)
Benefits Paid	608.65	628.21
Present Value of obligation at end of the period	3832.62	3107.82

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	70.00	-
Interest Income	69.90	-
Employer Contributions	2338.86	120.93
Benefits Paid	598.32	50.93
Return on Plan Assets excluding Interest income	(0.62)	-
Fair Value of Plan Asset as at end of the period	1879.82	70.00

(₹ in Crore)

Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	(1952.80)	(3,175.99)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	1879.82	(52.42)
Fund Liability	3832.62	3,123.57

Expense Recognized in Statement of Profit / Loss	As at 31.03.2017	As at 31.03.2016
Current Service Cost	598.84	481.41
Net Interest Cost	134.49	216.99
Net Actuarial Gain / Loss	530.84	(8.32)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	1264.17	690.08

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	7.25%	NA
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.50% for Non-Executives	6.25%
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00% p.a.	1.00% p.a.
Voluntary Retirement	Ignored	Ignored

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

6. Unrecognised items

a) Contingent Liabilities

I. Claims against the company not acknowledged as debt

(₹ in Crore)

Claims against the company not acknowledged as debt			
		31.03.2017	31.03.2016
1	Central Govt.	16537.17	16566.37
2	State Govt. and Local authorities	10461.90	10605.94
3	Central Public Sector Enterprises	386.24	63.54
4	Others	4885.34	3791.99
	Total	**32270.65**	**31027.84**

II. Guarantee
As on 31.03.2017 Bank guarantee issued is ₹ 86.69 Crore (₹75.61 Crore).

III. Letter of Credit :
As on 31.03.2017 outstanding letters of credit is ₹1111.92 Crore (₹158.46 Crore).

b) Commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹5619.43 Crore (₹4967.28 Crore).

Other Commitments: ₹41596.05 Crore(₹25877.57 Crore).

7. Other Information

a) Segment Reporting

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.

b) Authorised Share Capital

	As on 31.03.17	As on 31.03.16	As on 01.04.15
8,00,00,00,000 Equity Shares of ₹10/- each	8,000.00	8,000.00	8,000.00
90,41,800 Non-Cumulative 10% Redeemable Preference Shares of ₹10/- each	904.18	904.18	904.18

c) Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders	9266.23 Crore	14266.82 Crore
ii)	Weighted Average no. of Equity Shares Outstanding	6270095744	6316364400
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹10/- per share)	₹14.78	₹22.59

d) During the year 2016-17, three subsidiaries of CIL viz. NCL, SECL and MCL have bought back its shares from CIL. The details of such buy back are as follows:

Name of the Subsidiary	No. of Shares bought back by Subsidiary	Buy Back Price	Consideration received by CIL	No. of Shares held by CIL post buy back
NCL	411135	₹30260.70	₹1244.12 Crore	1365593
SECL	609250	₹19699.47	₹1200.19 Crore	2987750
MCL	451743	₹35796.02	₹1617.06 Crore	1412266

e) Related Party Disclosures

Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Short Term Employee Benefits		
	Gross Salary	14.28	10.77
	Medical Benefits	0.28	0.40
	Perquisites and other benefits	5.45	1.85
ii)	Post-Employment Benefits		
	Contribution to P.F. & other fund	1.38	1.26
iii)	Termination Benefits	1.43	1.02
	TOTAL	**22.82**	**15.30**

Note:

(i) Provision on the basis of actuarial valuation of defined benefits have not been considered in the above remuneration being determined by actuary for the employees of company as a whole and included in Note 38 (4).

(ii) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹2000 per month as per service conditions.

Payment to Independent Directors

(₹ in Crore)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Sitting Fees	1.43	0.35

Balances Outstanding with Key Managerial Personnel as on 31.03.2017

Sl. No.	Particulars	As on 31.03.2017	As on 31.03.2016
i)	Amount Payable	0.24	Nil
ii)	Amount Receivable	Nil	Nil

f) Deferred Tax Asset/Liability:

i) Deferred Tax Assets and Liability are being offset as they relate to taxes on income levied by the same governing taxation laws.

ii) Deferred Tax Asset / (Liability) as at 31st March, 2017 is given below:

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016
Deferred Tax Liability:		
Related to Fixed Assets	396.56	294.89
Others	81.52	350.75
Total Deferred Tax Liability	**478.08**	**645.64**
Deferred Tax Asset:		
Provision for Doubtful Advances, Claims & Debts	1467.11	816.54
Provision for Employee Benefits	804.84	999.90
Others	938.89	873.74
Total Deferred Tax Assets	**3210.84**	**2690.18**
Net Deferred Tax Asset/ (Deferred Tax Liability)	**2732.76**	**2044.54**

g) In Eastern Coalfields Limited (ECL), during the year ended 31st March, 2015, the Company was required to pay Minimum Alternative Tax (MAT) as the same exceeded the normal Income Tax payable for the financial year 2014-15 (A.Y. 2015-16) as per the Income Tax Return furnished. The "MAT Credit entitlement" being the excess of MAT over the normal Income Tax payable as per Income Tax Return furnished for the F.Y. 2014-15 (A.Y. 2015-16) has been reviewed on the Balance Sheet date and the revised Income Tax and MAT Credit Entitlement after Tax Audit and Income Tax Return for the F.Y. 2014-15 (A.Y. 2015-16) has been considered in the current year.

h) 1. During the financial year 2013-14, a case of misappropriation of Company's fund (in CIL-Standalone) for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹1.17 Crore approximately.

2. In some of the subsidiaries some cases of misappropriation of company's funds for personal gain/excess payment/theft had been noticed by the management during the year and earlier years involving ₹5.28Crore which are under investigation by different agencies.

3. Fraudulent payment to the tune of ₹0.80 Crore to some contractors has been detected in Central Coalfields Limited (CCL) which is under investigation by Vigilance department. The said amount of ₹0.80 Crore has been shown as Other Receivables (Note- 9) and corresponding provision has also been created.

i) Fund under Master Plan

Bharat Coking Coal Limited (BCCL) receives fund from Coal India Limited against Master Plan for dealing with fire and rehabilitation of persons dwelling in coal bearing / fire affected area of BCCL leasehold. BCCL is the implementing agency for fire projects and rehabilitation of persons dwelling in BCCL houses. Jharia Rehabilitation & Development Authority (JRDA) is the implementing agency for rehabilitation of persons dwelling in non-BCCL houses, for which BCCL acts as a nodal agency. Funds received as nodal agency is advanced to JRDA and such Advance (shown under

Other Advance in Note-11) as well as the relevant Fund, both are adjusted on the basis of utilization statement submitted by JRDA. As on 31.03.2017 there is an Advance of ₹237.13 (₹96.79 Crore) Crore to JRDA awaiting utilisation certificate.

Position of Unutilized Fund under Master Plan as on 31.03.2017 is shown hereunder:

(₹ in Crore)

Particulars	2016-17	2015-16
Opening balance of unutilized fund at the beginning of the year	223.80	74.19
Fund received during the year	270.39	312.94
Utilisation/adjustment during the year	169.96	163.33
Closing balance of unutilized fund as on 31.03.2017	324.23	223.80

j) Leases

i) SECL has granted a right to use the fully constructed Railway Siding Junadih No. 3 and 4 to M/s Aryan Coal Benefications Pvt. Ltd., New Delhi and Railway Siding Junadih No. 5 to M/s Gujarat State Electricity Board, Vadodra, Gujarat for a period of 20 years. Lease Rent ₹ 3.72Crore (₹3.38 Crore) received / receivable for the year ended 31.03.2017.

Leased out Assets to M/s Aryan Coal Benefications Pvt. Ltd. and M/s Gujarat State Electricity Board valued ₹7.13 Crore (₹7.13 Crore) and accumulated depreciation as on Balance Sheet date is ₹6.95 Crore (₹6.89 Crore), the depreciation recognized in the Statement of Profit & Loss for year is ₹0.06 Crore (₹0.08 Crore).

The company has also granted a right to use the fully constructed railway siding line no. 2 to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) for an applied lease period of 30 years. Lease Rent ₹1.06 Crore (₹1.15 Crore) received/receivable for the year ended 31.03.2017.

Leased out Assets to M/s Spectrum Coal and Power Limited costing ₹15.74 Crore and accumulated depreciation as on Balance Sheet date is ₹10.71 Crore (₹9.60 Crore).

The future minimum lease receivable in the aggregate as on 31.03.2017 is ₹63.84 Crore (₹44.06 Crore) for each of the following periods are as under:

(₹ in Crore)

		As at 31.03.2017					As at 31.03.2016
		Junadih Siding No. 3	Junadih Siding No. 4	Junadih Siding No. 5	Line No. 2	Total	Total
(I)	Not later than one year	1.46	1.49	0.77	1.57	5.29	3.70
(II)	Later than one year and not later than five years	9.77	1.64	5.17	6.28	22.86	14.34
(III)	Later than five years and till the period of lease	8.50	-	2.86	24.33	35.69	26.02

ii) SECL in terms of Lease Agreements executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the land for construction of washery and siding facilities at Dipka Project on lease for a period of 30 years with effect from 30.03.2008. Lease Rent ₹4.10 Crore (₹1.57 Crore) received during the year ended 31.03.2017.

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washer Limited) valued ₹ 0.83 Crore (₹0.83 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹0.39Crore (₹ 0.31 Crore).

The future minimum lease rental receivable in the aggregate at the end of the period is ₹22.90 Crore (₹34.54 Crore) for each of the following period / year is as under:

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016
(I)	Not later than one year	2.41	1.57
(II)	Later than one year and not later than five years	9.64	7.85
(III)	Later than five years and till the period of lease	10.85	25.12

iii) CCL in terms of lease agreement with Imperial Fastners Pvt. Limited, has granted a right to occupy and use the assets of the Company. The cost of gross carrying amount at the beginning of the period is ₹ 80.19 Crore. The accumulated depreciation as at the end of the year is ₹77.69 Crore. Depreciation for the period is ₹0.002 Crore.

iv) The future minimum lease payment receivable in the aggregate during the period of lease is ₹36.00 Crore. The details of future lease payment receivables are as under:

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016
(I)	Not later than one year	3.84	3.84
(II)	Later than one year and not later than five years	15.36	15.36
(III)	Later than five years and till the period of lease	16.80	20.64

v) CCL in terms of lease agreement with Punjab State Electricity Board, has granted a right to use 15.50 acres of land. The cost of gross carrying amount at the beginning of the period is ₹ 7.90 Crore. The accumulated depreciation as at the end of the period is ₹7.90 Crore. Depreciation for the Period is NIL. The future minimum lease payment receivable in aggregate during the period of lease is ₹ 3.23 Crore. The details of future lease payments receivable are as under: -

(₹ in Crore)

		As at 31.03.2017	As at 31.03.2016
(I)	Not later than one year	0.17	0.17
(II)	Later than one year and not later than five years	0.68	0.68
(III)	Later than five years and till the period of lease	2.38	2.55

vi) Bharat Coking Coal limited has leased out 2nd line of Damagoria Railway Siding to Maithon Power Limited (MPL) for the extended period from 01.04.2016 to 31.03.2017 at a lease rent of ₹1.92 Crore. Leased out Assets costing ₹0.11 Crore and accumulated depreciation as on Balance Sheet date is ₹0.10 Crore.

vii) Captive Power Plant of Western Jharia Area

In BCCL, as per lease agreement dated 18th march 2010 lease rent @ ₹6.60 Crore per annum (inclusive of Taxes) was receivable from the lessee M/s OSD Coke (Consortium) Pvt. Ltd. towards lease of Captive power plant of Western Jharia area. The lease was valid for 20 years. The lessee has filed a writ petition in the Jharkhand high Court on disputes over tariff valuation etc. and has stopped operating the power plant as well as payment of lease rent. The Plant has been handed over to BCCL from 16th Dec'2015 as per decision of Arbitrator appointed by Jharkhand High Court. In view of the above, the outstanding lease rent amounting to ₹6.60 Crore for the year 2014-15 and ₹4.67 Crore for the year 2015-16 (upto 15th Dec' 2015) which has not been accounted for.

k) Goods procured by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

l) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

m) 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.

n) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

o) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

p) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash &bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

q) Value of imports on CIF basis

(₹ in Crore)

	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(i)	Raw Material	NIL	NIL
(ii)	Capital Goods	728.22	237.49
(iii)	Stores, Spares & Components	107.00	113.53

r) Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	2.00	1.03
Training Expenses	11.98	1.20
Consultancy Charges	1.62	1.95
Interest	0.09	0.09
Others	21.56	125.80

s) Earning in Foreign Exchange: Nil

t) Total Consumption of Stores and Spares

(₹ in Crore)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	123.62	1.78%	104.86	1.49%
(ii) Indigenous	6839.78	98.22%	6934.90	98.51%

u) Possession of Parbatpur (Central) Coal Mine

Allocation of Parbatpur (Central) Coal Mine (Bokaro) in 2006 by Government of India (GOI) to Electro steel Casting Limited stood de-allocated w.e.f. 31.03.2015 and thereafter Govt. of India (GOI) assigned the said mine to the designated Custodian i.e. 'Chairman, CIL' in terms of the provisions of the Coal Mines (Special Provisions) Second Ordinance, 2014 (DO No. 13016/36/2015-CA-III dated 31.03.2015 issued by the Joint Secretary MOC). Chairman CIL, in turn, authorized 'CMD, BCCL' to act on his behalf (CIL/CH/CUSTODIAN/27/1608dated 31.03.2015). Accordingly, Parbatpur (Central) Coal Mine was placed under the administrative control of Eastern Jharia Area (Dhanbad) of the Company.

Now, vide Office Memorandum No.13016/77/2015-CA-III dated 06.10.2015 of GOI,MOC, Parbatpur (Central) Coal Mine has been allotted to M/s SAIL and the Designated Custodian i.e. Chairman, CIL has been advised to hand over possession of the mine to SAIL. Accordingly, it has been handed over to SAIL as confirmed by GM, Eastern Jharia Area. Further, the Company has so far spent ₹5.08 Crore (Power bill ₹4.04 Crore, Repair & Maintenance and others ₹1.04 Crore) (Previous year ₹3.08 Crore)on maintaining the possession of the mine as custodian which has been as 'Other Receivables' in Note-9. The amount is recoverable from the allottee, i.e., SAIL.

v) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA)under theCompanies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

Reconciliation of Profit between IND AS and previous Indian GAAP

(₹ in Crore)

Sl. No.	Nature of Adjustments	Year ended 31.03.2016
	Net Profit as per previous Indian GAAP (after tax)	14274.33
1	Remeasurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	328.73
2	Actuarial loss/gain on remeasurement of employee defined benefit plan as per Ind AS 19 recognised in "Other Comprehensive Income" (Net of tax)	(294.41)
3	Effect of adjustments relating to Prior period (Net of tax)	(41.83)
	Net Profit as per Ind AS (after tax) attributable to equity shareholders	**14266.82**
	Other Comprehensive Income (after tax)	294.41
	Total Comprehensive Income as per Ind AS (after tax) attributable to equity shareholders	**14561.23**

w) Others

i. Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

ii. Previous period's figures in Note No. 3 to 38 are in brackets.

iii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2017 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

Dated : 29th May, 2017
Place : Kolkata

On behalf of the Board

(S.Bhattacharya)
Chairman-Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager (Finance)

(CS M.Viswanathan)
Company Secretary

GREEN INITIATIVE APPEAL TO THE SHAREHOLDERS

The Shareholders holding shares in demat form are requested to register their e-mail id with their Depository. Shareholders holding shares in physical form are requested to send their consent to our Registrar and Transfer Agent, M/s Alankit Assignments Limited. on the following format.

Date: _______________

M/s. Alankit Assignments Limited.
Unit: COAL INDIA
Alankit Height, 1E/13, Jhandewalan Extension,
New Delhi – 110 055
Phone No: 011-4254-1234/2354-1234
Fax No: 011-4154-3474
E-mail id: alankit_rta@alankit.com
Website: www.alankit.com
Toll Free No. - 18601212155

I/We_______________________________________holding_______________shares of the Company in physical form intend to receive all communications including notices, annual reports, through my/our e-mail id given hereunder:

Folio No ____________________________ E-mail id _________________________

____
Signature of the first holder

NOTES

NOTES

COAL INDIA LIMITED

A Maharatna Company

Coal Bhawan
Premise No-04 MAR,
Plot No-AF-III, Action Area-1A,
Newtown, Rajarhat, Kolkata-700 156

Printed by - Printrade Issues (I) Pvt. Ltd., (Mumbai)