



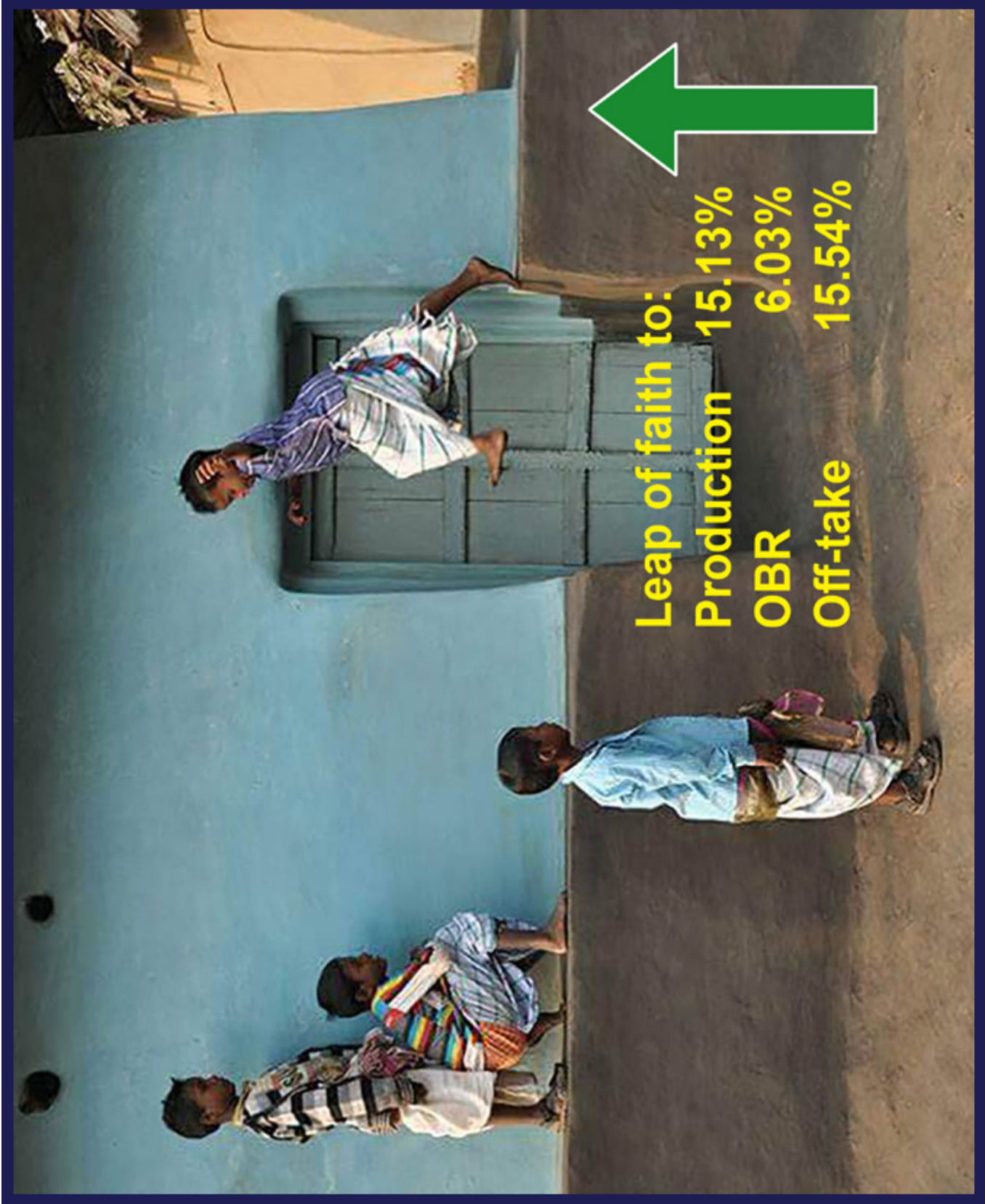
Eastern Coalfields Limited
(A Subsidiary of Coal India Limited)

ANNUAL REPORT & ACCOUNTS 2018 - 2019



Digging Deeper Aiming Higher





Leap of faith to:

Production 15.13%

OBR 6.03%

Off-take 15.54%





ANNUAL REPORT & ACCOUNTS 2018-19



EASTERN COALFIELDS LIMITED
(A subsidiary of Coal India Limited)
CIN-U10101WB1975GOI030295
www.easterncoal.nic.in



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EASTERN COALFIELDS LIMITED

MISSION

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

VISION

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



EASTERN COALFIELDS LIMITED

MEMBERS OF BOARD

as on 31st July, 2019

Functional Directors

Shri Prem Sagar Mishra	:	Chairman cum-Managing Director
Shri Sunil Kumar Jha	:	Director (Technical) Operations
Shri Jaiprakash Gupta	:	Director (Technical) Project & Planning
Shri Vinay Ranjan	:	Director (Personnel)

Part time Official Directors

Shri Bhabani Prasad Pati	:	Joint Secretary, MoC, New Delhi
Shri Shyam Nandan Prasad	:	Director (Marketing), CIL, Kolkata

Independent Directors

Prof. (Dr.) Indira Chakravarty
Shri Pravin Kant
Shri Anil Kuman Ganeriwala

Permanent Invitee

Shri Utpal Kanti Bal	:	PCOM, Eastern Railway
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Company Secretary

Shri Rambabu Pathak



EASTERN COALFIELDS LIMITED

MANAGEMENT DURING 2018-19

Shri Prem Sagar Mishra	:	Chairman cum-Managing Director (from 20.08.2018)
Shri Sunil Kumar Jha	:	Chairman cum-Managing Director (Additional Charge 01.07.2018 to 19.08.2018)
Shri Ajay Kumar Singh	:	Chairman cum-Managing Director (Additional Charge 01.04.2018 to 30.06.2018)

Functional Directors

Shri Sunil Kumar Jha	:	Director (Technical) Operations (From 19.12.2017)
Shri Jaiprakash Gupta	:	Director (Technical) Project & Planning (From 18.06.2018)
Shri Sanjiv Soni	:	Director (Finance) (From 19.06.2018)
Shri Vinay Ranjan	:	Director (Personnel) (From 16.08.2018)
Shri K.S. Patro	:	Director (Personnel) (01.11.2013 to 30.04.2018)

Part time Official Directors

Shri Bhabani Prasad Pati	:	Joint Secretary, MoC, New Delhi (From 11.01.2019)
Ms. Vismita Tej	:	Joint Secretary, MoC, New Delhi (03.10.2018 to 10.01.2019)
Shri N.K. Sudhansu	:	Joint Secretary, MoC, New Delhi (30.10.2017 till 02.10.2018)
Shri Shyam Nandan Prasad	:	Director (Marketing), CIL, Kolkata (From 10.12.2018)
Shri Chandan Kumar Dey	:	Director (Finance), CIL, Kolkata (19.03.2015 to 30.09.2018)

Independent Directors

Prof. (Dr.) Indira Chakravarty	:	From 17.11.2015
Shri Pravin Kant	:	From 13.12.2018

Permanent Invitee

Shri Utpal Kanti Bal	:	PCOM, Eastern Railway (From 28.02.2019)
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Company Secretary

Shri Rambabu Pathak	:	From 02.07.2018
Shri V. R. Reddy	:	19.07.2012 to 30.06.2018



BANKERS AUDITORS AND REGISTERED OFFICE

LIST OF BANKERS AS ON 31.03.2019

State Bank of India	United Commercial Bank	Axis Bank	Oriental Bank of Commerce	Allahabad Bank
Bank of Baroda	Punjab National Bank	Union Bank of India	United Bank of India	Bank of India
Corporation Bank	ICICI Bank	Canara Bank	Syndicate Bank	

STATUTORY AUDITORS DURING 2018-19

1. M/s G.P. Agrawal & Co., 7-A, Kiran Shanker Ray Road, 2nd Floor, Kolkata-700001

BRANCH AUDITORS

2. M/s Ray & Co., 21A, Shakespeare Sarani, Flat No.-8C, 8th Floor, Kolkata-700017
3. M/s. Saraf & Chandra, 501, Ashoka House, 3A Hare Street, 5th Floor, Kolkata-700001
4. M/s. ADD & Associates, P-168, Sector-B, Metropolitan Co-Operative Housing Society Ltd., Kolkata-700105
5. M/s N. Sarkar & Co., 21 Prafulla Sarkar Street, Kolkata-700072
6. M/s S.K. Basu & Co., Temple Chambers, 2nd Floor, 6 Old post Office Street, Kolkata-700001

COST AUDITORS DURING 2018-19

- 1 M/s Mou Banerjee & Co., Baikuntha Apartment, Gr. Floor, Gopalpur, GT Road (W), Asansol-713304, West Bengal.
- 2 M/s K.K. Das & Associates, Meh-17, Kanishka Road, Durgapur-713204, West Bengal.
- 3 M/s BCD & Associates, Flat-4A, 382, Jodhpur Park, Kolkata-700068, West Bengal.
- 4 M/s B. Ray & Associates, 27, Gopal Jew Mandir Road, Birati, Kolkata-700051, West Bengal.
- 5 M/s Subhadra Dutta & Associates, Puspak Apartment, 5, Parnashree Pally, Banamali Naskar Road, Kolkata-700060, West Bengal.
- 6 M/s Asutosh & Associates, Plot No.-N-4/232, IRC Village, Nayapalli, Bhubaneswar-751015, Odisha.

SECRETARIAL AUDITOR DURING 2018-19

- 1 M/s. Agarwalla Dinesh & Co. 16/1A, Abdul Hamid Street, 4th Floor, Room-4B, Kolkata-700069.

INTERNAL AUDITORS DURING 2018-19

- 1 M/s Nirupam & Associates, Raskhola Para, Khardah, Dist. 24Pgs. (N), Kolkata-700117
- 2 M/s D. K. Chhajer & Co, Nilhat House, 11, R. N. Mukherjee Road, Ground Floor, Kolkata-700001
- 3 M/s Dinesh K.Yadav & Associates, M-4, Narayan Place, Fraser Road, Patna - 1
- 4 M/s S. N. Mukherjee & Co, Emerald House, 1B, Old Post Office Street, 3rd Floor, Kolkata-700001
- 5 M/s P. K. Gutgutia & Co, J J Complex (2nd Floor), Bank Road, Dhanbad – 826001, Jharkhand
- 6 M/s Sen & Co., 1/13, Chittaranjan Colony, Jadavpur, Kolkata-700032.
- 7 M/s R. N. Goyal & Co. Mangturam Road, Siliguri-734005
- 8 M/s R. K. Deepak & Co, 303-B, Apra Plaza, Plot No. 28, Road No.44; Pitampura, Delhi-110034.
- 9 M/s D. P. Sen & Co., 22, Ashutosh Chowdhury Avenue, 2nd Floor, Flat No. 22, Kolkata 70019
- 10 M/s A. N. Chatterjee & Co., 41A, Townshend Road, Kolkata-700025
- 11 M/s Chatterjee & Co., 21/2, Gariahat Road (West), Kolkata - 700068.
- 12 M/s S. Mallick & Co, 11, Old Post Office Street, Block-B, 3rd Floor, Kolkata-700001.
- 13 M/s Chunder Khator & Associates., 10A, British Indian Street, Kolkata - 700069
- 14 M/s Bhattacharya Das & Co., 2, Garstin Place (Ground Floor), Kolkata-700001
- 15 M/s N. N. Das & Co., Piyali Apartment, 660, Rajdanga Main Road, Kolkata-700107

REGISTERED OFFICE, CIN AND WEBSITE

Eastern Coalfields Limited, CMDs Office, Sanctoria, Post Office -Dishegarh, District- West Burdwan, Pin-713333, West Bengal

CIN-U10101WB1975GOI030295

www.easterncoal.nic.in



EASTERN COALFIELDS LIMITED
Board of Directors



Shri Prem Sagar Mishra
Chairman-cum-Mg. Director



Shri B.P. Pati
Part time Official Director,
Joint Secretary, MoC



Shri S.N. Prasad
Part time Official Director,
Director (Marketing), CIL



Prof. (Dr.) Indira Chakravarty
Part time Non Official Director



Shri Pravin Kant
Part time Non Official Director



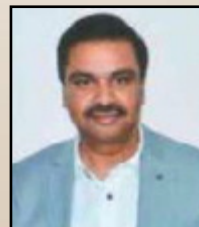
Shri Anil Kumar Ganeriwala
Part time Non Official Director



Shri S.K. Jha
Director (Technical)
Operations



Shri Jaiprakash Gupta
Director (Technical)
P&P



Shri Vinay Ranjan
Director
(Personnel)



Shri Utpal Kanti Bal
Permanent Invitee
PCOM, Eastern Railway





ईस्टर्न कोलफील्ड्स लिमिटेड
अध्यक्ष-सह-प्रबंध निदेशक का कार्यालय
सांकतोड़िया, पत्रालय- डिसेरगढ़,
जिला- पश्चिम बर्द्धमान, पश्चिम बंगाल-713333
कंपनी सचिवालय
सी.आइ.एन-U10101WB1975GOI030295
वेबसाइट – www.easterncoal.gov.in



EASTERN COALFIELDS LIMITED
Office of the Chairman-cum-Managing Director
Sanctoria, P.O.: Dishergarh,
Dist.: West Burdwan, West Bengal-713333
Company Secretariat
CIN-U10101WB1975GOI030295
Website – www.easterncoal.gov.in
Telefax: 0341-2520546
E-Mail: companysecretary.ecl@coalindia.in

Ref.No. ECL:CS: 15(2019)/7098

26th July, 2019**NOTICE**

Notice is hereby given that the Forty Fourth (44th) Annual General Meeting of the Shareholders of Eastern Coalfields Limited will be held on **Wednesday, the 31st July, 2019 at the Registered Office of the Company, CMDs Office, Eastern Coalfields Limited, Sanctoria, PO-Dishergarh, Dist-West Burdwan, Pin-713333, West Bengal at 11:00 A.M.** to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, Statement of Profit and Loss for the financial year ended 2018-19, Cash Flow Statement together with all Notes, Additional Notes on the Financial Statements and Significant Accounting Policy for the year 2018-19, the Reports of Statutory Auditor & Comptroller & Auditor General of India and Boards 'Report for the financial year 2018-19.
2. To appoint a Director in place of Shri Sunil Kumar Jha (DIN-08039292), Director and who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offer himself for reappointment.
3. To appoint a Director in place of Shri Jaiprakash Gupta (DIN-08174002), Director who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offer himself for reappointment.

SPECIAL BUSINESS:

4. To ratify the Remuneration of Cost Auditors for the financial year 2018-19 and to consider and if thought fit pass with or without modification, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Cost Auditors appointed by the Board of Directors for the financial year 2018-19 for undertaking Cost Audit work of the company be and are hereby paid the following remuneration pursuant to Section 148(3) of the Companies Act, 2013:

Sl.No	Name of the Cost Auditor	Remuneration for Cost Audit for the year 2018-19 (In ₹)
1	M/s Mou Banerjee & Co.	2,17,547/-
2	M/s K.K. Das & Associates	1,24,414/-
3	M/s BCD & Associates.	1,10,907/-
4	M/s B. Ray & Associates.	88,867/-
5	M/s Subhadra Dutta & Associates	82,469/-
6	M/s Asutosh & Associates	66,828/-
	Total: Rupees Six Lakh ninety one thousand thirty two only.	6,91,032/-



The appointment of the above firms as Cost Auditors of Eastern Coalfields Limited for the financial year 2018-19 shall be guided by the terms and conditions as mentioned in the Expression of Interest (EOI)."

5. To ratify the re-appointment of Prof. (Dr.) Indira Chakravarty (DIN 07368268) Non Official Part Time Director of the Company with effect from 17.11.2018 for a period of one year or until further orders, whichever is earlier, in terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(iv) dated 17.11.2018.

To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities Prof. (Dr.) Indira Chakravarty (DIN 07368268), be and is hereby reappointed as Non Official Part Time Director of the Company with effect from 17.11.2018 for a period of one year or until further orders, whichever is earlier, in terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(iv) dated 17.11.2018. She is not liable to retire by rotation.

6. To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities Shri Pravin Kant (DIN 00282716), be and is hereby appointed as Non Official Part Time Director of the Company with effect from 13.12.2018 for a period of three years or until further orders, whichever is earlier, in terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(i) dated 13.12.2018. He is not liable to retire by rotation.

7. To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 as amended and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of any other guidelines issued by relevant authorities Shri Anil Kumar Ganeriwala (DIN 06372875), be and is hereby appointed as Non Official Part Time Director of the Company with effect from 10.07.2019 for a period of three years or until further orders, whichever is earlier, in terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(part II)(iv) dated 10.07.2019. He is not liable to retire by rotation.

By order of the Board
For Eastern Coalfields Limited

Rambabu Pathak
26/7/19
(रामबाबू पाठक)

(Rambabu Pathak)

उप-प्रबंधक (वित्त)/कंपनी सचिव

Deputy Manager (Finance)/Company Secretary

Dated: 26th July, 2019

Registered Office:

CIN-U10101WB1975GOI030295

Eastern Coalfields Limited,

Sanctoria, P.O. Dishergarh,

Distt. West Burdwan (West Bengal), PIN: 713333.



Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. In order to be effective, the Proxy form duly completed should be deposited at the registered office of the company not less than forty-eight hours before the scheduled time of the Annual General Meeting.
2. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms Section 142(1) of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 8th Extra Ordinary General Meeting held on 30th July, 2001 authorised the Board of Directors to fix the remuneration of Statutory Auditors.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special business is annexed herewith.

Copy to :

1. M/s G.P. Agrawal & Co., Chartered Accountants, Statutory Auditors, 7-A, Kiran Shanker Roy Road, 2nd Floor, Kolkata-700001.
2. M/s. Agarwalla Dinesh & Co., Company Secretaries, Secretarial Auditors, 16/1A, Abdul Hamid Street, 4th Floor, Room-4B, Kolkata-69
3. M/s Mou Banerjee & Co., Cost Auditors, Baikuntha Apartment, Gr. Floor, Gopalpur, GT Road (W), Asansol-713304, West Bengal.
4. All Directors, Eastern Coalfields Limited.



STATEMENT PURSUANT TO SECTION 102 (i) OF COMPANIES ACT-2013

SPECIAL BUSINESS

Item No.-4

As per section 148 (3) of the Companies Act 2013 read with Rule 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors is to be ratified subsequently by the shareholders.

The Audit Committee of Eastern Coalfields Limited in its 89th meeting held on 22nd September, 2018 recommended and the Board of Directors of Eastern Coalfields Limited in its 316th meeting held on 22nd September, 2018 has approved the appointment of following Cost Accountants Firms as Cost Auditor for financial year 2018-19 along with the following remuneration which is to be ratified in the ensuing AGM:

Sl.No	Name of the Cost Auditor	Remuneration for Cost Audit for the year 2018-19 (In ₹)
1	M/s Mou Banerjee & Co.	2,17,547/-
2	M/s K.K. Das & Associates	1,24,414/-
3	M/s BCD & Associates.	1,10,907/-
4	M/s B. Ray & Associates.	88,867/-
5	M/s Subhadra Dutta & Associates	82,469/-
6	M/s Asutosh & Associates	66,828/-
	Total: Rupees Six Lakh ninety one thousand thirty two only.	6,91,032/-

The appointment of the above firms as Cost Auditors of Eastern Coalfields Limited for the financial year 2018-19 shall be guided by the terms and conditions as mentioned in the Expression of Interest (EOI). Hence it is proposed to ratify the remuneration of Cost Auditors by the shareholders for financial year 2018-19. No Director, Key Managerial Personnel or their relatives, is interested or concerned in the resolution.

Item No.-5

In terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(iv) dated 17.11.2018, Prof. (Dr.) Indira Chakravarty (DIN 07368268) was given re-appointment as Non Official Part Time Director on the Board of the Company with effect from 17.11.2018 for a period of one year or until further orders, whichever is earlier. The Company has received from her (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. No Director, Key Managerial Personnel or their relatives except Prof. (Dr.) Indira Chakravarty to whom this resolution relates, is interested or concerned financially or otherwise in the resolution.

Item No.-6

In terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(i) dated 13.12.2018, Shri Pravin Kant (DIN 00282716) was given appointment as Non Official Part Time Director on the Board of the Company with effect from 13.12.2018 for a period of three years or until further orders, whichever is earlier. The Company has received from him (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. No Director, Key Managerial Personnel or their relatives except Shri Pravin Kant to whom this resolution relates, is interested or concerned financially or otherwise in the resolution.

Item No.-7

In terms of Ministry of Coal, Govt. of India letter no. 21/33/2018-BA(part II)(iv) dated 10.07.2019, Shri Anil Kumar Ganeriwala (DIN 06372875) was given appointment as Non Official Part Time Director on the Board of the Company with effect from 10.07.2019 for a period of three years or until further orders, whichever is earlier. The Company has received from him (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. No Director, Key Managerial Personnel or their relatives except Shri Anil Kumar Ganeriwala to whom this resolution relates, is interested or concerned financially or otherwise in the resolution.



CHAIRMAN'S STATEMENT

Friends,

I have immense pleasure in welcoming you to the 44th Annual General Meeting of Eastern Coalfields Limited. The Boards' Report, audited accounts for the financial year 2018-19 together with the report of Statutory Auditors and the report and review of the Comptroller and Auditor General of India, are already with you.

Energy is one of the major inputs for economic development of any country, and coal dominates the energy mix in India, contributing over 52% of the country's energy need. Today the Indian economy is in acute need of energy. Our company produces one of the best qualities of Thermal Grade Coal which caters to the needs of various Power Plants of all the regions of the country, as well as other sectors like Sponge Iron, Cement, CPPs, etc.

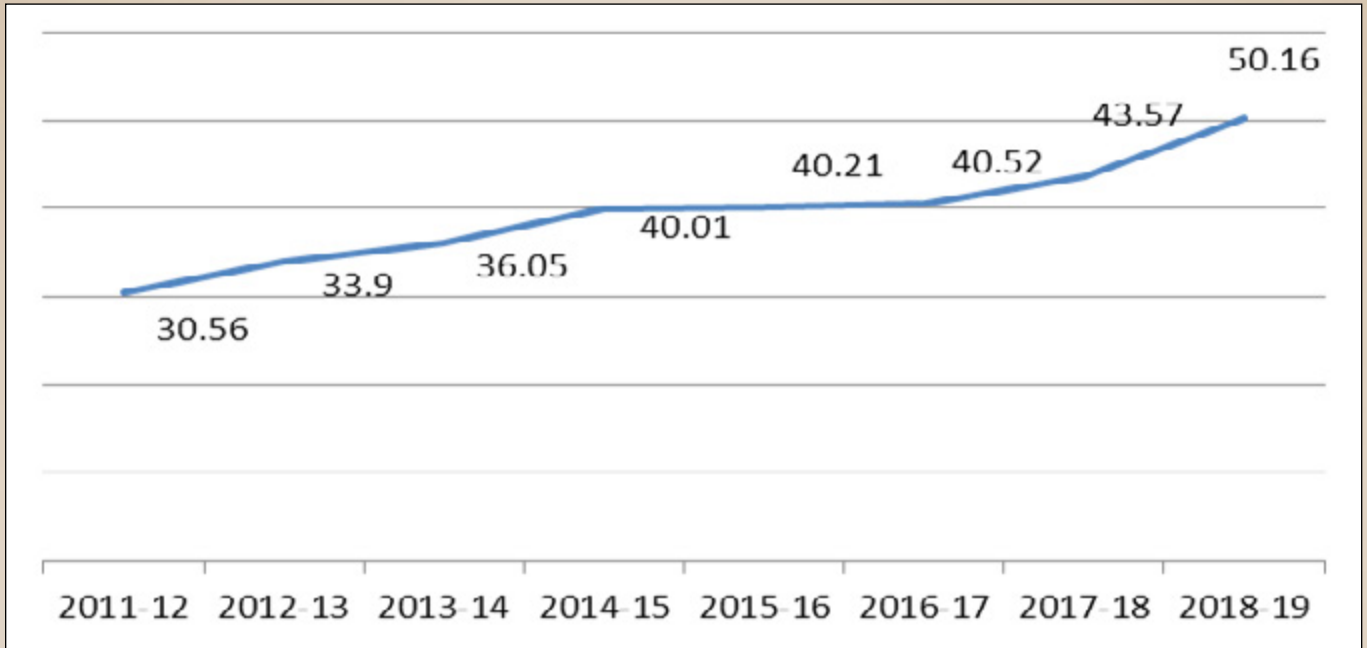
The strategic vision of the company is to emerge as a global player in the primary energy sector committed to provide energy security to the country by attaining environmentally & socially sustainable growth through best practices from mine to market.

Business Strategy

As a part of Business Strategy the Company has appreciated, identified and understood the global challenges and strategies are being formulated to meet these challenges. Various initiatives in Mission Mode have been initiated in the company which aims to redefine the mission, vision and objective of the company. The company has initiated the following projects in Mission Mode which also aims to reincarnate the image of the company:

1. Mission **SUDESHP** has been launched which aims for Sustainable Development, Environment, Safety, Health & Hygiene. The very essence of sustainable development is meeting the needs of the present generation without compromising the ability of future generations. To achieve the global leadership, ECL appreciates and understands the global challenges which are the issues of Sustainable Development, Environment, Safety, Health & Hygiene and hence, being a responsible Organization, Mission SuDESHP aims at creating a sustainable and better ECL.
2. Mission **SANJIBANI** aims for Systemic Advancements, New Jobs, Integrated Business & New Initiatives.
3. Mission **SUMIT** has been initiated which aims for Systematic Upgradation of Mining & Information Technology. Since very old conventional technologies were being used in almost all the mines, as such, a need was felt for integration of Mining & Allied process with Information Technology through a project SUMIT.
4. Mission **DHAROHAR** has been envisioned with an aim of protecting the legacies of Coal Mining in the Country, Archiving of Archaic Buildings, Plants, Equipment, Machines, Appliances, Instruments, Models of Heritage nature by construction of Museum.
5. Mission **JATAYU** was launched during the Vigilance Awareness Week-2018 to encourage the spirit of FITE (Fairness, Integrity, Transparency & Equality) amongst the employees for the image reincarnation of the Company.
6. Mission **SAMBANDH** has been launched to reach out all the stakeholders and the community at large as problem solver and solution provider which will ultimately facilitate for smooth upcoming of Greenfield projects and ease out the brownfield project.
7. Mission **INDRADHANUSH** has been undertaken to assimilate cultures, festivals, dance, music and ethnicity of different regions of the country. Through this initiative, different occasions of different regions are observed in different units which have brought about a sense of belongingness amongst ECL Employees and its Family Members and have also increased the Happiness Index of ECL.

COAL PRODUCTION (MT)



Eastern Coalfields Limited was conferred “Excellence” Award by Central Vigilance Commission



8. Under the umbrella of Mission SuDESHH, another Mission called “**SUDESHH-MITWA**” has been launched on the eve of ‘World AIDS Day’ on 1st December 2018 through which medical facilities are being extended to employees of unorganized sectors.
9. Mission “**MITAWA**” has been initiated which aims for Maintenance Inspired Techniques and Work Agencies for ensuring proper maintenance of all the equipment and machinery both in opencast and underground mines along with development of the proper work culture.
10. A New Concept named “**10 R**” has been introduced in ECL for fullest utilization of the resources under the categories of “Reuse”, “Refuse”, “Recycle”, “Repurpose”, “Refill”, “Reinvent”, “Repair”, “Reduce”, “Redesign” and “Refurbish”

The Financial Year 2019-20 has been declared as “**Capacity Enabled ECL**” and number of Training Programmes are being organized for enhancing the capability of in-house talents. Due emphasis has also been given on “**Culture of Compliance**” and enforcement of strict disciplines at work places.

Operational Performance:

For the Financial year 2018-19, ECL was the highest growth registering company, in Coal Production which is 15.13%, Offtake: 15.54% and OB removal: 6.03% amongst all subsidiaries of CIL. All achievements of coal production of 50.16 MT, offtake of 50.41 MT and OB removal of 126.06 M. Cum are ever highest achievements since inception of the company. Your company achieved 107% of the MoU Target for coal production in 2018-19. ECL continued to register percentage positive growth to the tune of 5.35% in underground coal production which is the highest amongst all the subsidiaries of CIL. Jhanjra Project of ECL achieved annual production of 3.38 M. Te during 2018-19 which is the highest coal production from a single underground mine in the country.

Financial Performance:

Gross sales turnover for the year ended 31st March, 2019 was ₹ 18385.03 Crore compared to ₹ 15250.11 Crore in the previous year resulting in increase of 20.56% over previous year. During the year company had made a pre-tax total comprehensive income of ₹ 1237.00 Crore and a post-tax total comprehensive income of ₹ 706.38 Crore compared to last year’s pre-tax total comprehensive loss of ₹ 1303.10 Crore and post-tax total comprehensive loss of ₹ 824.17 Crore. Total Capital Expenditure during 2018-19 was ₹ 829.96 Crore (excluding exchange fluctuation) against the Capital Expenditure of ₹ 959.99 Crore during 2017-18.

Modernization and mechanisation of underground mines:

In order to get quantum jump in underground coal production, we have adopted Mass Production Technology like Longwall Mining, Continuous Miners, Free-Steered Vehicles for transport of workmen in a number of underground mines due to which your Company has been able to sustain continuous growth in underground coal production. At present, 1(one) Powered Support Longwall face, 3(three) Standard Height Continuous Miners and 2(two) Low Height Continuous Miners are in operation and a number of Continuous Miners are going to be deployed shortly. Another modern underground technology namely Highwall Mining has been introduced at one of the Areas which is likely to start production by the end of this fiscal.

Project Formulation:

In 2018-19, 3 (three) projects were approved by ECL Board, 4 (four) project of Eastern Coalfields Limited was approved by CIL Board.

Environmental Initiatives:

The impact on the environment due to extraction of coal is being monitored constantly by our Company and adequate measures are undertaken for control of Air, Water & Noise Pollution, Land degradation, Deforestation etc. These measures are being undertaken in accordance with the provisions of all statutory norms, Acts and Rules on a regular basis. This has culminated into a Company-wide Certification with ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2015. ECL has undertaken Multi-tier plantation in 140.50 Ha (which is 33% above the target) over Backfilled Area (50.5 Ha), External OB Dump (22.2 Ha) and other Plain Lands (67.8 Ha). A total of 3,51,250 Nos of saplings have been planted through West Bengal State Forest Department.

Corporate Social Responsibility:

Our CSR initiatives integrated our business with social processes by making welfare measure focused primarily on underprivileged, land oustees and Project Affected People (PAPs) staying in the radius of 25 km of ECL. As per the provision under CIL CSR Policy, 80% of the fund should be utilised within the radius of 25 km of ECL HQ/Area/Project and remaining 20% would be spent within the State/State of operation. It ensured that poor and needy section of the society derives the maximum benefit to support their development and sustainability. During the year ₹ 16.46 crore was spent on CSR activities.

Safety:

We have always given the highest priority towards safety, which is considered as a part of core production process in ECL. To improve the safety standards, ECL has vigorously pursued several measures during the year. 49th All India Mines Rescue Competition (Coal & Metal) was conducted at Mines Rescue Station, Sitarampur from 10th to 13th December, 2018. Total 23 nos of Rescue Teams from different Coal and Metal companies took part in this competition. Two teams from ECL also took part in that competition and won Overall Best, 3rd Overall Best, Best in Fresh Air Base, 2nd Best in Fresh Air Base, Best in Rescue & Recovery & 2nd Best in Rescue & Recovery event.

Industrial Relation:

Industrial Relations during the fiscal 2018-19 have been peaceful, cordial and harmonious in the company. The workers' participation in management in ECL is fully operative at different levels in the company. The Joint Consultative Committees are operating at Corporate, Area and Project/Unit levels. In the JCC meetings important issues are discussed threadbare viz. production, productivity, etc. Besides other committee/boards, Bipartite Safety Board, Area Safety Committee & Colliery Safety Committee, Welfare Board etc. are also functioning in our company. Major Trade Unions participate in such committee and brings about transparency, accountability apart from reinforcing trust and goodwill between management and the employees.

Corporate Governance:

ECL is committed to achieve highest level of transparency, openness and accountability and fairness in all areas of operation, meeting the aspirations of all its stakeholders with primary objective of enhancing shareholders value, timely and balanced disclosure of all material information to all the stakeholders and protection of their interest. The Company has put in place a sound system of internal control to mitigate the risks and comply with the laws of land, rules & regulations in true letter and spirit with a view to provide oversight and guidance to management in strategy implementation. As required under Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India a separate section on Corporate Governance has been added in the Boards' Report and a Compliance Certificate has been obtained from the statutory auditors. Excellent rating was accorded by DPE in the field of Corporate Governance to your Company for the year 2017-18. For FY 2018-19 also, as per self- evaluation, your company's Corporate Governance compliance also stood at Excellent Rating.

I express my sincere thanks to Coal India Limited, Ministry of Coal, other Central Government Ministries and Departments, State Governments, Railways, Bankers, all employees, Trade Unions, consumers, suppliers other stake holders for their unstinted support and relentless co-operation.



(Prem Sagar Mishra)

Chairman-cum-Mg. Director

DIN-07379202

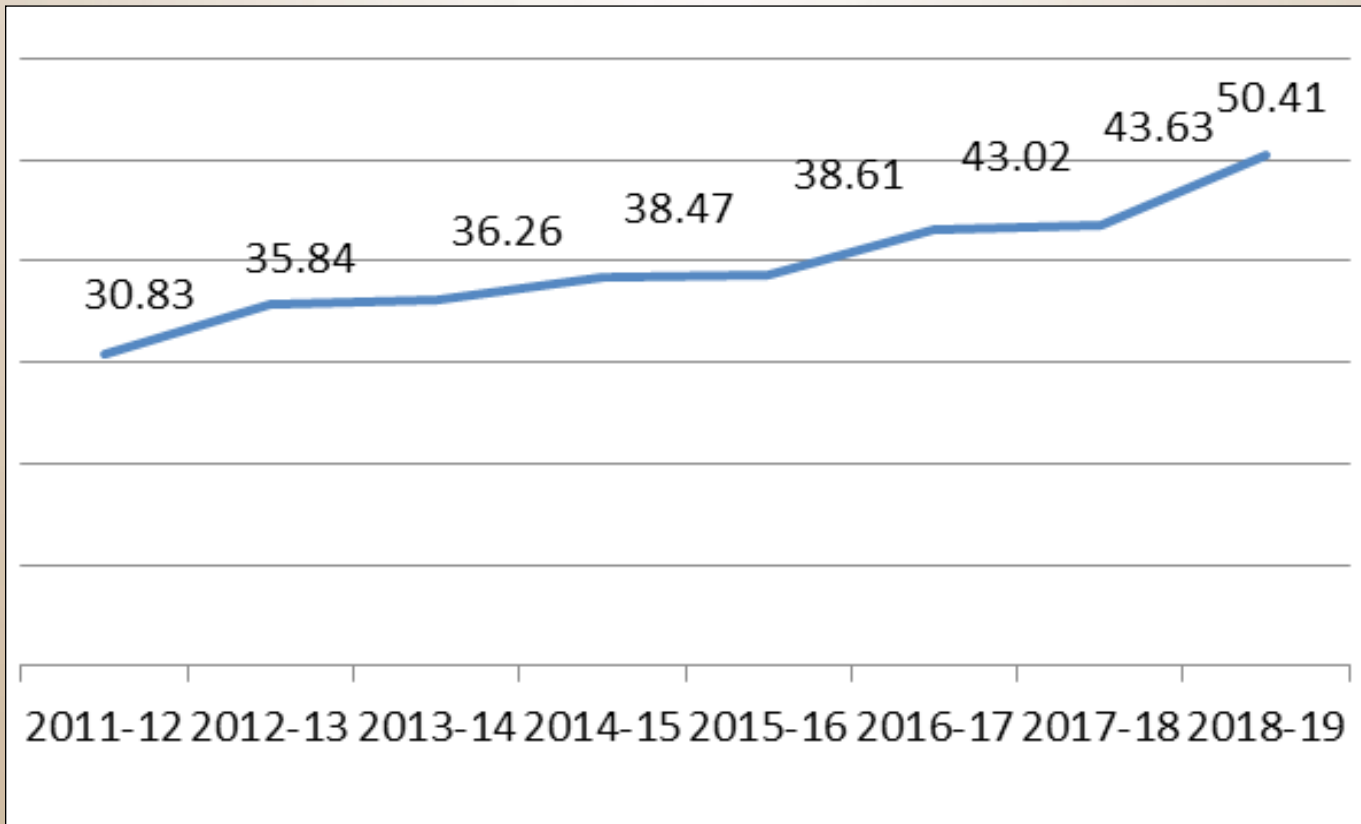
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Dated: 31st July, 2019

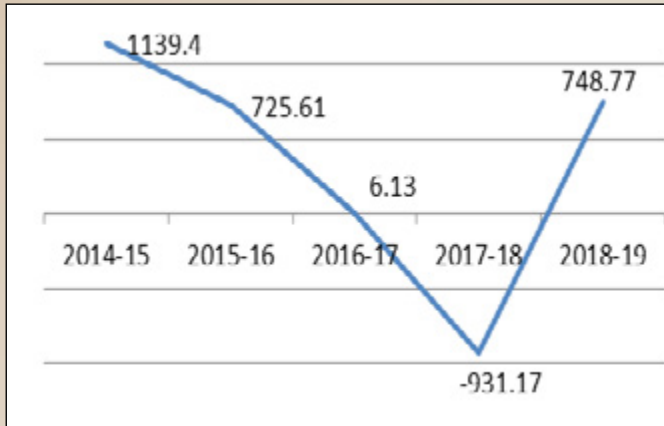


Eastern Coalfields Limited stood First in Swachatta Pakhwada amongst all subsidiaries of Coal India Limited

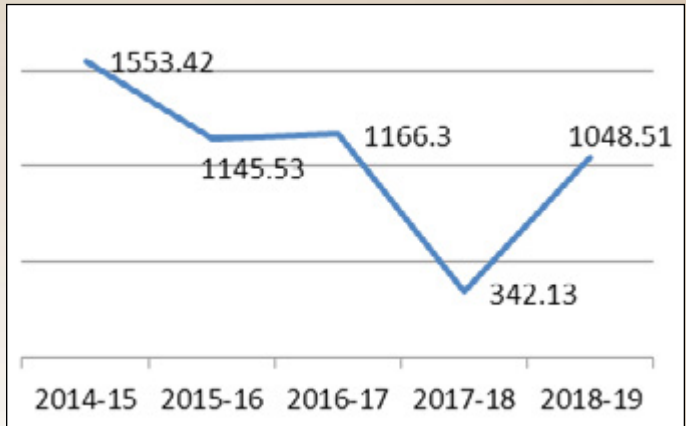
COAL OFFTAKE IN (MT)



NET PROFIT (RS. IN CRORE)



NET WORTH (RS. IN CRORE)



Environment Day Celebration in Eastern Coalfields Limited encapsulating 10R concept under Mission SuDESHH

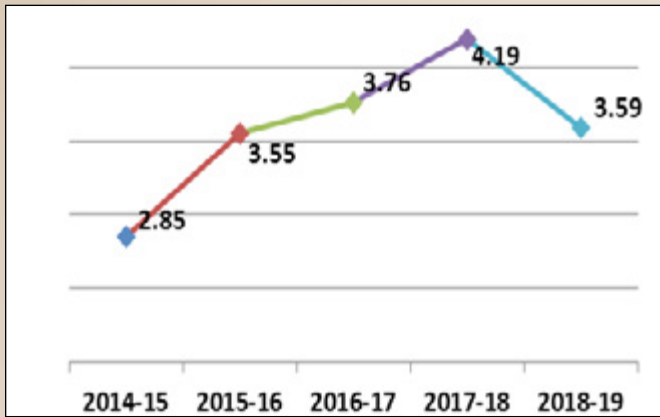


Behavioural Skill Training Programme “Rethinking HR in a VUCA World”

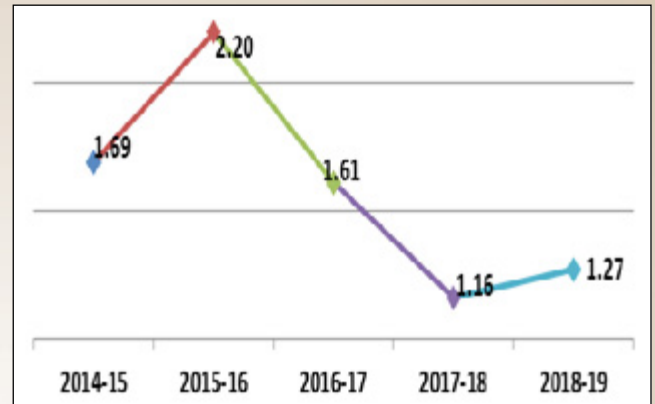


Chai pe Charcha with female employees of Rajmahal Area

STOCK OF STORES IN MONTH'S CONSUMPTION

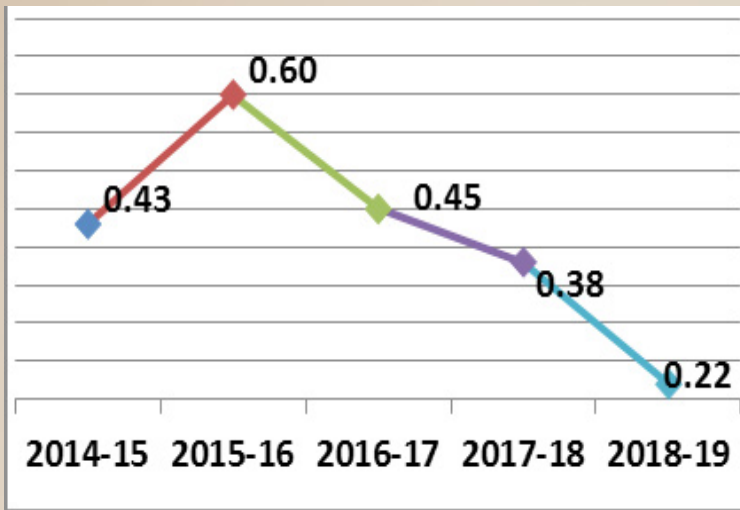


DEBTORS IN MONTH'S SALES

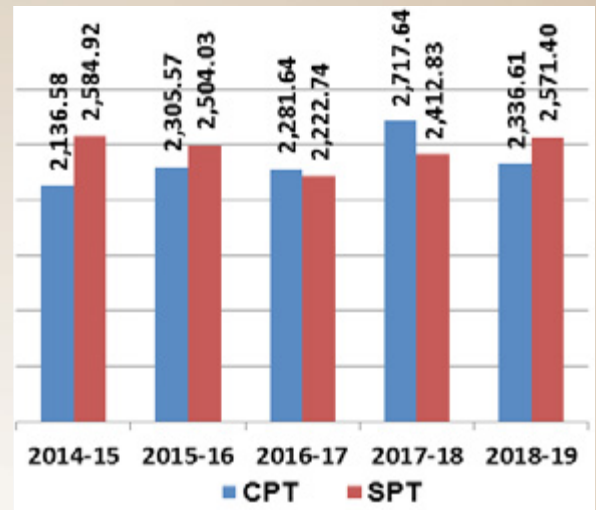


Annual CSR Seminar-2019

STOCK OF STORES IN MONTH'S SALE



OVERALL CPT vs SPT (Rs./MT)



Celebration of "Poila Boisakh" at Eastern Coalfields Limited under Mission INDRADHANUSH



Grievance Redressal Camp under Mission SAMBANDH



Kavi Samellan at Eastern Coalfields Limited



EASTERN COALFIELDS LIMITED

OPERATIONAL STATISTICS

Year ending 31st March	2019	2018	2017	2016	2015	2014	2013	2012
1 Coal Production (million tonne)								
Underground	9.06	8.6	8.13	7.33	7.29	6.87	6.85	6.83
Opencast	41.10	34.97	32.39	32.88	32.72	29.18	27.05	23.725
Total :	50.16	43.57	40.52	40.21	40.01	36.05	33.9	30.555
2. Overburden removal (million cum)	126.06	118.9	124.53	119.22	94.05	85.76	76.45	60.31
3. Offtake (raw coal) : (Million tonne)								
Power	46.79	40.04	40.12	35.8	35.1	31.05	30.02	24.27
Cement	0.04	0.06	0.05	0.08	0.08	0.06	0.14	0.14
Colliery consumption	0.19	0.2	0.21	0.23	0.25	0.28	0.3	0.34
Others	3.39	3.33	2.64	2.5	3.04	4.86	5.38	6.08
Total :	50.41	43.63	43.02	38.61	38.47	36.25	35.84	30.83
4. Manpower	59698	61796	64029	66238	68681	71826	74276	78009
5. Productivity (OMS) (MT)								
Underground	0.78	0.72	0.64	0.56	0.53	0.48	0.46	0.44
Opencast	17.02	14.32	12.9	12.42	12.12	10.96	10.17	8.64
Overall :	3.58	3.01	2.64	2.56	2.45	2.12	1.94	1.68
6. Capital expenditure (₹ in crore)	829.96	959.99	827.80	754.70	686.69	408.87	202.94	332.96
7. Gross Sales Turnover (₹ in crore)	18385.03	15250.11	14717.53	13514.18	13431.84	11959.75	1262.59	10695.11



EASTERN COALFIELDS LIMITED

CAPITAL EMPLOYED, NET WORTH AND OTHER FINANCIAL RATIOS.

PARTICULARS.	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
CAPITAL EMPLOYED. (₹ in crore)	5111.26	4397.19	4876.79	5027.76	4589.75	2528.15	1971.14	171.1
NET WORTH (₹ in crore)	1048.51	342.13	1166.3	1145.53	1553.42	-1586.37	-2458.6	-4946.85
LIQUIDITY RATIOS :								
i) Current Ratio (Current Assets/Current Liabilities).	1.18	1.11	1.33	1.49	1.58	1.18	1.11	0.83
TURNOVER RATIOS :								
i) Capital Turnover Ratio (Net Sales/Capital Employed).	2.53	2.42	2.08	2.03	2.18	3.52	4.66	48.29
ii) Sundry Debtors(Gross) as Nos. of months :								
a). Gross Credit Sales	1.27	1.16	1.61	2.20	1.69	2.15	3.93	2.99
b). Net Credit Sales.	1.79	1.67	2.34	2.90	2.26	2.89	5.20	3.87
iii) Stock of coal (Net of excise duty) as a No. of months' sale value	0.22	0.38	0.45	0.60	0.43	0.38	0.37	0.66
iv). Stock of Stores & Spares (Gross) as a No. of months' consumption (Including Stock of Medicine at Central Hospital)	3.59	4.19	3.76	3.55	2.85	2.91	3.10	3.78
STRUCTURAL RATIOS :								
Debt: Equity.	0.82	0.76	0.71	0.67	0.04	0.31	0.30	0.30
Debt: Net Worth.	1.74	4.95	1.36	1.30	0.11	- 0.43	- 0.27	- 0.14



BRIEF PROFILE OF DIRECTORS

Shri Prem Sagar Mishra (54) (DIN-07379202) is Chairman-Cum-Managing Director of Eastern Coalfields Limited w.e.f 20th August, 2018.

He completed his B. Tech (Mining) from Indian School of Mines, Dhanbad in the year 1987 and obtained First Class Certificate of Competency in the year 1990. He has obtained a Post Graduate Diploma in Business Law from the West Bengal National University of Juridical Sciences, Kolkata. Presently he is pursuing Cost and Management Accountancy (CMA) from the Institute of Cost Accountants of India. He is also pursuing PhD in Management Study from IIT (ISM) Dhanbad on the topic of research "Impact assessment of Corporate Social Responsibility Initiatives – A case study of Coal Mining Industry in India."

He joined SECL in the year 1987 and worked in different managerial capacities in several mines of SECL for more than sixteen years. He also worked as Deputy Chief Mining Engineer/Project Officer in various open cast mines of Central Coalfields Limited for about five years. On being posted at BCCL in June, 2008, he worked interalia as GM of Block II Area, and GM of Barora Area. He was appointed as Director (Production & Planning) of Orissa Minerals Development Company Limited in November, 2015.

Shri Mishra has attended Advanced Management Programme held at IIM, Calcutta, University of St. Gallen, Switzerland and Essec Business School Paris, France in 2014. He was also a part of CIL delegation to Istanbul (Turkey) for attending World Mining Congress 2011. He has also attended Management Training Programme at Administrative Staff College, Hyderabad and Advanced Management Programmes conducted by IICM at LBSNAA, Mussoorie. He has attended different training programmes, workshops on Leadership, Decision Making, Project Management and other Managerial and Technical subjects.

Shri Mishra is also an active member of National Institute of Personnel Management (NIPM), Indian Institute of Material Management (IIMM), Indian Mines Manager Associations (IMMA), Indian Mining and Engineering Forum and Fellow of Institution of Engineers(FIE). He had been General Secretary of ISM Alumni Association from 2010 to 2014 and General Secretary of MGMI, Dhanbad branch from 2011 to 2015. He has convened several conferences and seminars at different levels. He has won several prizes in debate, extempore, elocution, writing, athletics and other extra-curricular activities.

Shri Mishra has been a leader par excellence and he has won several Awards for over-all performance, Production, Safety, Profit, Stock liquidation, Overburden removal and for Ecological Restoration. He had conceptualized and implemented Coal Tourism at Barora Area, BCCL. He has been a resources person for delivering lectures on invitation by different academic & other institutions.

Shri Bhabani Prasad Pati (49) (DIN-08257345), is Joint Secretary in Ministry of Coal. He has been appointed as Part Time Official Director on the Board of Eastern Coalfields Limited w.e.f 11.01.2019. He is also a Part Time Official Director on the Board of Bharat Coking Coal Limited.

Shri B.P. Pati is an Indian Forest Service officer from Gujarat Cadre. He has obtained MSc in Botany from Utkal University. Prior to his posting as JS, MoC, he worked as Chief Conservator of Forest (V&P), Gujarat Forest Department and also was Chief General Manager at Gujarat Mineral Development Corporation.

Shri Shyam Nandan Prasad (59) (DIN-07408431) has taken over charge as Director (Marketing) of coal mining monolith Coal India Limited, Kolkata on 1st February, 2016. 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 (Marketing & Sales) before joining as Director (Marketing) in Coal India Limited. He is also the nominee director of CIL at Northern Coalfields Limited, Mahanadi Coalfields Limited, Eastern Coalfields Limited and South Eastern Coalfields Limited. He is holding additional charge of Director (Finance), CIL since October, 2018. He also held additional charge as Director (Personnel & IR), CIL from 31st March, 2017 till 16th June, 2017. Shri Prasad has led CIL delegations to many Conferences in the field of Investments & Marketing of Coal held in Asia-Pacific and European nations.

Prof. (Dr.) Indira Chakravarty (71) (DIN-07368268), Independent Director on the Board of Eastern Coalfields Limited is a renowned academician and her entire efforts have been targeted towards using scientific evidence for improving basics of public health viz. Nutrition and Food Security, Food safety, Water, Sanitation and Hygiene. Prof. Indira Chakravarty



has the highest degrees in academics which are Ph.D and D.Sc in Science. She studied at the Presidency College and then the Science College in Kolkata and was subsequently trained as a WHO fellow in several renowned organizations and universities in the U.S.

Prof. Indira Chakravarty received Padma award for her lifelong achievements. She is recipient of the prestigious Eduardo Sauma Award from FAO of the United Nations, in the 50th year of the United Nations (1995) for the best Global Project, Presidents Global Leadership award in Public Health, United States of America from USF in 2009, Indira Gandhi National Priyadarshini Award, Uday award for life time achievement, Rotary International and many more. She has held most senior and responsible positions viz. at the level of Additional Director General of Health Services, was Director, All India Institute of Hygiene and Public Health, GOI and Director, Chittaranjan National Cancer Institute, GOI, Regional Director, South Asia, MI, IDRC (Canada) and Regional Advisor Nutrition-act, WHO, South East Asia Region.

At present she is Chief Advisor, PHED, Govt. of West Bengal, Chairman of Water and Beverage Panel, FSSAI, MOH&FW, Govt. of India, Chairman of SAC, ICMR, MOH&FW, Govt. of India, Chairman of India Nutrition Project, Reckitt Benckiser, Chairman, Stop Diarrhea Program, Save the Children, Chairman of Schevaran Innovation Centre; Member of EPC, NHM, MOH&FW; Member of Governing Council of ICMR; Member of Scientific Advisory Board, ICMR; Member, Advisory committee on National Centre for Science Communication, Gol, Hygiene Index, Reckitt Benckiser; Member of Core Committee, WASH (Swachh Bharat Mission), MDWS, Govt. of India, Member of Advisory Board on Water Week, Singapore Water Convention, Member of International Board of Advisors, United Nations University.

Shri Pravin Kant (65) (DIN-00282716), Independent Director on the Board of Eastern Coalfields Limited is a practicing Chartered Accountant since 1976 as a partner in M/s P.K. Maheshwari and Co., New Delhi. He has more than 42 years of experience in Auditing of private companies as well as Government organisations such as NTPC, SAIL, National Housing Bank, Banks and Insurance Companies including forensic Audit of Banks.

He has been associated with many projects from inception to finalization as financial consultant. He is also having experience in the field of Internal Audit, Taxation and company matters. He is presently Director in various private companies. He has been appointed as an Independent Director on the Board of Eastern Coalfields Limited w.e.f 13.12.2018.

Shri Anil Kumar Ganeriwala (62) (DIN-06372875) Independent Director on the Board of Eastern Coalfields Limited was born in Sirsa, Haryana in the year 1957. After completing his BSc. Degree, he did his Masters in Botany & Forestry and later he also pursued an M. Phil in public Administration. He joined the Indian Forest Service (IFS) in the year 1986 and after 31 years of distinguished service superannuated as Principal Secretary, Department of Culture, Government of Sikkim in the year 2017.

During his career he also served as Deputy Advisor, Deputy Secretary, Director and Joint Secretary under various ministries of Government of India such as Rural Development, Statistics and Programme Implementation and AYUSH. He has vast experience in Administration and Vigilance matters. He has also served as Resident Commissioner, Government of Sikkim from 2006-2008 in New Delhi.

He also served as Secretary, Rural Development Department, Government of Sikkim from 2008-2012. During this period he supervised and monitored various large scale infrastructure projects such as roads, housing, water supply, sanitation and poverty alleviation programmes and schemes.

He was appointed as Joint Secretary, Ministry of AYUSH, Government of India in the year 2012 and served in the ministry till 2017. During his tenure he played a key role in the growth and development of Traditional Systems of Indian medicines both in India and abroad. During this time, he also served on the Board of Indian Medicine Pharmaceutical Corporation Ltd. (IMPCL).

Sri Sunil Kumar Jha (59) (DIN-08039292) took over the charge as Director (Technical) of ECL on 19th December, 2017. Sri Jha passed B. Tech in Mining from ISM, Dhanbad in the year 1984. He obtained M. Tech in Opencast Mining from ISM, Dhanbad in the year 1989.

He started his career in Coal industry from Central Coalfields Ltd in the year 1984. He has acquired a vast knowledge in UG and Opencast Mining as ACM in different mines of CCL. From 2001 to 2017 he played a vital role in coal production at Large opencast mines Nigahi and Dudhichua, NCL. In the year 2007 he became General Manager and took over the charge as Area General Manager in different Areas of Northern Coalfields Ltd. Before taking over the charge as Director (Technical) of ECL he has gained rich experience in ECL as General Manager (Incharge).

Sri Jha has visited different foreign countries like Germany and Switzerland. He attended a symposium on mass production Technology on UG mining in Aachen, Germany. He has participated in advanced Management Programme at IIM Kolkata and Administrative Staff College, Hyderabad. He has been a good sportsman in his college life in different fields like Athletics, Badminton, Hockey, and Football.



Shri Jaiprakash Gupta (57) (DIN-08174002) took over the charge of Director (Technical) Project & Planning of Eastern Coalfields Limited on 18.06.2018.

Shri Gupta, a 1983 graduate, B. Tech in Mining Engineering from Banaras Hindu University (BHU/IIT) joined South Eastern Coalfields Limited as Junior Executive Trainee. He served nearly 23 years in SECL in different post and was then transferred to Bharat Coking Coal Limited as Chief Manager (Mining) in the year 2006. He served in BCCL for 12 years as Project Officer and General Manager in different areas.

He was awarded with Engineering and Technology award in the year 1998 from Council of Scientific and Industrial Research for developing cable bolt support system in thick seam working. For this development he was also honoured in SECL. As project officer he had deployed continuous miner in NCPH Colliery of Chirimiri, SECL in R-V virgin seam successfully completing all major development activities in schedule time enhancing mine capacity to more than 01 MT from underground. The first pilot project on Ecological Restoration at Tetulmari, Project of Sijua Area, BCCL led by Shri Gupta was taken up under the technical guidance of Forest Research Institute, Dehradun. The project has won first prize on CIL Foundation Day in 2014. Shri Gupta has keen interest in CSR activities. Under his leadership and technical support by Govt. of Jharkhand more than 50 ladies of Garadia, Mahulidih village got training on handloom weaving and cloth manufacturing which are taken by Jharcraft a firm of Jharkhand Govt. giving some remuneration.

He had visited China in the year 2011 on Advance Management programme. He has having vast experience both in underground mechanization and opencast mining.

Shri Vinay Ranjan (48) (DIN-03636743) joined as Director (Personnel) of Eastern Coalfields Limited in August 2018. Prior to joining Eastern Coalfields Limited, Shri Vinay Ranjan was holding the position of Corporate Vice President & Head HR of DB Power Ltd., A Dainik Bhaskar Group Company based at Mumbai.

Prior to DB power Ltd., Shri Vinay Ranjan has extensive exposure of working in both Public and private sectors. After initial years in Navratna PSU Videsh Sanchar Nigam Ltd, he witnessed the transition of VSNL into Tata Group Company consequent to disinvestment process. He also has had good stints in large Corporate houses of Reliance and JSW group in corporate roles.

Shri Ranjan has close to 24 years of extensive work experience in Talent Acquisition, Talent Management, Performance Management, Employer Branding, Compensation Management, Enterprise Resource planning, Change Management, Employee Engagement, Industrial relations and Training & Development. He has also successfully extended HR support to overseas entities at different geographies. He led the team for two full life cycle SAP HR implementation, first at TATA Communication, erstwhile VSNL, with implementation partners TCS and thereafter deputed for another cycle at Tata Teleservices Ltd. owing to his expertise.

He is an impactful leader with ability to develop and has led efficient and highly productive workforce. He is known for his excellent stakeholder management skills and empathy with high level of service delivery and execution with high integrity.

Shri Ranjan is an Alumni of prestigious INSEAD Business School and passed out from Fontainebleau, France, with a general management program. He is an Honours graduate in Physics and holds full time PG Diploma in Personnel Management & Industrial Relation.

Shri Ranjan has the distinction of speaking at different HR forums and most of the leading B school Campuses across India. He is currently Chairman of NIPM, Asansol Chapter and life member of National HRD Network, Mumbai Chapter. Shri Ranjan has been recognised at various forums for his remarkable contributions like, Asia's Best Employer Branding Award for his stint at DB Power, CHRO of the Year and Pride of HR Professionals (PSU).

As Director (Personnel), ECL his contribution towards handling long pending legal cases is remarkable and under his leadership company reduced significant numbers of court cases. He ensures proper implementation of statutory norms / guidelines issued by legislative bodies. His focus towards welfare of employees and society is quite admirable. He emphasis on implementation of high impact CSR activities and try to reach out for every single stakeholder.

Shri Utpal Kanti Bal (57) is an IRTS officer of 1988 Batch. He is B.Tech in Electronics and Telecommunication Engineering from IIT, Kharagpur. Before joining Railways, he has worked in Oil and Natural Gas Commission. Shri Bal is a permanent invitee on the board of Eastern Coalfields Limited.

In Railways, he has worked in different important posts and has got vast knowledge in Railway Operations. He has worked as Chief Freight Transportation Manager/N.F. Rly/Maligaon, Chief Transportation Planning Manager/ER, Addl. Divisional Railway Manager/Sealdah/ER, Sr. Deputy General Manager/ER. Prior to joining as PCOM/ER he was posted as PCOM/S.E.C. Rly/Bilaspur which is the highest freight loading zone of Indian Railways. He has undergone training at Singapore and Malaysia on Management.



BOARDS' REPORT

**To
The Members,
Eastern Coalfields Limited
Ladies and Gentlemen,**

I, on behalf of the Board of Directors, have pleasure in presenting the 44th Annual Report on the working of your Company together with audited accounts for the year ended 31st March, 2019, report of the Statutory Auditors, Secretarial Auditors and Management's reply thereon as well as the comments of the Comptroller and Auditor General of India on the audited accounts.

Special Achievements:

- a. ECL is the highest growth registering company, in Coal Production which is 15.13%, Offtake: 15.54% and OB removal: 6.03% amongst all subsidiaries of CIL for the year 2018-19.
- b. All achievements of coal production of 50.16 MT, offtake of 50.41 MT and OB removal of 126.06 M. Cum are ever highest achievements since inception of the company.
- c. ECL achieved coal production of 67.98 L.Te, offtake of 58.02 L.Te and OB removal of 136.24 L. Cum during March, 2019 which are ever highest achievements during any month, since inception of the Company.
- d. ECL achieved 2.54 L. Te of coal production on 31st March, 2019, 2.55 L. Te of offtake on 31st March, 2019 and 5.84 L. Cum of OB removal on 13.01.2019 which are the ever highest achievements on a single day since inception of the Company.
- e. ECL achieved 107% of the MoU Target for coal production in 2018-19.
- f. ECL continued to register percentage positive growth to the tune of 5.35% in underground coal production which is the highest amongst all the subsidiaries of CIL.
- g. Jhanjra Project of ECL achieved annual production of 3.38 M. Te during 2018-19 which is the highest coal production from a single underground mine in the country.
- h. On 31st March, 2019, ECL loaded 57 railway rakes against target of 34 rakes and broke its past record of 45 railway rakes achieved on 31.03.2018.
- i. In CIL Inter-Company Athletics tournament 2018-19, ECL bagged 1st position in male, female and overall category.
- j. ECL was 2nd runner up in the CIL Inter-Company Football Tournament 2018-19.



1.0 PRODUCTION

1.1 Production performance of the Company in 2018-19 against the target as well as compared to last year was as under:

Particulars	Unit	2018-19			2017-18	Growth over Last year	
		Target	Actual	Achieved (%)	Actual	Absolute	%
1. Production :	M. Te.						
i) Raw Coal -UG		8.80	9.06	102.95	8.60	0.46	5.35
-OC		41.70	41.10	98.56	34.97	6.13	17.53
Total		50.50	50.16	99.33	43.57	6.59	15.13
ii) Coking Coal							
- Blendable	0.00	0.00	-	0.00	0.00	-	
- Others	0.00	0.03	100.00	0.03	0.00	-	
iii) Non-Coking							
		50.50	50.13	99.27	43.53	6.60	15.16
2. O.B. Removal	M CuM	149.00	126.06	84.60	118.89	7.17	6.03
3. Productivity(OMS)	Tonnes						
- Underground		0.75	0.78	104.00	0.72	0.06	8.33
- Opencast		16.89	17.02	100.76	14.32	2.70	18.85
- Overall		3.55	3.58	100.85	3.01	0.57	18.94

1.2 Constraints in Coal Production:

Sl. No.	Reason for loss in production	Quantity (MT)
1	Geological disturbances	0.07
2	Machine breakdown	0.07
3	Water logging due to rainfall	0.39
4	IR problem	0.29
5	Land acquisition	2.07
6	Others	0.69
	Total	3.58

1.3 System Capacity Utilisation:

(Figures in %)

Particulars	2018-19			2017-18
	Target	Actual	Achieved (%)	Actual
a) UG	89.12	91.76	102.96	86.71
b) OC (Dept.) Exc.	73.77	69.27	93.90	71.61
c) OC (Hired) Exc.	112.26	91.53	81.53	68.94
d) OC (Dept. + Hired) Exc.	102.42	85.84	83.81	69.47
e) Total [UG+OC(D)]	75.73	72.11	95.22	73.67
f) Overall (UG+OC) (Hired+Dept.)	102.08	86.15	84.39	69.99

2.0 FINANCIAL RESULTS:

2.1 Gross sales turnover for the year ended 31st March, 2019 was ₹ 18385.03 Crore compared to ₹ 15250.11 Crore in the previous year resulting in increase of 20.56% over previous year. During the year company had made a pre-tax total comprehensive income of ₹ 1237.00 Crore and a post-tax total comprehensive income of ₹ 706.38 Crore compared to last year's pre-tax total comprehensive loss of ₹ 1303.10 Crore and post-tax total comprehensive loss of ₹ 824.17 Crore. Details were as under:

(₹ in Crore)		
Particulars	2018-19	2017-18
Profit(+)/Loss(-) after charging all expenses but before PRP/ Executive Superannuation benefit interest, depreciation, Impairment, OBR, prior period adjustment.	2537.84	865.12
	120.91	41.08
Less : Impact of PRP/Executive Superannuation Benefit	228.71	1409.11
Less : Actuarial provision	-	-
Less : Interest	494.98	443.99
Less : Depreciation/Impairment	456.24	274.04
Less : OBR Adjustment	1237.00	-1303.10
Total Comprehensive Income for the year after charging interest and Depreciation, impairment and OBR Adjustment.	0.00	0.00
Less: Prior Period Adjustment.	1237.00	-1303.10
Total Comprehensive Income after considering Prior Period Adjustment.		
Cash Profit	2787.25	1524.53
Total Comprehensive Income after Tax	706.38	-824.17

2.2 Capital Expenditure:

Total Capital Expenditure during 2018-19 was ₹ 829.96 Crore (excluding exchange fluctuation) against the Capital Expenditure of ₹ 959.99 Crore during 2017-18.

2.3 Capital Structure:

(₹ in Crore)		
Particulars	2018-19	2017-18
A. SHARE CAPITAL		
1. Authorized Share Capital (2,50,00,000 Eq. shares of ₹ 1000 each and 2,10,00,000 Preference Shares of ₹ 1000 each).	4600.00	4600.00
2. Paid up Equity Share Capital (2,21,84,500 shares of ₹ 1000 each)	2218.45	2218.45
3. Other Equity (Paid up 6% Non-convertible, cumulative, redeemable Preference Shares, fully paid up (20509700 shares of ₹ 1000 each))	855.61	855.61
B. LOAN FUNDS :		
1. Export Development Corporation, Canada	165.55	161.20
2. Liability component of Compound Financial Instrument (Pref. Share)	1662.03	537.16

2.4 Repayment of Foreign Loan:

(₹ in Crore)		
Particulars	2018-19	2017-18
Repayment of foreign loan through CIL.	6.60	6.04



2.5 Payment/Adjustment of Royalty, Cess, Stowing excise duty & Sales Tax during the year:

(₹ in Crore)

Particulars	2018-19				2017-18			
	West Bengal	Jharkhand	Central	Total	West Bengal	Jharkhand	Central	Total
i) GST in respect of West Bengal								
a. IGST	0.00	0.00	166.77	166.77	0.00	0.00	78.70	78.70
b. CGST	0.00	0.00	32.43	32.43	0.00	0.00	31.48	31.48
c. SGST	32.43	0.00	0.00	32.43	32.91	0.00	0.00	32.91
d. Compensation Cess	0.00	0.00	1160.54	1160.54	0.00	0.00	684.65	684.65
ii) In respect of Jharkhand								
a. IGST	0.00	0.00	0.17	0.17	0.00	0.00	15.05	15.05
b. CGST	0.00	0.00	53.21	53.21	0.00	0.00	25.01	25.01
c. SGST	0.00	53.21	0.00	53.21	0.00	25.01	0.00	25.01
d. Compensation Cess	0.00	0.00	813.69	813.69	0.00	0.00	477.46	477.46
iii) Royalty, NMET, DMF on Coal	17.67	525.04	0.00	542.71	18.87	440.88	0.00	459.75
iv) RE & PE Cess	1587.50	0.00	0.00	1587.50	1510.55	0.00	0.00	1510.55
v) AMBH Cess	2.34	0.00	0.00	2.34	2.15	0.00	0.00	2.15
vi) PW & Road Cess	2.34	0.00	0.00	2.34	2.12	0.00	0.00	2.12
vii) Sales Tax (VAT/CST)	0.00	0.32	0.00	0.32	104.90	11.99	0.00	116.89
viii) Stowing Excise Duty	0.00	0.00	0.00	0.00	0.00	0.00	20.79	20.79
ix) Clean Energy Cess	0.00	0.00	0.00	0.00	0.00	0.00	622.25	622.25
x) Excise Duty on Coal	0.00	0.00	0.03	0.03	0.00	0.00	72.43	72.43
xi) Entry Tax	0.00	0.00	0.00	0.00	0.00	0.00	1.76	1.76
TOTAL	1642.28	578.57	2226.84	4447.69	1671.50	477.88	2029.58	4178.96

2.6 Directors' Responsibility Statement:

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 the Board of Directors of the Company hereby state and confirm that:-

- in the preparation of the annual accounts for the year ended 31st March 2019, all the applicable Indian Accounting Standards were followed with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 of the Profit/Loss of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



3.0 PLANNING:

3.1 Command Area of Operations:

There are 14 numbers of operating areas with 84 number of working mines, 54 being underground mines, 20 opencast mines and 10 mixed mines.

3.2 Research and Development:

3.3 CIL R&D Project:

Detailed status of implementation of ongoing R&D Projects funded under R&D grant of CIL is given in **Annexure –I**.

3.4 S&T Projects :

Detailed status of implementation of ongoing S&T Research Projects funded under S&T grant of MoC is given in **Annexure –II**.

3.5 Modernization and mechanisation of underground mines:

In order to increase the level of modernization and mechanization in underground mines, intermediate technology deploying LHD/SDL was introduced in 57 no of mines of ECL till 2018-19. As on 31.3.2019, 254 no of SDLs, 38 no of LHDs and 106 nos of UDMs were on roll in different underground mines of ECL. During 2018-19, production achieved from 254 no of SDLs was 4.45 MT, from 38 no of LHDs was 0.87 MT and from 2 no of Road header (Part of Longwall Package) was 0.16 MT.

“Mass production technology” by deploying Continuous Miner combined with Shuttle car (5 sets) had been deployed at Jhanjra and Sarpi projects and is running successfully. The production achieved during 2018-19 from 3 Nos. of Standard Height CM and 2 Nos. Low Height CM was 2.03 MT. In Jhanjra Longwall technology is running successfully since August, 2016 & production during 2018-19 was 1.45 MT (Excluding Road header). Overall underground coal production increased from 8.60 MT in 2017-18 to 9.06 MT in 2018-19 registering growth of 5.35%.

In addition to above the following steps are being taken for diversification / modernization of Coal Industry:

- a. Coal Bed Methane (CBM): Project Feasibility Report (PFR) has been formulated and approved by ECL Board under MDO concept on 22.09.2018 covering lease hold area of Satgram, Kunustoria & Sripur.
- b. Excavation: To increase operational efficiency through ergonomics, it has been made mandatory for all the HEMMs to come fitted with AC cabins for the operators. The process is on for replacement of 35 Te dumpers with 60 Te dumpers and replacement of 2-3 m³ hydraulic Shovels with 5-6 m³ hydraulic shovels towards standardization of equipment. Latest technology is being increasingly used to enhance safety aspects in HEMMs. Surface Miners are also being used in OC Mines wherever technically possible.
- c. Highwall Mining: The highwall mining is proposed to be introduced in Nimcha and Sripur Colliery. Contract agreement has been signed on 25.07.2018 for introduction of Highwall Mining technology.
- d. Man Riding System: During 2018-19 one set of Man riding system has been introduced in Nimcha UG Mine. Thus total no. of functional Man riding system is in four mines viz. Jhanjra, Parasea, Nimcha (1 set) and Chinakuri Mine III. Further, Man Riding Systems are under installation at four mines, viz. Shyamsundarpur, Nimcha (2nd set), Dhemomain and Bansra.

**3.6 Steps taken to improve underground production:**

Considering the various operational constraints, liquidation of upper seam, delay in availability of land for caving etc. action has been taken to improve underground production mainly by introduction of mass production technology deploying Continuous Miner with Shuttle Car in more number of underground mines in coming years like Kumardihi B, Khottadih, Tilaboni, Siduli apart from gradual phasing out of manual operations with the intermediate technology. Action has been taken to introduce more UDMs keeping in view of shortage of Drilling gang due to superannuation and the dual purpose of availability of more coal at face and supporting as well.

3.7 Details of Project Formulation during the year 2018-19:

Sl. No.	Name of the project	Capacity (MTY)	Estimated Capital (₹ in crore)
1	Mohanpur Expansion OCP (Phase-II)	2.50	Departmental: 686.79 Partial Outsourcing: 459.61
2	Draft PR of Simlong OCP (UCE)	2.00	Departmental: 711.91 Outsourcing: 342.58
3	Draft PR for Bonjemehari Expansion OCP	1.00	Departmental: 676.89 Outsourcing: 434.74 Partial Outsourcing: 518.57
4	Draft PR for Expansion of Sarpi UG	1.59	Departmental: 680.93 Outsourcing: 339.54
5	Draft PR Nabakajora-Madhabpur Mine	OC: 0.80 UG: 1.32	Departmental: 887.80 Outsourcing: 548.22
6	Draft Expansion Project Report of Jhanjra UGP	Nominal Capacity-5.0 MTY, Peak Capacity -5.80 MTY	Departmental: 1519.27 Outsourcing: 1032.73

3.8 Details of Projects Approval & Recommendation of Board of Directors of ECL for seeking approval of CIL Board during the year 2018-19:

Sl. No.	Name of the Project	Capacity (MTY)	Approved Capital Investment (₹ Cr.)	Date of Approval
1.	Tilaboni UG Mine	1.86	916.62	04.07.2018
2.	Parasea - Belbaid Re-organisation UG	2.07	826.42	30.10.2018
3.	Mohanpur Expansion OCP (Phase-II)	2.50	459.61	07.12.2018

3.9 Approval of Projects by CIL during the year 2018-19:

Sl No.	Name of the Project	Capacity (MTY)	Approved Capital Investment (₹ in crore)	Date of Approval
1.	Recast Project Report of Siduli (OC & UG) Mine	OC: 1.20 UG: 1.63	535.18	22.05.2018
2.	RCE of Chitra OC	2.50	513.99	11.08.2018
3.	Nakrakonda Kumardihi-B OCP	3.00	502.68	11.08.2018
4.	Tilaboni UG Mine	1.86	916.62	12.02.2019

3.10 Capital Projects/Schemes:

- i) No. of New Project (Greenfield): 1 no. (Hura-C OC)
- ii) Expansion/Revision/Foreclosure of Projects: 11 nos. (Jhanjra Comb. Project Report, Khottadih Expansion - OCP, Khottadih - CM, Kumardih-B CM, Mohanpur Expansion, New Kenda OC, Sonepur Bazari Comb. OCP, Chitra East OCP, Siduli Mix, Nakrakonda - Kumardih B OCP, Tilaboni UG.
- iii) Others: 6 nos.
- iv) Total: 18 nos.

3.11 New Initiatives and Future Programme:

Following initiatives have been taken in 2018-19 for augmentation of production from underground:

- a. Technological up-gradation and Modernization of existing UG mines:** The existing underground mines which have been identified for technological up-gradation and modernization are Badjna, Shyampur B, Siduli, Ghusick and Nimcha. M/s. KPMG Advisory Services Pvt. Ltd. was assigned with this job. They have submitted the final report to ECL and MoC and the report are found to be acceptable. On the basis of the report, Project Report for Siduli has been approved by CIL Board and Draft Project Report of Ghusick has been prepared.

Apart from above, 23 nos. of UG Mines were undertaken for study of enhancement of production by consortium of M/s. ISM, M/s. SCCL and M/s. PWC. This is as per the MoC/CIL's directive. Report was submitted in January, 2018. Same has been accepted by Coal India Limited. Out of 23, one Project Report (Tilaboni UG) has been approved, four more Project Reports are under process of formulation/approval. Further, study is being made for six mines.

- b. Introduction of mass production technology continuous Miner (CM):** The following mines have been identified for introduction of CM:

Sl. No	Name of Mine/Project	Capacity (MTY)	Estimated Capital (₹ in Crore)	Status
1	Khottadih CM	0.60	Risk-Gain - 127.17	Commissioning is expected in August-19.
2	Kumardih-B CM	1.02	Equipment Hiring - 117.90	Commissioning of one LHCM is expected in August-19
3	Siduli UG/OC	OC: 1.20 UG: 1.63	Equipment Hiring - 535.18	PR has been approved in May-18.
4.	Tilaboni UG	1.86	Equipment Hiring - 916.62	PR has been approved in February-19.
5	Parasea-Belbaid UG	2.07	Equipment Hiring - 826.42	PR approved by ECL Board. Under final approval of CIL Board.
6	Sarpi Expansion UG: 2 nos CM	1.59	Risk-Gain - 680.93 Equipment Hiring - 339.54	PR formulated.
7	Nabakajora-Madhampur OC+UG	UG: 1.32 OC: 0.80	Risk-Gain - 887.80 Equipment Hiring - 548.22	PR formulated.

c. Foreign collaboration/Technology Absorption-Adaptation and innovation:

- i. Introduction of 2 nos. Low Height Continuous Miner (LHCM) at Jhanjra UG Mine: 2 sets of LHCMs have been commissioned during 2018-19 by M/s. Gainwell Commo Sales Pvt. Ltd. in collaboration with M/s. Caterpillar (USA).
- ii. Introduction of One No. Low Height Continuous Miner at Kumardih-B UG Mine: LOA for supply of LHCM on hiring basis has been issued to M/s. JMS Mining Pvt. Ltd. in collaboration with M/s. Joy Global UK. Contract agreement has been signed and commissioning of same is expected in 2019-20.



- iii. Introduction of 1 no Continuous Miner at Khottadih UG Mine: Signing of contract agreement with the agency M/s. CMATL-SXTD-CMML (China) consortium has been done. Commissioning of same is expected in 2019-20.
- iv. Successful run of Powered Support Longwall Panel at Jhanjra R-VI Seam producing coal 1.45 MT 2018-19.
- v. Contract agreement has been signed for introduction of Highwall Mining technology with M/s. Cuprum Bagrodia Ltd. in collaboration with M/s. Caterpillar (USA).

3.12 MoU Target vis-à-vis achievements up to 31st March, 2019

Sl. No.	Performance Criteria	Unit	Target for the year	Achievement
1	Coal Production	Million Tonne	46.76	50.16
2	CAPEX (₹ in Crore)	₹ in Crore	1090.00	829.96
3.	Percentage value of CAPEX contracts/ projects running completed during the year without time/cost overrun of total value of CAPEX contracts running completed during the year (%)	%	100	86.82

3.13 Other major activities during 2018-19:

Sl. No.	Name of Project	Activities/Milestones	Target for the year	Achievement
1	Sonepur-Bazari Expansion OCP	Possession of land 90 Ha.	Mar-2019	So far 48.6919 Ha possessed.
		Railway Siding	Mar-2019	All formation and linking work completed. OHE work is under progress. Work for S&T delayed due to high price bidding. LOA for the work of outdoor S&T work issued on 01.02.2019. Work for the same has started. Technical bid of Indoor S&T work opened on 17.01.2019. Work order for indoor work issued on 05.03.2019.
2	Jhanjra Combined UGP	Possession of tenancy land	40 Ha	Achieved. 53.59 Ha possessed during 2018-19.
		Finalization of tender for Construction of workshop	Mar-19	Completed. Work order has been issued on 28.02.2019.
3	Kumardih-B CM UG	Drivage of 1st incline	Mar-19	910 m completed out of 950 m.
4	Hura-C OC	Possession of tenancy land	60 Ha	Land possessed 29.948 Ha.
		Finalization of tender (HoE)	Mar-19	Due to delay in possession of tenancy land, a fresh HoE proposal on forest land approved by ECL Board. Tender was floated on 25.02.2019. Bid document of L-1 bidder is under verification.
5	Khottadih CM	Signing of contract for CM package in Risk & Gain Basis	Sep-18	Achieved. LOA issued on 26.04.2017. Signing of Contract agreement with the agency M/s. CMATL-SXTD-CMML consortium was done on 14.09.2018.
		Filling of Billpahari OCP (62 Lakh Cum)	Mar-19	61.87 Lakh Cum filled up till date out of total 62 Lakh Cum.

3.14 Project Monitoring & status of Implementation is given in **Annexure-III**.

4.0 MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report is presented in a separate section forming part of the Director's Report (**ANNEXURE-IV**).

5.0 COAL MARKETING:

5.1 Demand vis-a-vis off-take:

Actual off-take of coal in 2018-19 was 50.41 million tonne against the demand of 51.00 million tonne i.e. demand satisfaction of 99%. Sector-wise demand and off-take during the year 2018-19 compared to 2017-18 is as follows:

(Figures in Million Tonne)

Sector	Off-take 2018-19			Off-take 2017-18		
	Demand	Actual	% Satisfaction	Demand	Actual	% Satisfaction
POWER	43.505	46.886	108	40.756	39.892	98
CEMENT	0.082	0.046	56	0.098	0.069	70
CPP(ORS)	0.700	0.286	41	0.190	0.066	35
CPP (STEEL)	0.490	0.302	62	0.490	0.121	25
STEEL (BLEND)	-	0.003	-	-	0.002	-
SPONGE IRON	1.028	0.381	37	0.143	0.146	102
EXPORT	-	-	-	-	-	-
LOCO	-	-	-	-	0.002	-
DEFENCE	-	-	-	-	-	-
COLLY. CONS.	0.200	0.184	92	0.200	0.195	98
OTHERS	4.995	2.319	46	5.123	3.137	61
TOTAL	51.000	50.407	99	47.000	43.629	93

5.2 Average loading of Wagons per day:

Field-wise average loading of wagons for the year 2018-19 compared to previous year is as follows:

(Figures in Box/Day)

Field	Loading of wagons			
	2018-19		2017-18	
	Target	Actual	Target	Actual
Raniganj	1032	1030	963	934
Mugma/Salanpur	262	289	227	239
Adra	11	14	15	15
Pirpainti	-	-	-	-
Rajmahal (Wharf Wall)	193	139	189	148
Total	1498	1472	1394	1336



5.3 Mode-wise despatch:

Mode-wise despatch of coal in 2018-19 compared to previous year is as follows:

(Figures in Million Tonnes)

Mode of despatch	2018-19	2017-18
Rail	34.171	30.430
Road	2.409	1.814
Merry-Go-Round(MGR)	13.644	11.191
Total	50.224	43.435

5.4 Stock of Vendable Coal as on 31st March, 2019 is as follows:

(Figures in Lakh Tonnes)

Field	As on 31.03.2019
Raniganj	7.169
Mugma/Salanpur	1.646
S.P. Mines	3.352
Rajmahal	10.381
Total	22.548

5.5 Spot 'e' auction forward e-auction:

Mode	2018-19			2017-18		
	Despatched Qty (in lakh tonne)	Gain over notified price (₹ in crore)	%age Gain	Despatched Qty (in lakh tonne)	Gain over notified price (₹ in crore)	%age Gain
Spot 'e' auction						
Rail	6.634	94.590	44.526	15.253	136.080	27.366
Road	18.170	504.100	85.224	15.332	238.720	48.581
Total	24.804	598.690	74.469	30.585	374.800	37.910
Forward e-auction						
Road	10.584	314.410	96.244	-	-	-
Total	10.584	314.410	96.244	-	-	-
Grand Total	35.388	913.100	80.761	30.585	374.800	37.910

5.6 Sales Realisation:

(₹ in Crore)

Particulars	2018-19	2017-18
Sales Realization	18527.72	16433.58

6.0 POPULATION OF EQUIPMENT (HEMM):

6.1 Population of Equipment as on 31st March, 2019 compared to 31st March, 2018:

Equipment	No. of Equipment as on	
	31.03.2019	31.03.2018
Dragline	1	1
Dumper	262	252
Dozer	84	82
Shovel	57	54
Drill	52	48

6.2 Percentage availability and utilisation of each type of equipment against CMPDIL norms during the year 2018-19 compared to previous year is as follows:

Equipment	Percentage Availability				Percentage Utilisation			
	CMPDIL Norms	2018-19	2017-18	Variation over last year	CMPDIL Norms	2018-19	2017-18	Variation over last year
Dragline	85	89.32	74.08	15.24	73	82.21	57.45	24.76
Dumper	67	80.26	83.56	-3.30	50	33.09	31.83	1.26
Dozer	70	75.20	74.47	0.73	45	21.62	23.53	-1.91
Shovel	80	80.30	79.16	1.14	58	46.48	47.00	-0.52
Drill	78	85.08	84.87	0.21	40	20.36	20.52	-0.16

6.3 Utilisation of equipment suffered mainly because:

Project	Constraints
Rajmahal	1. Due to concentrated working place, crowding of equipments and land acquisition problem.
	2. Poor reliability of 170T dumpers: 7 nos. of 170T dumpers are grounded as on 4 th April, 2019.
	3. Delay in procurement of 190T dumpers and 20 Cum shovel by CIL.
Sonepur Bazari	1. Availability of new 10 Cum shovel is adversely affected due to non availability of float sub-assemblies with OEM's store in India.
	2. Restricted dumping area.
Shankarpur	Working over underground, fiery face and difficult mining conditions.
Khottadih	1. Land acquisition problem due to resistance by villagers.
	2. Operation of HEMM in a confined strike length of mine-less working area due to land acquisition problem.
Mohanpur	Land acquisition problem and manpower problem at operational as well as maintenance departments.
Jambad	Land acquisition problem due to non-shifting of local inhabitants.
Rajpura	Restricted blasting due to nearness of villages.
Baramuri	Limited working space, narrow haul road for only one dumper to ply.

**6.4 New/Replacement equipment provided to OCPs in 2018-19 is as under:**

Equipment	Nos.	Project
Dumper	14	Rajmahal-6, North Searsole-1, Chitra-6 and Shankarpur-1.
Dozer	6	North Searsole-1, Chitra-2, Baramuri-1, Begunia-1 and Bonjemehari-1.
Shovel	3	Sonepur Bazari-1, North Searsole-1 and Chitra-1.
Drill	4	Mohanpur-1, Chitra-1, Shankarpur-1 and Dabor-1.

7.0 ENERGY CONSERVATION:**7.1.1 Power and Fuel Consumption:**

Sl No	Particulars	Unit	2018-19	2017-18
I	ELECTRICITY PURCHASED			
	a. Purchased Units	M.KWH	846.30	868.97
	b. Total amount paid to the supply agencies (Approx.)	` in crore	611.07	647.22
	c. Rate/Unit (Average)	`/KWH	7.22	7.45
	d. Specific Consumption of Electricity (Approx.)	KWH/Cum	5.29	5.85
II	OWN GENERATION (Through DG Sets)			
	a. Generated Units	Lakh KWH	6.98	6.79
	b. Unit generated per Ltr. of Diesel Oil	KWH/Ltr.	7.63	7.16
	c. Cost of Generation	`/KWH	6.73	7.94
III	DEMAND OF POWER			
	a. Average demand of power	MVA	172.34	165.96
	b. Contract Demand	MVA	183.22	189.40
	c. % Utilisation	%	94.06	87.63

7.1.2 Progress of Power Generation from Chinakuri Power Plant:

Through tendering, the job of repair/ refurbishment of the 3x10 MW Chinakuri Thermal Power Plant along with erection of 2 nos OHTL for evacuation of power has been awarded to M/s Imperium Energy Utility Services LLP. The repair/ refurbishment job has been completed and the final inspection is going on. Thereafter the trial run shall commence before the commercial generation. ECL shall save ₹ 7.80 Crore (for MGE of 1452 L.kwh (@ 53p/kwh) towards the energy output and shall earn annual lease rent of ₹ 4.54 Crore.

7.2 Energy Conservation & Audit:

In 2018-19, ECL had focused on energy conservation through improvement of power factor in most of underground mines. Also, steps are taken towards segregation of domestic load from industrial load.



7.3 Underground Machinery Performance:

The detail of Underground Machineries with productivity is given below:

Equipment	2018-19		2017-18	Remarks
	On Roll	Productivity (TPD)	Productivity (TPD)	
SDL	254	56	60	There is 6 % Growth in underground mechanized production compared to last year. Two Nos. of Low Height Continuous Miner commissioned during 18-19
LHD	40	88	101	
Continuous Miner	5	1354	1610	
Road Header	2	458	461	
Longwall	1	4430	6026	

7.4 Performance of CHPs:

As on 31st March 2019, the Major CHPs handled 16.4 MT and Mini CHPs handled 2.6 MT of coal.

7.5 Major achievements during 2018-19:

- Total Power Consumption of ECL has been reduced to 8463.04 L. kWh in FY: 2018-19 from 8689.70 L. kWh i.e. reduced by 2.61 %.
- Total Power Cost of ECL has been reduced to ₹ 611.07 Cr in FY: 2018-19 from ₹ 647.22 Cr in FY: 2017-18 i.e. reduced by 5.58%.
- Penalty towards power factor has been reduced to ₹ 51.85 lakh in FY: 2018-19 from ₹ 87.91 lakh in FY: 2017-18 i.e. reduction of 41%. For the rest points, paying power factor penalty, procurement of Capacitor Bank (1 no 225 kVAR for Mugma Area, 2 nos 600 kVAR for Rajmahal Area, 8 nos 450 kVAR and 9 nos 300 kVAR for different areas and ECL HQ, 2 nos 3x275 kVAR for Jhanjra Area) is under procurement process.
- Specific Consumption of total excavation has been reduced to 5.29 kWh/ CuM in FY: 2018-19 from 5.85 kWh/CuM in FY: 2017-18, i.e. reduced by 9.62%.
- ECL has taken step towards removal of own domestic supply to some units of Sodepur Area and simultaneously connected those load to WBSEDCL. ECL is paying bill amount for the on roll employees of company and thus saving considerable energy and power cost by avoiding unauthorized connection. The total consumption (industrial + domestic) of Parbelia and Ranipur colliery for March 19 is 5,12,773 kWh whereas the same was 11,63,228 kWh in March 2018. Thus, after segregation of domestic load the consumption has been reduced by 56%. The power cost has also reduced to ₹ 40,67,250 in March 19 compared to ₹ 1,00,33,744 in March 18, i.e. power cost has been reduced by 59.46%.
- The company is in a process of replacing the old and outdated steam winders by electric Winders. One steam winder at Pit No.10 of Khas Kajora has been converted to Electric Winder.

8.0 WELFARE AMENITIES:

Sl. No	ITEM	Cumulative Position as on 31.03.2018	Achievement During 2018-19	Cumulative Position as on 31.03.2019
1	Educational Facilities			
	a) DAV School	6	0	6
	b. i) No. of Schools receiving Recurring Grant – in-aid	162	0	162
	b. ii) Amount of Recurring grant - in-aid (₹ in Lakh)	5548.13	330.00	5878.13



c. i) No. of Schools receiving Non-Recurring Grant - in - aid	387	1	388
c. ii) Amount of Non-Recurring -grant-in-aid (₹ in Lakh)	307.04	5.00	312.04
d. i) No. of School sanctioned Ad-hoc grant	79	0	79
d. ii) No. of ad-hoc grant sanctioned (₹ in Lakhs)	69.60	0	69.60
e) No. of School Buses engaged	156	0	156
F. i) CIL SCHOLARSHIP No. of Scholarship & cash awarded	18287	681	18968
F. ii) Amount sanctioned (₹ in Lakh)	253.63	15.34	268.97
G. i) CIL scheme for Financial assistance to extend the Tuition Fees & Hostel Charges of the wards of Wage Board Employee studying in the Selected Engineering & Govt. Medical Colleges.			
G. ii) No. of wards of WBE sanctioned	615	96	711
G. iii) Amount sanctioned (₹ in Lakh)	151.48	43.17	194.65
2 Games & Sports amount spent (₹ in Lakhs)	529.16	66.27	595.43
3 Social & Cultural activities, amount spent (₹ in Lakhs)	83.77	3.37	87.14
4 Canteen	82	0	82
5 Banking Facilities -No. of Branches functioning	27	0	27
6 Co - Operative Societies			
a) Co-operative Credit Societies	74	0	74
b) Primary Consumer Co- operative Stores	30	0	30
c) Central Co-operative	4	0	4
d) Loan & Investment to Co-operative Societies (₹ in Lakh)	63.80	0	63.80

9.1 MEDICAL AMENITIES:

2 Central Hospitals, 7 Area Hospitals with total bed capacity of 822 and 112 Dispensaries extended medical services to the employees and their dependants. 110 Nos. of Ambulances were in service in these hospitals.

9.2 No. of persons referred to outside for treatment & expenditure incurred for their treatment and Villagers covered by Mobile Dispensary:

Particulars	2018-19	2017-18
No. of patients referred outside:	2828	2474
Health & family welfare programme:		
- No of camps	397	175
- No of beneficiaries	17546	19320
Villagers covered by Mobile Dispensary:		
- No of camps	1519	48
- No of beneficiaries	62756	4000
PME of Company Worker	9550	11888
PME of Contractual Worker	922	978
IME of Company Worker	657	769
IME of Contractual Worker	1254	2280

The company incurred an amount of ₹ 56.92 crore on account of medical referral outside the company hospital as against ₹ 34.70 crore incurred during last financial year.

10.0 CORPORATE SOCIAL RESPONSIBILITY:

Report on Corporate Social Responsibility pursuant to Section 135(2) of Companies Act, 2013 is presented in a separate section forming part of the Director's Report (**ANNEXURE-V**).

10.1 SOCIAL AMENITIES:

Since the inception, Eastern Coalfields Limited has taken up various activities for the welfare of its workers as well as development of people/communities living in the surrounding areas of the mines. In addition, lots of activities have been attended for the development of infrastructure, industrial structure, roads and railway sidings, residential building, water supply and other welfare activities etc. Brief description is as below:-

10.2 Building:

Major Building related works completed during the year are construction of School Building at Jhanjra Area and construction of 20 units B Type Quarters at Sonepur Bazari Project. For improvement of living conditions of the residents of the colonies, through repairing and upgradation of quarters is being taken up. During the year 2018-19, thorough repairing and upgradation of total 8938 residential quarters has been completed in different areas of ECL

10.3 Water Supply:

ECL has always given special attention for the improvement of potable water supply to the occupants of our residential houses as well as to the people of nearby communities. In the year 2018-19, total 04 nos. sets of pressure filter and electro chlorinators were commissioned at Kenda (2), Sodepur (1) and Mugma (1).

For gainful utilisation of surplus mine discharged water, 07 nos. R.O. filter plants each of capacity 5000 liter per hour were commissioned at Kunustoria, Satgram, Pandaveswar, Jhanjra, Kenda, Sodepur and Kajora. The treated water caters drinking water demands of the residents of nearby ECL colonies and also nearby villagers.

11.0 INFRASTRUCTURE DEVELOPMENT:

Dispatch of coal is one of the prime activities of ECL and it is being done effectively and efficiently. Coal is being dispatched mainly by the mode of roads and railways. ECL has taken proper steps in this regard. Detailed description of some works is as below:-

a. **Roads-** Some of the major coal transportation road works completed during the year 2018-19 are as under:-

Sl. No.	Name of Work	Value of Work (in ₹ Lakh)
1	Construction of PCC road from Mukundapur Railway Gate to Parascole East Bunker, Kajora Area. (Length - 800 metres)	87.68
2	Construction of coal transportation road from Khas Kajora 6 no. Pit to Madhusudhanpur Railway Siding under Kajora Area. (length - 3000 metres)	199.97
3	Strengthening and black topping of road from Madhabpur Dispensary to D.B. Road Junction (way to Jambad) Kajora Area, ECL. (Length - 2350 metres)	168.34
4	Strengthening and widening of existing coal transportation road from Belbaid Colliery via. Belbaid Railway Siding under Parasea Group of Mines, Kunustoria Area. (550 metres +3650 metres)	157.85
5	Construction of black top road behind Bahula Siding at Bahula Colliery under Kenda Area, ECL. (length 1200 metres)	300.01



6	Renovation of coal traffic road from 27 no. 5/6 incline to 25 no. incline road under Hariajam Colliery, Mugma Area.	285.96
7	Construction of coal transportation road for Dalurbandh OC Patch (phase 3) under Pandaveswar Area.	63.99
8	Strengthening and black topping of road from Khottadih UG CHP to Bilpahari More under Khottadih Colliery under Pandaveswar Area	70.76
9	Widening & strengthening of coal and sand transportation road from Junction Point of SRG New Patch Amkola to 25 no. Bunker at Nimcha Colliery under Satgram Area	81.45
10	Construction of road from Coal Depot to existing coal transportation road near CHP under Sonapur Bazari Project, ECL	164.50
11	Construction of haul road from kali Mandir Junction to Bazari Village (1.6 km) under Sonapur Bazari Project	361.86
12	Construction of peripheral road 2460 Metre with 06 nos. culverts to connect Nabagram Village under Sonapur Bazari Project	281.81
13	Construction of light vehicle road along the North Side of coal transportation road from NHS-1 More to MIC under Jhanjra Area	164.79

b. Railway siding infrastructure: Some of the major railway siding infrastructure development works completed during the year 2018-19 are as follows:-

Sl. No.	Name of Work	Work order value (in ₹ lakh)
1.	Construction of wharf wall at No. 1 Railway Siding of Bankola Colliery under Bankola Area.	111.25
2.	Renovation of RCC wharf wall of POCP Railway Siding, Jhanjra Area ECL	117.64
3	Extension of no. 1 railway siding including construction of RCC boundary wall & Diversion Road of Bankola Colliery.	100.50
4	Construction of RCC Wharf wall (pile foundation) at Bansra Railway Siding under Kunustoria Area ECL (750 Metre)	145.40

c. Mine related infrastructure works: Some mine related infrastructure works completed during the year 2018-19 are as under:-

Sl. No.	Name of Work	Work order value (in ₹ lakh)
1.	Construction of RCC drain around Bouri Para Rehab under Khottadih OCP, Pandaveswar Area	129.79
2.	Construction of RCC Roof support of main incline of Khottadih Colliery under Pandaveswar Area.	177.06
3	Construction of sand stowing bunker of 250 cum with water storage tank (capacity 1,00,000) for hydraulic sand stowing in J-12 depillaring panel of Pandaveswar Colliery	51.45
4	Making of earthen embankment and precast pitching at vulnerable points including hume pipes at existing culverts for Singaran Jore at New Kenda under Kenda Area	45.20

12.0 SAFETY:

In ECL, highest priority is given towards safety, which is considered as a part of core production process. ECL is aiming to achieve zero harm policy. To improve the safety standards, ECL has vigorously pursued several measures during the year 2018-19.



12.1 Accident Statistics for the year of 2018-19:

YEAR	2018-19*	2017-18*
i) Fatal Accidents (Nos.)	05	09
ii) Fatalities (Nos.)	05	09
iii) Serious Injuries (Nos.)	21	24
iv) Fatality/Million Tonne output	0.099	0.207
v) Fatality/3 Lakh Man-shifts	0.107	0.187
vi) Serious Injury / Million Tonne Output	0.418	0.550
vii) Serious / 3 Lakh Man-shift	0.450	0.498

(* subject to reconciliation with DGMS)

12.2 Safety Awareness Activities:

- Road March has been conducted in different areas to generate awareness of safety and health at mines. Banners and Posters related to urge and enhancement of safety have been displayed at all conspicuous places.
- Several safety related workshops were organized at all the areas of ECL which includes workshop attended by SIMTARS trained executives of CIL. A workshop on Mining Technology and Safety was conducted on 16th February, 2019 by AKS University, Satna in association with Indian Mining & Engineering Journal.
- Safety Week has been observed in December 2018 at all the mines of the company wherein status of safety of every mine was evaluated.
- Inter-Area Safety Audit has been conducted at all the mines wherein team from an area checked and suggested on the safety status of the mines of another area.
- Mock rescue and recovery rehearsals have been organized in different mines during the year.
- Safety Committee meetings at all the mines have been regularly held every month. Area level bi-partite meetings have been regularly held to discuss issues forwarded by the safety committees. Area level tri-partite meeting has been conducted at 13 areas in presence of DGMS officials. Corporate level Bipartite Safety Board meeting held in the month of June and November 2018. 58th Corporate level Tripartite Safety Board Meeting, the highest level meeting on safety of the company was held on 18th September, 2018.
- Final day celebration of Annual Safety Week 2018 successfully conducted. Skilled workers were selected through three tier trade test and have been rewarded in the function.
- ILO day for safety and health at work was celebrated for the first time on 28th April, 2018 at all areas and HQ.

12.3 Special Achievements:

- Four numbers of Gas Chromatographer has been procured which will cater the need of all the 10 underground areas.
- Seven numbers of Ground vibrations monitoring instrument have been procured.
- 18 nos. of Local Methane Detectors have been procured.
- Rate Contract for spares of Lead-Acid type Cap lamps has been concluded.
- 10650 nos. of LED cap lamp sets are under procurement through GEM portal & 15000 nos are in process against Risk Purchase procedure.
- Winding engine of Khas-Kajora Colliery, running on trial after conversion has been successfully commissioned. Stability test report has been submitted to DGMS for final approval.



- g. 9 copies of AutoCAD software and 7 nos. Of Colour Plotters have been procured and distributed for pre paring accurate Digital Mine plans.
- h. Man-riding system has been installed in two mines. The total number of mines with man riding system now became 05.
- i. Synthetic Aperture Radar (SAR) has been installed through a research project to monitor OB Dump stability.
- j. 515 inspections have been carried out by the ISO executives in different mines of ECL during the year 2018-19 to observe and discuss on safety status of the mines.
- k. Company level Safety Board Members, representing the operating trade unions, along with ISO executives have inspected all the mines once during the financial year.

12.4 Monsoon Monitoring:

Special drive in respect to Monsoon Preparedness was done in the month of February, 2018 by the Nodal Officers / In-charge of Areas of safety department along with the Colliery Management and status of implementation has been monitored at regular interval during the year 2018-19. A Control Room opened at Head Quarter, ECL from 10.06.2018 to 15.10.2018 on 24X7 basis which was manned by Executives provided with telephone & vehicle for their movement keeping close liaison with Area Control Rooms operating in all Areas. Close liaison is maintained with the Chief Engineer (Hydel), DVC, Maithon for getting 'Flood Warning Message' whenever Panchet and Maithon dams release flood water to cause rise of HFL of rivers. Close liaison is also maintained with the Director, Indian Meteorological Department, Alipur, Kolkata and the Director, Area Cyclone Warning Centre, Alipur, Kolkata for obtaining 'Weather Forecast Report' over Telephone & FAX for alerting the Areas to be affected by heavy Rain/ Thunder/ Shower.

12.5 Safety trainings imparted during the year 2018-19:

Sl. No	Type/ Title of training	No. of programs	Total No. of participants	Institute
1	Two week structured training for frontline supervisors	2	45	MTS, Dhadka
2	Coaching for Mining Sirdarship Examination	2	41	
3	Refresher for Mining Sirdar	2	41	
4	Coaching for 2nd class Exam	1	12	
5	Coaching for 1st class Exam.	1	16	
6	Coaching for surveyor ship	1	05	
7	Coaching for Elect. Supervisor	2	19	
8	Safety Engineering for Min./E&M/ Exc. Executives	1	12	MTI, Ratibati
9	Orientation course for Workman Inspectors	3	36	
10	Safety Engineering for Min./E&M/ Exc. Supervisory Personnel	3	39	
11	Refresher course of statutory Engineering personnel	2	18	
12	Structured training for frontline supervisors on safety management	2	19	
13	Roof bolting for mining supervisory personnel	2	17	
14	Safety and productivity for face workers	2	19	
15	Skill Development in Roof Bolting	4	60	
16	Safe operation and maintenance of SDL / LHD	2	22	

12.6 Rescue Services in ECL:

Rescue Services have been rendered to all collieries of ECL, Chanch Victoria Area of BCCL, Ramnagar Colliery of IISCO as well as to Civil Administration and Public Authorities (as and when required) through Mines Rescue Station, Sitarampur, Rescue Room with Refresher Training (RRRT) Kenda and Rescue Rooms operating at Jhanjra and Mugma.

12.7.1 During the year Emergency Attended/Rescue Services dealt fire/spontaneous heating in the following Mines successfully:

Sl. No	Colliery/place of occurrence	Area	Date	Nature of occurrence/job
1	Nabakajora	Kajora	21.04.2018	Re-opening of sealed off area
2	CM Ghusick	Sripur	22.05.2018 to 23.05.2018	One dead body recovered from abandoned pit
3	New Satgram	Satgram	09.06.2018 to 10.06.2018	One dead body recovered from abandoned pit
4	Satgram Incline	Satgram	23.08.2018	Re-opening of sealed off area
5	Parascole (West)	Kajora	10.08.2018 to 11.08.2018	Re-opening of sealed off area
6	Jambad U/G	Kenda	29.10.2018 to 30.10.2018	Re-opening of sealed off area
7	Jambad U/G	Kenda	16.11.2018	Dealing with fire
8	Madhusudhanpur	Kajora	25.12.2018 to 26.12.2018	Re-opening of sealed off area
9	Kapasara OCP	Mugma	23.01.2019	One dead body recovered

12.7.2 Training:

Refresher as well as initial training was imparted at Mines Rescue Station regularly, details are as follows:

Details	2018-19	2017-18
No. of active rescue trained personnel	544	595
No. of personnel freshly trained	59	48
No. of Refresher practices	4988	5209
No. of Emergencies	09	07

12.7.3 New apparatus/equipment purchased:

Sl. No.	Details	Numbers purchased
1.	Multi-gas Detector	04
2.	Digital Thermometer Gun Type	03
3.	Bore hole sample collection suction pump with fitting	01
4.	Bore Hole Pyrometer	01
5.	Modern Stretcher	07

12.7.4 Zonal Mines Rescue Competition:

Zonal Mines Rescue Competition, Eastern Zone, for the year 2018-19 was held on 9th and 10th October, 2018 in which 10 (ten) Nos. rescue teams from different areas of ECL took part.



12.7.5 All India Mines Rescue Competition (Coal & Metal):

49th All India Mines Rescue Competition (Coal & Metal) was conducted at Mines Rescue Station, Sitarampur from 10th to 13th December, 2018. Total 23 nos of Rescue Teams from different Coal and Metal companies took part in this competition. Two teams from ECL also took part in that competition and won Overall Best, 3rd Overall Best, Best in FAB, 2nd Best in FAB, Best in Rescue & Recovery & 2nd Best in Rescue & Recovery event.

12.7.6 Budget Provision for Mines Rescue Station:

Particulars	Capital Budget (₹ in Lakh)		Revenue Budget (₹ in Lakh)	
	2018-19	2017-18	2018-19	2017-18
Sanctioned	511.68	341.56	2051.30	1678.38
Expenditure	176.58*	86.32	2016.19	1602.83

* Procurement of 36 nos. SCBA for an estimated value of ₹ 234 Lakh is under process.

13.0 QUALITY CONTROL

13.1 Weighment Status:

In 2018-19, quantity weighed in EPS for supplies account Power houses & others compared to last year is given below:

(Figures in Million Tonnes)

Details	2018-19			2017-18		
	Power	Other Consumers	Total	Power	Other Consumers	Total
Quantity Dispatched	46.886	3.337	50.224	39.892	3.542	43.434
Quantity Weighed under EPS	46.199	3.337	49.536	39.026	3.542	42.568
Weighment % under EPS	98.53	100	98.63	97.83	100	98.01

13.2 Sizing Status

The total despatch of coal in 2018-19 was 50.224 Million Tonne of which the despatch to the power sector was 46.886 Million Tonne. In despatches from sidings other than CHP/FB facility, sizing was done by dozer and thus 100% mechanically crushed coal was supplied to power stations. There have been 100% sized coal dispatches through alternative methods. 100% crushed coal of size -100mm is being dispatched from ECL The details are given below:

(Figures in Million Tonnes)

Sizing of Coal	2018-19			2017-18		
	Power	Others	Total	Power	Others	Total
Quantity Sized in CHP/FB (L/T)	46.886	3.337	50.224	39.768	3.666	43.434
%	100	100	100	100	100	100
Total sized %	100	100	100	100	100	100

14.0 VIGILANCE ACTIVITIES

Vigilance Department assists to ensure transparency, non-discrimination, accountability and efficiency of the management function in ECL. Numerous Vigilance activities throughout the year have got the prime role to reflect the 'Transparent and Rational' image of the functioning of the Organisation. Several bold and innovative ideas

have been taken in last year to develop faith among various stakeholders of ECL. A huge number of complaint based investigation has been conducted by the Vigilance Department of ECL throughout the year and as a result various lapses / irregularities have been pointed out. To combat those lapses/irregularities, a significant number of improvements of the prevailing systems have been implemented. Moreover, to bring more clarity in accountability, transparency and rationality of the functioning of company, several instances of irregularities/lapses, committed purposefully with mala-fide intention were considered very seriously and in numerous cases, it ended in awarding penalty to the delinquent officials. A large number of Intensive Examinations covering various departments have also been carried out to check lapses, if any and in some cases it has ended as 'System Improvement'. Modern I.T. initiatives and e-governance have been implemented in different areas of ECL by regular supervision and monitoring of the Vigilance Department.

14.1 Preventive Vigilance:

A significant number of surprise inspections in different Areas/Units of ECL were conducted by the Vigilance Department, during 2018-19 to cover-up the entire spectrum of the functioning of the company. Moreover, a large number of Vigilance awareness-cum-motivational programmes have been organized throughout the year among various Stakeholders covering a significant number of beneficiaries. In majority of cases, prevailing systems have been studied thoroughly and whenever necessary, different "System Improvement" measures have been implemented to improve the existing system and at the same time to plug the lapses of the existing system as a part of 'Preventive vigilance'. Such sincere effort has been reflected remarkably on the work culture of the Organisation.

SI No	Subject	2018-19	2017-18
i	Number of Surprise check/Inspection conducted along with periodical check	58	65
ii	Vigilance awareness cum motivational programmes		
	a. Awareness programmes with internal faculties	18	21
	b. Competitions, Essay/Debate/Painting / Nukkad Nataki/ cultural Programme etc.	23	07
	c. Seminar/Workshop with external or internal faculties	03	01
	d. Awareness Gram Sabhas	01	02
	e. Motor Cyclathon Rally	01	01
iii	Intensive examination	08	08

14.2 Measures taken for improvement:

The following Systemic Improvement measures have been undertaken during the year 2018-19 for:

- Release of performance bank guarantee (PBG) criteria in NIT & Purchase Order for purchase of any machinery/equipment.
- Acquisition/possession of land as well as processing of employment against land.
- SOP to be followed at Diesel Dispensing Units in respect of receipts, issue & consumption of diesel.
- Resettlement and Rehabilitation Policy of ECL.
- E-auction software to accommodate procedure delays.
- Civil works under Corporate Social Responsibility (CSR) activities.

14.3 Punitive Vigilance:

To establish as well as to maintain the fair and transparent image of the functioning of the Organisation the instances of irregularities committed purposefully with mala-fide intention were considered very seriously and dealt with firm and exemplary punitive measures taken under the relevant Conduct Rule. As a result total 14 (Fourteen) officials were awarded various penalties.

14.4 Leveraging Technology:

Following initiatives have been undertaken by the Vigilance Department towards leveraging technology for improvement of transparency and capability of the organization:

Sl. No	IT Initiative	Status/Remarks
1	GPS/GPRS based Vehicle Tracking System	1479 GPS devices have been fitted in available Coal trucks. Control room is operational in all fourteen areas and in HQ. Tracking of vehicle is going on.
2	Electronic Surveillance by CCTV	1366 nos. of CCTV cameras installed in ECL. Out of 120 Nos. of Coal Heaps, CCTV installed at 114 nos. of Coal heaps. Total Number of CCTV Camera at Coal heaps is 349.
3	RFID based Boom Barriers & Readers	Installed (mechanical part): 77 nos.
4	Weigh Bridge Status	Road- 95 & Rail-11 Installation Completed.
5	Wide Area Networking (WAN)	Link Established in 135 Locations
6	CoalNet Application	<p>Online Material Management System-Implemented in all Area stores except Rajmahal where OMMS is running on oracle based system. Implementation process has started.</p> <p>Financial Accounting System: Implemented in all areas except Rajmahal, MRS, Kalla, Poniati, Ratibati for which parallel run are going on. Cost sheet sub-module in FAS implemented in all Areas.</p> <p>Personal Information System: Implemented in ECL HQ.</p> <p>Payroll: Non-executive payroll implemented in ECL HQ, Sonepur Bazari, Kunustoria, Kolkata Sales Office and Jhanjra Area. Executive payroll implemented in all areas.</p> <p>Sales: Rail sales Module Implemented in all areas. Road Sales GST compliant Tax Invoices are being generated from CoalNet in all areas.</p> <p>VVIP Reference: Implemented in ECL HQ.</p>
7	Online Leave Management System	Implemented in all areas for executives.
8	Mobile Apps 1. Bill Tracking System 2. Online Grievance (NIDAN), 3. Swachha Vidyalaya, 4. Road sales (Grahak Sadak Koyla Vitran) 5. Environment	Implemented
9	Geo Fencing of Mine Boundaries	Implemented in all Areas of ECL.
10	Inter Area Network Connectivity (LAN/ WAN)	All Area of ECL connected with HQ and Kolkata Sales Office.
11	Biometric Attendance	Payroll data is Linked with Biometric Attendance for company employee. Out of 7712 contractual employee, 6418 nos. are covered under Biometric Attendance.
12	Auto Refund of EMD	Implemented
13	Reverse Auction	Implemented for estimated Contract Value of more than ` 1 Crore.
14	3D TLS	Installed at Rajmahal and Sonepur Bazari.

14.5 Implementation of Integrity Pact Programme:

Integrity Pact has already been implemented in ECL and it is in vogue.



14.6 Observance of Vigilance Awareness Week:

ECL celebrated Vigilance Awareness Week from 29.10.2018 to 03.11.2018 as per directives of Central Vigilance Commission. This year the theme of observing Vigilance Awareness Week was “Eradicate Corruption - Build a New India. Pledge was administered all across the company. Nukkad Natak was performed by the students of D.A.V. School, Nimcha. On this occasion a Motor Cyclathon was also organized. On 31.10.2018, a ceremony to reverently remember Sardar Vallabhbhai Patel on the occasion of his 143rd birth anniversary was also organized. CMPF workshop/grievance redressal camp was conducted by ECL along with CMPF Regional Commissioner including representatives of different Trade Unions at Sonepur Bazari Area. On 01.11.2018, Essay writing competition / Slogan competition / Poster competition / Skit etc. was organized by Vigilance Department at different Areas of ECL, Gupta College of Technological Sciences, Asansol (Essay and Sit-n-Draw) & various Schools. On 02.11.2018, Awareness Gram Sabha was organized at Sonepur Bazari Area for dissemination of awareness in Gram Panchayats (Chinchuria Village - Dangal Para and Sukanta Palli) sensitizing citizens on the ill effects of corruption and lectures by Vigilance officials followed by discussion. On 03.11.2018 at 11:00 AM, a Seminar was organized at the Officers' Club, Jhalbagan, ECL HQ on “Eradicate Corruption- Build a New India” in which Sri Deepak Verma, DIG CISF, ISP Burnpur was the Guest Speaker. Banners and posters with anti-corruption slogans were displayed at strategic points in ECL HQ and all the areas / units / establishments/public places like ATM, Petrol Pumps, etc.

14.7 Important Achievements:

- The Central Vigilance Commission conferred 'Excellence' award under the category “Timely completion of Disciplinary Proceedings” to ECL in the year 2018.
- Several IT initiatives and e-governance, initiated last year, became the pioneer in introducing discount bidding.
- By integrating vigilance activities with normal management functioning, the Company has gained in terms of morale boosting of employees and other stake holders by regular interaction in awareness cum motivation programme. This has been reflected remarkably in production and productivity.
- Regular monitoring by Vigilance Department has helped to check over-reporting and also in recovering a large quantum of monetary gain as penalty from the defaulters.
- An amount of ₹ 2868327.26 was recovered/saved as a result of various surprise inspections and CTE inspection undertaken by Vigilance department, ECL during the F.Y. 2018-19.
- Mission 'JATAYU' was launched on the concluding ceremony of Vigilance Awareness Week, 2018. The mission 'Jatayu' is elaborated during Awareness Programmes which is conducted at different areas throughout the year. The theme of 'Jatayu' is FITE i.e. Fairness, Integrity, Transparency & Equality.

15.0 PARTICULARS OF EMPLOYEES:

None of the employees received remuneration in excess of limits prescribed under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 under Chapter XIII of the Companies Act, 2013.

16.0 OFFICIAL LANGUAGE IMPLEMENTATION:

ECL HQ and its 11 Areas are situated in 'C' region (West Bengal) where 86% employees are posted. Only 03 Areas are situated in 'A' region (Jharkhand). During 2018-19 the percentage of Hindi correspondence has been recorded as 56.08% in Region 'A', 50.46% in Region 'B' and 55.42% in Region 'C'. All the computers of HQ, as well as Areas have been activated with Unicode and thus made able to work in Hindi. The officers and employees of each department were trained to work in Hindi in computers so that the growth in Hindi correspondence could be accelerated. The practice of sending online Quarterly Progressive Report regarding Official Language to Ministry of Home Affairs, Govt. of India is continuing.

During 2018-19, Hindi Pakhwara was organized from 1st September to 14th September, 2018 in HQ as well as Areas and various competitions were organized for Hindi-speaking and Non-Hindi speaking employees separately. On the occasion of 'Hindi Pakhwara Samapan Ewam Puraskar Vitran Samaroh', on 14.09.2018, along with the



senior officials of the company, the chief speaker of the occasion Dr. Krishna Kumar Srivastava, Associate Professor (Hindi), Asansol Girls' College, all Functional Directors were present. The Areas and the Departments of HQ having better performance in the field of Official Language Implementation have also been awarded during the Pakhwara.

During 2018-19, 15 workshops were organized. Akhil Bharatiya Hindi Kavi Sammelan was organized on 26.03.2019 in which the poets of all India level addressed the audience. Mr. Subodh Kumar, Honorable Joint Director (Rajbhasa), Ministry of Coal, Govt. of India visited ECL HQ on 1st and 2nd March, 2019 to inspect the status of Official Language Implementation in ECL. Mr. Kumar praised the activities done and accorded some valuable suggestions to make it better. The Company ensured the presence in the meetings of Hindi Salahkar Samity of MOC, Gol held on 02.01.2019. ECL organized the 60th TOLIC meeting on 28.11.2018.

Two issues of 'JYOTSNA' (Company's Hindi home magazine) were published during 2018-19. Apart from this, a yearly Hindi Magazine named 'URJA SHROT' was published from Salanpur Area of ECL. The publication of a Wall Poster "ECL SAMACHAR" in Hindi is continuing in which different news of ECL & achievements of the employees etc. along with photographs were published. ECL DARPAN (Bimonthly bulletin, Bilingual - Hindi and Bengali) has been published regularly and its 06 issues have been published during 2018-19. Apart from that, Hindi essays and other matters have been published in various magazines, i.e. 'Chetna', 'Sachetna', 'Jagriti' etc. published by different departments. Team ECL won the First Position amongst 42 teams in quiz competition organized by TOLIC Head Office for its members.

17.0 COMPUTERISATION & I.T. ENABLED SERVICES:

17.1 Activities of e-Tendering Cell in ECL:

- During 2018-19, a total of 4365 tenders were published on CIL e-Tendering portal i.e. <https://coalindiatenders.nic>. in out of which a total of 2873 tenders were finalized, 469 were cancelled and the rest are at different stages of finalization.
- In-house & remote training/assistance were imparted to areas/workshops using different modern software tools like hangouts, Team Viewer, Ammay Admin, any desk pertaining to processes involved in e-Tendering.
- Interaction programme with 42 newly joined Management Trainees (MT) and existing Officers/Staff with respect to e-Procurement activities and guidelines had been conducted at HRD.
- Digital Signature Certificates (DSC) have been arranged for 85 officers of different areas and workshops including HQ during 2018-19.
- Average cycle period of completion of tender through e-Tendering portal has been maintained at an average of 90 days in 2018-19. Minimum cycle period of completion of tender through e-Tendering portal is 15 days.

17.2 Special Achievements:

- CoalNet: CoalNet application software has been implemented in Central Server at ECL HQ.

CoalNet Module	Implementation Status
Finance	Implemented in all Area, Stores, Workshops and other establishments like Mines Rescue Station and Kalla Central Hospital.
Material Management	Implemented in all Area Stores and Workshops.
Sales Module (Road & Rail)	Implemented in all Area and weigh bridges.
PIS Module	Implemented centrally at ECL HQ.
Payroll Executive	Implemented in all Areas of ECL.
Payroll Non-Executive	Implemented in ECL HQ, Kolkata Sales Office, Kunustoria, Jhanjra, Sonepur Bazari, Sodepur, Mugma, Salanpur and S.P. Mines.



CoalNet Module	Implementation Status
New Addition in Finance Module	1. Cost Sheet preparation through CoalNet. 2. DR-CR note generation through CoalNet. 3. Land Looser Delivery Order generation. 4. Bank Guarantee Monitoring System.

b. Mobile Applications development:

Name of Application	Description
ECL Bhandaran Stithi	Stock position of any item across all stores of ECL can be viewed using this application.
Environment	Forest Clearance, Environment Clearance and other environmental activities of ECL.

18.0 ELECTRONICS & TELECOMMUNICATION:

In order to keep pace with advancement of communication and information technology, Wide Area Network in MPLS cloud are spread across HQ (Bandwidth-100 MBPS), all area offices (Bandwidth-10 MBPS), Kolkata Sales Office (Bandwidth-10 MBPS), all weighbridges (Bandwidth-2 MBPS), Central & Area Stores (Bandwidth-2 MBPS), Central Workshops (Bandwidth-2 MBPS) and Central Hospital (Bandwidth-2 MBPS) totaling to 135 locations. Lease Internet Lines are there in HQ, all Area offices and Rail weighbridges with Bandwidth of 55 MBPS, 4 MBPS and 1 MBPS respectively. Upgradation of underground mines communication by Auto-cum-manual dial communication system increased to total 30 underground mines. Open Cast Mines are provided with VHF radio communication system.

Thirteen new additional Wide Area Network connections are included to Road Weighbridges, Central & Area Stores, Central Workshops and Central Hospital. Six sets of new upgraded Auto-cum-manual dial communication system for underground mines have been procured. Video Conferencing System is in place throughout the company for better and efficient communication.

19.0 LAND ACQUISITION & LAND INFORMATION STATUS:

19.1 i) Status of Land Acquisition:

The status of land acquisition/possession under different modes for the year 2018-19 is as under:

Mode of Acquisition	Acquired (in Ha)	Possession (in Ha)
Direct Purchase of Tenancy land	102.47	110.03
L.A. Act / RFCTLARR Act	Nil	5.41
CBA Act	30	152.547
Transfer of Govt. Land	Nil	57.984
Transfer of Forest Land	Nil	Nil
Total	132.47	325.971

19.2 Transfer of Government Land: West Bengal:

A. Cases of transfer of Govt. land already approved by the State Government in current year:

Area	Project	Quantum of Land (Acres)
Bankola	Sarpi	1.13
	Ukhra	15.42
Kunustoria	Egara	7.18
Salanpur	Sarishatali & Jamgram	11.62



B. Cases of transfer of Govt. land are pending for approval from State Govt.:

Area	Mouza	Quantum of Land (Acres)
Kenda	New Kenda	2.81
	Bonbahal	8.81

Jharkhand:

In Chitra East OCP, for transfer of total 137.02 acres of land consisting of 95.75 acres of Government land and 41.27 acres of Gochar land, State Govt. demanded ₹ 43,55,42,372/-, which has been deposited on 19.02.2019.

Approvals obtained from Ministry of Coal:

- Some villages' falls under Quarry-2 area of New Kenda OCP of Kenda Area are to be rehabilitated. These villages fall under Raniganj Master Plan having unstable location nos. 65 & 80. A proposal for handover of 4.83 acres of land to ADDA, implementing agency of Raniganj Master Plan, has been approved by MoC, GOI for rehabilitation of the PIC (Photo Identity Card – Issues by ADDA) holders of said unstable locations as communicated through letter dated 21.02.2019.
- NOC has been granted for transferring approximately 18 acres of land to CISF on lease at Sidhabari mouza for establishment of CISF Reserve Camp & Training Centre.

19.3 Progress under CBA (A & D) Act, 1957:

Name of project	District / State	Area	Date of Application	Status
Jhanjra Combined Project	Pashchim Burdwan, WB	30 Ha	31.03.2017	a) Nomination u/s 4(1) vide S.O. no. 1254 dated 19.03.2017 & 7(1) vide S.O. no. 1103(E) dated 09.03.2018 published in Gazette of India. b) Notification u/s 9(1) published in the Gazette of India vide S.O. no. 1278 dated 30.08.2018. c) Notification u/s 11(1) published in the Gazette of India vide S.O. no. 175 dated 28.01.2019.
Amarkonda-Murgadangal	Dumka, Jharkhand	767.77 Ha	20.02.2019	Online application for notification u/s 4(1) submitted to MoC on 20.02.2019 for publishing in Gazette of India. The same has been sent for publication in official Gazette on 28.03.2019.

19.4 Status of Rehabilitation:

During the year 2018-19 following action has been taken in respect of Rehabilitation:

Name of Area	Plots Given	Monetary Compensation in Lieu of Plot	Actual PAFs shifted
Sonepur Bazari	698	105	0
S.P. Mines	0	0	0
Pandaveswar	235	161	0
Rajmahal	0	9	0
Kunustoria	0	0	13
Total	933	275	13

19.5 Special Achievements:

- Searching of Land Records & collection of certified copies of Deeds in respect of inherited lands of ECL:** Certified copies of deeds for approximately 3800 acres in 52 mouzas ranging from the period 1950-1971 has been collected from the office of District registrar, Purba Bardhaman.



ii. Systems Improvement:

- (iii) **Resolving issue of Procuring & Mutating Debottar lands:** There was no well-defined policy/procedural guideline for dealing with Debottar land. Matter was pursued with the various State Authorities of Govt. of West Bengal through several meetings & discussions. Finally, Principal Secretary/LRC, WB on 17th August, 2018 & Secretary, Land & Land Revenue, Govt. of WB on 29th September, 2018 issued directives for procedure for purchase of Debottar lands.
- (ii) **Resolving issue of Recording of lands included in Appendix A-1 of Report of Assistant Settlement Officer, Govt. of West Bengal who Carried Out Survey under West Bengal Estate Acquisition Act in favour of ECL:** The matter was uploaded in PMG Portal. Several meetings were held with various State Govt. Authorities and Central Govt. Authorities as well. Principal Secretary/ LRC, Govt. West Bengal, issued directives on 29th September, 2018 for resolution of the issue and directed ECL to submit application for LTS and Collector would issue ROR after due verification of the same w.r.t. encumbrance free A-1 land.

20.0 SECURITY MANAGEMENT:

The aim of Security Department is to protect men and materials of the company and to curb coal theft & illegal mining activities. Company is having 03(three) type of Security set-up:

- | | |
|-------------------------|-----------------|
| 1. ECL Security | - 2089 persons. |
| 2. CISF | - 1027 persons. |
| 3. Contractual Security | - 1500 persons |
| 4. Home Guard | - 170 persons. |

ECL Security:

The main duty of ECL Security is to guard the company's property i.e. Stores, Office, Explosive Magazines, Coal Depots/ Sidings, Colonies and escorting of VIPs as and when required by the Management. Escorting of loaded Railway Rakes, Tipping Trucks /Dumpers from Coal Depot/Siding to Railway W/Bridges till the weighment is done. The raids are conducted, as per information and intelligence gathering, by our security personnel, CISF alongwith local Police, accordingly seizure of coal alongwith involved trucks /vehicles and apprehension of miscreants. The same is handed over to the local Police Station and FIR is lodged accordingly. ECL Security Personnel are also deployed during the time of strike/gherao/demonstration/hunger stike and any type of law and order problem in ECL Area.

Contractual Security:

The Contractual Security personnel are deployed along with ECL security to augment the security arrangements.

CISF:

CISF is deployed for static duty at Rajmahal, Sonepur Bazari, SP.Mines. Besides they are having camps at Mugma, Salanpur, Sripur, Kunustoria, Pandavewar, Kalidaspur and Satgram Area. They remain on mobile duty to conduct raids against illegal mining, illegal trafficking of coal and illegal coal depots and are also deployed during Strike/Gherao in the colliery/Area.

Home Guard:

170 Home Guards are deployed along with ECL Security in Mugma, SP. Mines, and Rajmahal Area.

Basic Problems of Security:

- Shortage of security executives & other ranks of Security personnel which is required to be filled at the earliest in all Areas as well as in headquarter
- QRT/Surveillance vehicles need to be equipped with security Gadgets like PTT Motorola Communication Set

Steps taken for revamping of security at ECL:

- Requisition of 700 CISF personnel have been sent to CISF HQ. These persons are exclusively for Explosive Magazine of ECL out of which 210 CISF, have been approved by Ministry of Home Affairs.
- Around 800 other category personnel are converted to Security Guard (T) and posted in different Areas.



- c. Agencies have been contacted for installation of CCTV and other machines like RFID and Boom Barrier at Railway Siding.
- d. A mechanism to collect the seized coal from local Police Stations has been devised. ECL has received seized coal from different Police Stations.
- e. Training schedule for Security Guard (Trainee) now in process with the State Police Administration of West Bengal and Jharkhand for their basic training.

Steps being taken to check/prevent the illegal mining/transportation of coal:

- a. Intelligence collection
- b. Dozing off/filling up/sealing the illegal coal mining sites and subsidence area by departmental Pay Loaders/Dozers and sometimes contractually.
- c. Surprise checks /raids by CISF, ECL Security along with Police and seizure of illegal coal /illegal trafficking of coal along with involved vehicles and apprehension of miscreants and subsequently handed over to the same to the local Police station.
- d. Meeting with State Authorities of WB and Jharkhand State and District level meeting (Burdwan, Bankura, Purulia and Birbhum of West Bengal and combined District level meeting of Jharkhand) with District Authorities to curb illegal mining and coal theft.
- e. The concerned Police Stations are advised by District Authority and Sub-Divisional Authority to increase their vigil check to stop re-opening of the dozed illegal mining spots.
- f. Frequent inspection by Area Team consisting of GM, Area Survey Officer, Area Security Officer along with CISF officials to the affected sites and accordingly meetings are held in the Commandant, CISF Office regularly.
- g. For logical conclusion of the cases which are pending in Court, ECL has engaged lawyer to follow up these cases.
- h. Discussion has also been made with Public Prosecutor in lower Court and Session Court of Asansol to take necessary steps for speedy trial of the case pending in the Court.

Steps taken to check/prevent theft of coal:

- a. Surprise checks/raids are conducted by ECL Security along with CISF personnel/Private Security to prevent theft of coal. During the course of checks/raids, they seized coal, apprehended miscreants and FIRs lodged to local Police Stations.
- b. Armed Security personnel escorting coal loaded rake from Siding to Railway Weighbridges.
- c. ECL has engaged panel lawyer to pursue the case in the Court of Law, who in consultation with Public Prosecutor will try for logical conclusion of all the cases in the Court of Law.
- d. GPS based vehicle monitoring system introduced at all the Areas is a step to curb theft of Coal.

20.1 Details of Seizure of Illegal Trafficking Coal and Illegal Mined Coal by CISF, ECL Security, DGR sponsored security personnel and Local Police:

Year	State	No. of Raids	Coal seized (Tonne)	Vehicles Seized	Person Apprehended	FIRs Lodged
Seizure of Coal from Illegal Trafficking						
2018-19	West Bengal	1186	11063.39	64	30	224
	Jharkhand	586	4885.23	01	-	135
	Total	1772	15948.62	65	30	359
2017-18	Total	1464	11013.77	49	36	175
	Variation	308	4934.85	16	-6	184
Seizure of Illegal Mined Coal by ECL Security, CISF and Local Police						
2018-19	West Bengal	624	1280.18	27	-	184



	Jharkhand	291	171.45	-	-	64
	Total	915	1451.63	27	0	248
2017-18	Total	687	115.29	-	3	84
	Variation	228	1336.34	27	-3	164

The data given above is the seizure made by CISF, ECL Security along with Police, outside the Colliery premises. The above coal was being carried by Trucks either from illegal mining sites or illegal trafficking/illegal coal stocks.

During the course of dozing off/sealing/filling up of the illegal mining sites the ECL security along with CISF and local Police are also deployed at the dozing points within leasehold and outside the leasehold areas. In the year 2018-19, 2054 sites were dozed/sealed to curb the illegal coal mining. The State administration is actively involved to curb the menace of illegal Coal Mining and Pilferage of Coal.

20.2 Theft/Recovery of other materials.

Year	2018-19	2017-18	Variation(Increase/decrease)
No. of Incidents	117	107	10
No. of FIRs/Info.	76	61	15
Property Stolen (in ₹)	27,38,418.34	16,94,808.18	1043610.16
Property recovered (in ₹)	3,66,622.50	1,43,540.20	223082.30
Persons apprehended	08	07	01

20.3 IT Initiatives for preventing and curbing illegal mining and pilferage of coal:

The following IT initiatives have been enforced with zero tolerance and integration for prevention and curbing illegal mining and pilferage of coal:-

- Installing of CCTV at all sensitive locations
- Installing of RFID
- Vehicle tracking system
- Integrated fuel management system.
- BIOMETRICS to identify legitimate persons entering the mines.
- Management Information system for Security (automatic generation of complaint, requirements of manpower, filing systems etc to be automated)
- Use of Khan Prahari mobile application.

21.0 OUTSOURCING OC PATCHES:

In 2018-19, company produced 310.08 L. Te of coal and raised 1015.14 L. Cum OB from 33 outsourced OC patches registering a growth of 23.05% in coal production and a growth of 12.99% in OB removal against previous year's figure of 251.99 L.Te of coal and OB removal of 898.42 L. Cum from 32 outsourcing OC Patches.

22.0 CORPORATE GOVERNANCE:

Corporate Governance is a process that aims to meet shareholders aspirations and societal expectations. It is a commitment that is backed by the fundamental belief of maximizing shareholders value, transparency in functioning, values and mutual trust amongst all the constituents of organisation. Corporate Governance is a culture that guides the Board, management and employees to function towards the best interest of shareholders. It involves essentially a creative, generative and positive thinking activity that adds value to the various stakeholders that are served as end customers of the corporate entity.

ECL is committed to achieving highest level of transparency, openness and accountability and fairness in all areas of operation, meeting the aspirations of all its stakeholders with primary objective of enhancing shareholders value,



timely and balanced disclosure of all material information to all the stakeholders and protection of their interest. The Company has put in place a sound system of internal control to mitigate the risks and comply with the laws of land, rules & regulations in true letter and spirit with a view to provide oversight and guidance to management in strategy implementation.

In our Company, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence and accordingly the Corporate Governance philosophy has been scripted as under:

“As a good corporate citizen, the Company is committed to sound corporate practices, based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.”

A report on Corporate Governance of your company is placed at **ANNEXURE-VI** and a certification from Auditors regarding compliance of conditions of Corporate Governance by your company for the year ended 31st March 2019 is also placed at **ANNEXURE-VII** to this report.

The annual return of the company for financial year 2018-19 pursuant to Section 92 of the Companies Act, 2013 is available on our website-www.easterncoal.gov.in. (**ANNEXURE-VIII**)

23.0 ACKNOWLEDGEMENT:

Your Directors express their sincere gratitude to Govt. of India in general, Ministry of Coal, Govt. of West Bengal, Govt. of Jharkhand and Coal India Limited in particular for their valuable guidance and co-operation throughout the year towards attainment of the objectives of the company. Your Directors also thank all the operating Trade Unions for their co-operation and to the employees of the Company at all level for their sincere and dedicated services rendered by them in the functioning of the Company. They are fully confident that the employees of all ranks would continue to strive hard to improve the performance of the company in the coming years.

Your Directors acknowledge with thanks the assistance and guidance received from Statutory Auditors, Cost Auditors, Secretarial Auditors, Tax Auditor, Bankers, Registrar of Companies, West Bengal and Comptroller and Auditor General of India. Your Directors also wish to place on record their sincere thanks to the valued customers and consumers for their patronage to the company.

The following papers are annexed to the Report:

- i) Comments of the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.
- ii) Secretarial Audit Report in Form No.-MR-3, given by Company Secretary in Practice pursuant to Section 204(1) of the Companies Act, 2013 (**Annexure-IX**).
- iii) Foreign exchange earnings and outgo (**Annexure-X**).
- iv) Details about research and development activities of the company (**Annexure-XI**).
- v) Addendum to the Director's Report under Sec. 134(2) and 134(3)(f) of the Companies Act, 2013 stating Statutory Auditor's Report and Management's reply thereon.

For and on behalf of the Board of Directors

(Prem Sagar Mishra)
Chairman-cum-Mg. Director
DIN-07379202

Kolkata
Dated: 30th July, 2019

Annexure-I**3.3. Status of CIL R&D Projects being implemented in command area of ECL up to 31st March, 2019:**

Sl No	Name of the project	Financial Outlay (₹ in Lakh)	Date of Start	Revised/scheduled date of completion	Progressive Disbursement (₹ in Lakh)	Status
1	Underground Trapped Miner Location system Project code - CIL/R&D/1/35/10 Implementing agency: TCS, CMC & CMPDI (ME)	489.70	15 th Jan. 2010	Mar. 2015	447.86	Successful field trial of MF System completed at Jhanjira UG mine, ECL. After obtaining the field trial permission from DGMS, Dhanbad, the Committee advised TCS/CMC, Kolkata to submit a detailed report along with time extension proposal to CMPDI for placing before the Apex Committee for consideration. As per the advice of the Apex Committee, CMPDI and TCS have made discussion with DGMS regarding issuance of field trial permission of developed system. Field trial permission is still awaited.
2	Development of Rubber Compound and Repair Techniques for Trailing Cables of Underground Mining Machines. Project Code: CIL/R&D/1/54/2013. Implementing agencies: IIT, Kharagpur and ECL.	204.07	Mar, 2013	Feb, 2016	202.65	The project was completed and final completion report is under preparation, Repair of one trailing cable of 25 sq. mm. dia. and 70 meters length collected from Patmohana Colliery, ECL with rubber compound developed by IIT, Kharagpur was completed and different tests were carried out on the cable before final delivery to the colliery. Another piece of damaged trailing cable, 55 sq mm dia and 125 meters length collected from JK Ropeways has also been repaired with new developed rubber. High voltage testing of cable was performed and weak and defective portions were removed and healthy segments having acceptable insulation resistance value was spliced. In January, 2015, IIT, Kharagpur received 561 m damaged trailing cables from ECL, which has to be rectified and sent back to ECL for field trial. After repairing the damaged cables, IIT, Kharagpur has sent them to mines of ECL for field trial. Performance of these cables being monitored for achieving final conclusion. The completion report of the above project was discussed in the 28th meeting of Apex Committee held on 09.10.2018. Outcome of the same will again be discussed in the next meeting of R&D Board of CIL scheduled on 18.04.2019.

Sl No	Name of the project	Financial Outlay (₹ in Lakh)	Date of Start	Revised/ scheduled date of completion	Progressive Disbursement (₹ in Lakh)	Status
3	<p>High ash coal gasification and associated upstream and downstream processes (Coal to Chemicals, CTC).</p> <p>Project Code: CIL/ R&D/03/03/2076.</p> <p>Implementing agencies: IIT-ISM, Dhanbad, IIT-Roorkee, CMPDI, Ranchi, MCL, Sambalpur, ECL, Sanctoria and CCL, Ranchi. Technical collaboration of IIT-ISM, Dhanbad with Australian Universities: i) Curtin University, Western Australia, Perth-6102, ii) The University of Melbourne, Melbourne, Victoria 3010, Australia and iii) Monash University, Clayton, Victoria 3800, Australia.</p>	<p>2160.721 For IIT-ISM- 1872.007 For IIT Roorkee -131.804 & For CMPDIL, Ranchi - 156.910</p>	20 th July, 2017	19 th July, 2020	<p>1685.00 For IIT-ISM- 1580.00 For IIT, Roorkee -105.00 For CMPDIL, Ranchi - Nil</p>	<p>IIT-ISM, Dhanbad</p> <p>a. Literature survey completed.</p> <p>b. Freezing of the specification of all the equipment required for the project is in progress. In addition to this design of indigenous equipment are also in progress</p> <p>c. A meeting was conveyed on 09.01.2018 at CMPDIL (HQ), Ranchi, involving IIT-ISM, Dhanbad, CMPDIL, CCL, MCL and CIL(HQ), Kolkata regarding identification of mines/seam of MCL, CCL and ECL for collection of coal samples having high ash % required for this project.</p> <p>IIT, Roorkee</p> <p>a. Order for purchase of “Physiosorption/chemisorption system” was placed</p> <p>b. Purchase of “High pressure reactor” with flow meters and other analysis facilities is in progress</p> <p>c. Performance of various catalysts were compared along with identification of problems and potential solutions</p> <p>d. Certain engineering aspects including kinetics and thermodynamics of the various routes have also been reviewed.</p>



SI No	Name of the project	Financial Outlay (₹ in Lakh)	Date of Start	Revised/ scheduled date of completion	Progressive Disbursement (₹ in Lakh)	Status
4	Assessment of applicability and performance of Ground based Interferometry Synthetic Aperture Radar (GblnSAR) in safety zoning of surface mining slopes. Implementing agencies: IIT, Kharagpur and ECL, Sanctoria. Project Code No: CIL/ R&D/01/65/2017	478.27 For IIT, KGP- 478.27 For ECL- Nil	1 st August, 2017	31 st July, 2019	430.00	<p>a. Identification and selection of the mine site for Radar installation and control room was done in consultation with Sonepur Bazari, ECL.</p> <p>b. IIT, Kharagpur has applied to WPC, Ministry of Communication, New Delhi for permission to use the Radar. Letter of Intent from WPC regarding frequency assignment for mine slope monitoring Radar at Sonepur Bazari Area, ECL was received.</p> <p>c. Accordingly, Spectrum charges for installation of GblnSAR at Sonepur Bazari under the above project were paid by IIT, Kharagpur through ECL.</p> <p>d. Installation and commissioning of all the GblnSAR equipment along with all hardware and software accessories was successfully completed on 04.10.2018.</p> <p>e. The equipment was in operation 24x7 without any break since its installation. But from 12th March, 2019 it is temporarily stopped due to some issue with supplier.</p> <p>f. Captured data are being analyzed at IIT, Kharagpur</p> <p>g. Training as envisaged was imparted to mine official during 4-6 October, 2018. More training will be conducted during remaining period of the project. A letter has been sent to IIT, Kharagpur and copy of the same was given to ECL on dated 05.04.2019 to resolve the issue and early start the operation of installed equipment.</p>

SI No	Name of the project	Financial Outlay (₹ in Lakh)	Date of Start	Revised/ scheduled date of completion	Progressive Disbursement (₹ in Lakh)	Status
5	Optical fiber based solar illumination of pit bottom and underground mine roadways and working face. Implementing agencies: IIT, Kharagpur and ECL, Sanctoria Project Code No: CIL/ R&D/01/66/2017	155.53 For IIT,KGP- 155.53 For ECL- Nil	1 st August, 2017	31 st July, 2020	120.00	<p>a. Preliminary literature survey completed.</p> <p>b. Except the optical fibers, purchase order for all other major equipment required for this project was issued. All equipment is expected to be installed by the end of August, 2018.</p> <p>c. The purchase orders for fiber cleaver, splicers and light coupling optics have been done and expected that equipment would be delivered to IIT, Kharagpur shortly.</p> <p>d. Optimizations on focusing the diverting LED output are being carried out with the help of simulation and experiments to minimize the wastage of scattered light.</p> <p>e. Three types of LED have been tested for illumination purpose to find out the best possible alternatives.</p> <p>f. Light coupling into a few of the optical fibers has been carried out using low and high length lenses.</p> <p>g. Initial experiments have been performed. From the above experiments, light coupling efficiencies up to 55% could be achieved with the help of developed coupling.</p> <p>h. Other laboratory experiments required for the project are being done at IIT, Kharagpur.</p>
6	Requirement of air in mine for Mass Production Technology. Project Code::CIL/ R&D/01/63/2016 Implementing Agency: UMD, CMPDI(HQ), Ranchi	491.27	1 st Nov. 2016	31 st Oct. 2019	120.39	Literature survey completed. Specification of all the equipment required for the project has been completed. Process of equipment procurement is in progress. Order for procurement of some equipment has already been placed.

SI No	Name of the project	Financial Outlay (₹ in Lakh)	Date of Start	Revised/scheduled date of completion	Progressive Disbursement (₹ in Lakh)	Status
7	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. Project code: CIL/R&D/1/60/2016. Implementing agencies: CIMFR, Dhanbad, ISM, Dhanbad, S&R Division, CIL (HQ), Kolkata and SIMTARS, Australia.	1629.71 For IIT-ISM-833.57 For CIMFR-796.14	15th April, 2016	14th April, 2019	1567.76 For ISM-810.00 For CIMFR-757.76	<p>CIMFR, Dhanbad: Electromagnetic sieve shaker, Programmable furnace and Electronic balance, bomb calorimeter, programmable air oven up to 2000 C, particle size analyzer have been procured. Process for procurement of 20L explosion chamber along with some other required equipment is in process at CIMFR, Dhanbad. Sample collection from 25 mines of BCCCL, MCL and CCL has been completed. Samples collection from remaining mines is under progress. Proximate analysis, DSC & Critical oxidation analysis of samples collected from BCCCL and CCL have been completed. CFD simulation work of dispersion modelling in 20L explosion chamber is under process at CIMFR, Dhanbad.</p> <p>IIT-ISM, Dhanbad: Design of experimental set up is being done in consultation with SIMTARS, Australia. Equipment procurement is in progress at IIT-ISM, Dhanbad. Actual cost of the required equipment [as proposed in the project proposal] is much higher than the cost estimated in approved project proposal. Actual cost of each equipment [four nos of equipment required for this project] is higher than their estimated cost. Due to this reasons, IIT-ISM, Dhanbad has not placed purchase order of all four equipment at a time. After getting necessary approval from IIT-ISM, Dhanbad, order has been placed for procurement of three equipments namely Gas Chromatograph with analytical software, Set for R-70 index with software and set up for gas evaluation characteristics with all accessories and software. Order for procurement of 30m long explosion testing canon/tube with all accessories and software has not been placed due to their cost escalation. The cost revision and time extension proposal of this project was discussed in the 29th meeting of Apex Committee held on 23.03.2019.</p>

Annexure-II
3.4. Status of Coal S&T Projects funded by MoC being implemented in command area of ECL upto 31st March, 2019:

Sl No	Name of the project with Code	Financial Outlay (₹ in Lakhs)	Date of Start	Scheduled/ Revised date of completion	Progressive Disbursement (₹ in Lakhs)	Status
1	Development of tele-robotics and remote operation technology for - underground coal mines-MT(EoI)/162 Implementing Agency : CMERI, Durgapur, CIMFR, Dhanbad & CMPDIL, Ranchi	440.12 For CMERI - 251.57, For CIMFR - 125.55 & For CMPDIL - 63.00	Sep. 2012	Sept. 2019	373.00 For CMERI-235.00, For CIMFR - 75.00 & For CMPDIL-63.00	<p>a. Under this project, tele-robot has been developed and field trial conducted at Khottadih mine of ECL.</p> <p>b. The developed robot is capable of monitoring environmental parameters viz. percentage of CO₂, CH₄, O₂, and also humidity & temperature. The real time graphical-user-interphase (GUJ) 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.</p> <p>c. The project proponent were advised to conduct further field trial after approval from DGMS for fine tuning the developed robot so that it can be used remotely in any underground mines for monitoring environmental parameters.</p> <p>d. IS certification from SAMEER, Kolkata has been obtained and other required certifications obtained from CIMFR, Dhanbad.</p> <p>e. Field trial permission from DGMS is awaited.</p>
2	Blast design and fragmentation control-key to productivity - MT/164. Implementing Agency: CIMFR, Dhanbad.	303.86	Jan. 2013	Sep. 2016	250.00	<p>a. Project completion report has been submitted by CIMFR.</p> <p>b. Blast design parameters have significant influence on rock fragmentation by blasting. The experimental trials with variation in burden and spacing with constant charge factor reveal that the mean fragment size decreases with decreasing burden and spacing.</p> <p>c. Experimental trial with constant burden and spacing and variable charge factor imply that there is decrease in mean fragment size with increasing charge factor.</p> <p>d. The scattering in delay detonators affects the firing sequence of the blast holes and subsequently the explosive weight per delay has been got changed. These changes are mainly due to the malfunctioning of the detonators and had influence the desired fragmentation level with increased level of blast variation. Thus, there is significant impact of delay timing and firing sequence on rock fragmentation which influence the blast performance.</p>



Sl No	Name of the project with Code	Financial Outlay (₹ in Lakhs)	Date of Start	Scheduled/ Revised date of completion	Progressive Disbursement (₹ in Lakhs)	Status
3	Shale gas potentiality evaluation of Damodar Basin of India - CE(EoI)/30 Implementing Agency : NGRI, Hyderabad, CIMFR, Dhanbad and CMPDIL, Ranchi	2038.09 For NGRI: 813.84 For CIMFR: 169.95 & For CMPDIL: 1054.30	Dec. 2012	Dec. 2019	1738.26 NGRI: 790.00, CIMFR: 140.00, CMPDIL: 808.26	<p>e. It is observed that stiffness ratio plays an important role in terms of blast fragmentation output and the best optimum value come around 3. Change in the burden or spacing has significant effect on rock fragmentation. In case of high stiffness value, it is easy to displace and deform rock especially at the center of the bench but in other hand, there can be problem relating to blast hole deviation. Thus, for better results the stiffness ratio should be more than 2.</p> <p>f. The outcome of the project was deliberated in the 17th meeting of the Technical Sub-Committee of SSRC held on 22.12.2017. The Committee after detailed deliberations, advised CIMFR, Dhanbad to submit the certificates from mine management where field trial under this project were undertaken. Certificate from concerned mine are yet to be submitted by CIMFR.</p> <p>All the equipment has been procured under this project. Rangamati B Block at Raniganj coalfields and Radha Nagar Piparatand block in Jharia coalfields have been selected as suitable site for conducting 3D seismic survey. Petrographic analysis, adsorption isotherm test, proximate analysis etc. have been carried out at CIMFR, Dhanbad and NGRI, Hyderabad from the collected shale samples. 3D seismic survey has been carried out by NGRI, Hyderabad in Rangamati B block of Raniganj Coalfields and Radha Nagar Piparatand block of Jharia coalfields completed. Data analysis is in progress. Process for drilling of 8 borehole has been initiated after confirmation of fund from MoC.</p>



3.14 Project Monitoring and Status of Implementation of Ongoing Projects:

Sl. No.	Name of Project	Sanctioned Capital (₹ Cr.)	Original date of approval	Sch. date of completion	Anticipated date of completion	Remarks
1.	Sonepur-Bazari Comb. OC (8.00 MTY)	1055.05	Aug-2012	Mar-2018	Mar-2020	Production achieved in 2016-17: 8.92 MTY 2017-18: 9.72 MTY 2018-19: 10.03 MTY Construction of Railway siding and new CHP is under progress. Possession of land and R&R are under progress.
2.	Hura-C OC (3.00 MTY)	359.69	Oct-2015	Mar-2022	Mar-2022	Stage-II Forestry Clearance & land possession are under process.
3	Jhanjra Comb. PR (3.50 MTY)	602.86	Nov-2015	Mar-2022	Mar-2022	Production achieved in 2016-17: 2.44 MTY 2017-18: 3.17 MTY 2018-19:3.38 MTY
4	New Kenda OCP (1.20 MTY)	127.72	Nov-2014	Mar-2019	Mar-2020	OB removal re-started from 22.07.2018. Coal production started on 28.12.2018. Coal production achieved during 2018-19 is 0.103 MT.
5	Kumardih-B CM UG (1.02 MTY)	117.91	May-2014	Mar-2023	Mar-2023	Progress of Incline No. I.: 910 m including 103m RCC box. Progress of Incline-II: 180 m including 103m RCC box. Commissioning of one set LHCM is expected in Aug-19.
6	Chitra East OC (RCE) (2.50 MTY)	513.99	Aug-2018	Mar-2024	Mar-2024	Production achieved in 2017-18:1.56 MTY 2018-19: 2.03 MTY Stage-II Forestry Clearance, land possession and R&R are in progress.
7	Mohanpur Expansion OC (1.00 MTY)	14.23	June-2008	Jun-2013	Apr-2019	Production achieved in 2016-17: 0.999 MTY 2017-18: 0.999 MTY 2018-19: 0.748 MTY Land possession and R&R activities are delayed. Expansion PR (2.50 MTY) was formulated and is under process of approval by CIL Board.



Sl. No.	Name of Project	Sanctioned Capital (₹ Cr.)	Original date of approval	Sch. date of completion	Anticipated date of completion	Remarks
8	Khottadih CM UG (0.60 MTY)	127.17	May-2015	Mar-2016	Dec-2019	Signing of Contract agreement for CM package in Risk & Gain Basis with the agency M/s. CMATL-SXTD-CMML consortium done on 14.09.18.
9	Khottadih Expansion OCP (1.60 MTY)	140.25	May-2017	Mar-2020	Mar-2020	Production achieved in 2017-18: 1.28 MTY 2018-19: 1.07 MTY R&R of Billpahari village under progress.
10	Siduli (OC: 1.20 MTY & UG: 1.63 MTY)	535.18	May-2018	Mar-2026	Mar-2026	Land schedule is under preparation. Matter of shifting of unstable location 105 (Hatia basti) has been taken up with ADDA.
11	Nakrakonda Kumardih B OC (3.00 MTY)	502.68	Aug-2018	Mar-2029	Mar-2029	Land schedule is under preparation. Proposal for HoE for OB removal is under approval. Indent for HEMM for coal was raised & is under approval.
12.	Tilaboni UG (1.86 MTY)	916.62	Feb-19	Mar-2027	Mar-2027	Project Report was approved by CIL Board in its meeting held on 12.02.2019.
13	Parasea-Dobrana UG (0.16 MTY)	11.89	Feb-2004	Mar-2009	PR under Recast	PR for Parasea-Belbaid Re-organisation approved by ECL Board on 30.10.2018. Awaiting for placing before ESC of CIL Board.
14	Belbaid UG (0.36 MTY)	69.01	Feb-2009	Mar-2014	PR under Recast	
15	Nabakajora-Madhabpur Block UG (0.30 MTY)	56.14	Dec-2006	Mar-2014	PR under Recast	Draft PR (UG: 1.32 MTY; OC: 0.80 MTY) submitted on 01.11.2018. Planning committee meeting held on 12.11.2018 & 23.11.2018. Modified PR submitted on 30.03.2019.
16	Khandra NKJ (0.285 MTY)	18.81	Jul-2003	Mar-2009	PR under Recast	PR under Recast
17	Bankola R-VI (0.24 MTY)	19.14	Mar-2003	Mar-2009	PR under Recast	PR under Recast
18	Narainkuri UG (0.54 MTY)	149.06	Feb-2009	Mar-2015	PR under Recast	PR under Recast

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT-2018-19****Overview of the Indian economy:**

With estimated GDP, on a purchasing power parity basis, India is the 3rd largest economy in the world after the United States and China. India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The ministry has laid stress on the coal sector achieving cost effectiveness, improving viability of mines by effective and efficient mining, ensuring safety measures, continuing the quality thrust and foremost on customer satisfaction. Coal is one of the prime fuels in India and will continue to be crucial to India's future energy security.

Indian coal industry and reserves:

As on April 2018, the geological resource of Indian coal was 319.02 BT up to a depth of 1200 m. (Source: GSI, Gol). In India, coal is the prime fuel used to fire thermal power plants due to its availability and affordability.

OUTLOOK:**Overview of Eastern Coalfields Limited:**

Eastern Coalfields Limited (ECL) a subsidiary of Coal India Limited was incorporated on 1st November, 1975 by taking over 414 mines vested with Eastern Division of Coal Mines Authority Limited (CMAL) and the company commenced its commercial operation from that date. It operates in the states of West Bengal and Jharkhand. There are 14 number of operating areas with 84 number of working mines, 54 being underground mines, 20 opencast mines and 10 mixed mines. ECL is one of the best quality coal producing companies in India having a reserve of 31.67 Billion Tonne of Coal as on 01.04.2018 in the state of West Bengal and 19.16 Billion Tonne in the state of Jharkhand and thus the total is 50.83 Billion Tonne.

Strength and weakness:**Competitive Strength:**

- a. Total geological reserve of 31.67 Billion Tonne of Coal in West Bengal, out of which 14.16 Billion Tonne is in the proven category. ECL has premium grade of coal with average ash content less than 20% at Raniganj Coalfields. This coal can be blended with high ash coal from other subsidiaries to satisfy MoEF stipulations.
- b. Reserves of 19.12 Billion Tonne of Coal down to a depth of 600 metre as on 01.04.2018 (as per GSI) in the state of Jharkhand out of which 5.76 BT is proven reserve, where scope for comparatively easy extraction of coal by open cast mining exists.
- c. Workmen capable of working in difficult conditions.
- d. Mines are located along National Highway and Railway Corridor facilitates easy evacuation.
- e. ECL is blessed with coal having wide range of GCV i.e. 6700 kcal/kg to 3401 kcal/kg (G3-G13) thereby making it accessible to wide range of consumers.
- f. Brahmani & Amrakonda-Murgadangal coal blocks allotted to ECL and have huge coal reserve of 1900 MT and 900 MT respectively. This will improve the production capacity of ECL in coming years and assist making ECL a 100 MT coal company in near future.

Weakness:

- a. The coal mining in the Raniganj coalfield had started about 250 years back. Hence the company is loaded with old legacy of small mines, old steam winders working at much below of its rated capacity.
- b. Difficult geo-mining condition.
- c. Dense population impedes acquisition of land.
- d. Huge infrastructure built on coal bearing areas hinder open cast mining.
- e. Huge pumping and sand stowing cost.
- f. Upper water-logged seams impede introduction of Mass Production Technology in lower seams.



Opportunities and Threats:

Opportunities:

- a. Realisation of better value for coal through e-marketing.
- b. Recourse working small OC patches to curb illegal mining.
- c. Positive response from Central Trade Unions to issues involving safety, production and productivity.
- d. Increasing co-operation from Central and State Governments as well as local authorities in solving the problems.
- e. Introduction of Highwall Mining Technology.
- f. Exploration and exploitation of Coal Bed Methane (CBM) under ECL lease hold area.

Threats:

- a. Opposition to acquisition of land by villagers and putting demand beyond the Company's norm.
- b. Opposition to closure of unsafe underground mines.
- c. Land constraints in introduction of mass production technology in large scale owing to waterlogging of upper horizon & expansion of OC.

Business Strategies:

- a. Continue to increase production, productivity and capitalize on the significant demand-supply gap for coal in India.
- b. Improve realization through increased sale of higher quality coal and e-auction of coal.
- c. Enhance profitability and maintain competitiveness by improving operating and cost efficiencies.
- d. Continue to increase our reserve base by detailed exploration.
- e. Continue to focus on developing environmentally and socially sustainable operations.
- f. Exploration and exploitation of Coal Bed Methane (CBM), Coal Mine Methane (CMM) and gasification for additional revenue generation.
- g. Closure of unsafe mines.
- h. Rationalisation of manpower.

As a part of Business Strategy the Company has identified the global challenges and strategies are being formulated to meet these challenges. Various initiatives in mission mode have been initiated in the company which aims to redefine the mission, vision and objective of the company. The company has initiated the following projects in mission mode which also aims to reincarnate the image of the company:

1. Mission SuDESHH has been launched which aims for Sustainable Development, Environment, Safety, Health & Hygiene. The very essence of sustainable development is meeting the needs of the present generation without compromising the ability of future generations. To achieve the global leadership, ECL appreciates and understands the global challenges which are the issues of Sustainable Development, Environment, Safety, Health & Hygiene and hence, being a responsible Organization, Mission SuDESHH aims at creating a sustainable and better ECL.
2. Mission SANJIBANI aims for Systemic Advancements, New Jobs, Integrated Business & New Initiatives.



3. Mission SUMIT has been initiated which aims for Systematic Upgradation of Mining & Information Technology. Since very old conventional technologies were being used in almost all the mines, as such, a need was felt for integration of Mining & Allied process with Information Technology through a project SUMIT.
4. Mission DHAROHAR has been envisioned with an aim of protecting the legacies of Coal Mining in the Country, Archiving of Archaic Buildings, Plants, Equipments, Machines, Appliances, Instruments, Models of Heritage nature by construction of Museum.
5. Mission JATAYU was launched during the Vigilance Awareness Week-2018 to encourage the spirit of FITE (Fairness, Integrity, Transparency & Equality) amongst the employees for the image reincarnation of the Company.
6. Mission SAMBANDH has been launched to reach out all the stakeholders and the community at large as problem solver and solution provider which will ultimately facilitate for smooth upcoming of Greenfield projects and ease out the brownfield project.
7. Mission INDRADHANUSH has been undertaken to assimilate cultures, festivals, dance, music and ethnicity of different regions of the country. Through this initiative, different occasions of different regions are observed in different units which have brought about a sense of belongingness amongst ECL Employees and its Family Members and have also increased the Happiness Index of ECL.
8. Under the umbrella of Mission SuDESHH, another Mission called “SuDESHH-MITWA” has been launched on the eve of ‘World AIDS Day’ on 1st December 2018 through which medical facilities are to be extended to employees of unorganized sectors.
9. Mission “MITAWA” has been initiated which aims for Maintenance Inspired Techniques and Work Agencies for ensuring proper maintenance of all the equipment and machinery both in opencast and underground mines along with development of the proper work culture.

PRODUCTION:

Particulars	2018-19	2017-18
OCP - Coal (MT)	41.10	34.97
Underground Coal (MT)	9.06	8.60
Total (MT)	50.16	43.57
Growth %	15.13	7.53
OBR- (MCUM)	126.06	118.89
Growth %	6.03	-4.61

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

(in Million Tonnes)

Particulars	2018-19	%	2017-18	%	Growth (%)
Despatch to Outsiders under FSA	45.006	89.29	39.093	89.60	15.13
E-auction	3.538	7.02	3.059	7.01	15.69
Despatch under MoU	1.603	3.18	1.192	2.73	34.44
Others	0.075	0.15	0.090	0.21	-16.28
Own Consumption	0.184	0.37	0.195	0.45	-5.55
Total Off-take	50.407	100.00	43.629	100.00	15.54



Our Customers:

Majority of coal produced in ECL is supplied to Thermal Power Plants. In addition coal is also supplied to various industries that include Steel, Cement, Sponge Iron, Defence & others.

Transportation, Infrastructure and Logistics:

Following the extraction of coal from a mine/working face, coal is transported to despatch points through tipping trucks and conveyor belts. Coal is delivered to the customers from the dispatch points through rail, road or dedicated rail MGR system.

All consignments dispatched are weighed either at ECL owned weighbridges available at our dispatch points or to the nearest weighbridges owned by Railways. Our sales are either “free on rail” or “free on road” from the designated dispatch points customers may choose the mode of transport between rail and road. The cost of transportation of coal from the mines to designated dispatch points is borne by the customers.

The following table shows information relating to various modes of transportation utilized for raw coal dispatch from our mines:

(in Million Tonnes)

Mode of Despatch	2018-19	2017-18
Rail	34.171	30.430
Road	2.409	1.814
Merry Go-Round (MGR)	13.644	11.191
Total	50.223	43.435

Pricing of Coal:

The pricing of Non-Coking Coal is presently based on its Gross Calorific Value w.e.f. 01.01.2012 and that of Coking Coal & Washery Grade Coal is set on the basis of ash level content. Pricing of coal for Semi Coking Coal is set on the basis of ash & moisture content level. The coal price is revised considering the escalation in input cost, inflation and landed cost of imported coal. The final customer price includes basic price and other charges (Cess, Royalties, Excise, Sales Tax and others). Around 90% of Coal is sold under the long-term fuel supply agreements (“FSAs”) executed between ECL and the linked customers. In addition, coal is also sold under E-auction scheme.

Distribution and Marketing Policy:

NCDP has been issued on October 18, 2007 with an objective to meet the demand of coal from consumers of different sectors of the economy, both on short term and long term basis, in an assured, sustained, transparent and efficient manner with built-in commercial discipline.

E-Auction Scheme:

The E-Auction scheme of coal has been introduced to provide access to coal for customers who are not able to source their coal requirement through the available institutional mechanisms under the NCDP. The quantity of coal to be offered under E-Auction is reviewed from time to time by the MoC. The E-auction scheme provides an avenue for additional coal procurement by customers.

Fuel Supply Agreements:

In accordance with the terms of the NCDP, Coal Company has entered into legally enforceable FSAs directly with the customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

1. FSAs with customers in the power utilities sector, including State power utilities, private power utilities (“PPUs”) and independent power producers (“IPPs”);
2. FSAs with customers in non-power industries (including captive power plants (“CPPs”))
3. FSAs with State Nominated Agencies and
4. FSAs through Linkage auction route.



RESEARCH AND DEVELOPMENT

For research and development needs ECL engaged CMPDIL, which is one of the subsidiary of CIL. CMPDIL acts as a nodal agency for coordination of the research activities, disbursement of funds as well as monitoring the progress of our research and development activities.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The importance of Internal Audit is crucial from the controls and compliance perspective. Periodical review of each business / functions ensures that the objectives, user (SOP) manuals and controls are in place and provide assurance to Board of Directors and Audit committees. This ensures that appropriate Corporate Governance and Audit Risk controls are working effectively and efficiently. An effective Internal Audit function plays a fundamental role in assisting the Board to discharge its governance and control responsibilities. Various Codes of Corporate Governance issued have also echoed the fact that internal audit function is an integral part of the corporate governance system of any organization.

In accordance with the relevant provisions of law, the entire internal auditing job of the company is assigned to independent external audit firms of Chartered or Cost Accountants. There are fifteen audit firms carrying out the internal auditing work of fifteen area/ units of the company, including headquarters. One of the firms, having the highest score in selection process, is assigned the job of 'Central Internal Auditor' or 'Lead Auditor'. The Internal Auditors of the company are selected by a duly constituted committee, chaired by the Head of Internal Audit Department (HQ), through the process of 'Invitation of Expression of Interest (EOI)' in accordance and in strict compliance with a selection procedure structured by Coal India Ltd. Coal India has laid down detailed criteria for short-listing and selection of the audit firms and has also prescribed the scope of work with general terms & conditions to their appointment. Appointment of the Internal Audit firms shortlisted and proposed for selection by the empowered committee, are essentially subject to appraisal and recommendation by the Audit Committee for approval by the Board of Directors of the company. The Internal Auditors submit Monthly Internal audit reports to their respective unit/ area heads as well as Quarterly audit reports to the Internal Audit Department (HQ), Director (Finance) and Coal India Ltd. They also submit a detailed Annual report containing regular appraisal of Internal Financial Control on operations of the company, their observation and comments on application and effectiveness of Internal Financial Controls (IFC) in the company.

In addition to Internal Audits, the company being a Public Sector Undertaking is also audited by Auditing personnel from the office of the Director General of Commercial Audit (known earlier as the Comptroller & Auditor General of India or CAG) of Indian Audit and Accounts Department, GOI. The Govt. Auditors undertake routine 'Inspection/ Transaction audits' at regular intervals, in different area/units of the company, in accordance with specific audit programmes and scope, set designed by the DGCA for a particular PSU. The Inspection Reports containing audit observations are furnished by the Govt. Auditors to DGCA and respective Directors and HoDs. In addition to Transaction audits, the Govt. auditors also conduct annual audits for the purpose of certifying the Annual Report & Accounts of the company.

The Central Internal Auditors (Lead Auditors) are required to finalise their quarterly reports in consultation with HoD, IAD before placement place and present their quarterly reports in the Audit Committee required to. They are also required to ensure timely compliance of all audit observations through necessary coordination and communication with respective area heads. Audit Committee of the Company / CIL maintains a close watch on the internal control systems and related procedural applications in existence. Significant observations of Internal Auditors are placed before the Audit Committee for periodical review. The Directives (if any) issued by the Audit Committee upon consideration of such observations are duly noted for necessary compliance and implementation.

The different Audit firms working as Internal Auditors of ECL during the period under audit in FY 2018-19 accordingly, have expressed satisfaction over the Internal Financial Controls in existence in different area and units of the company. Thus the company has a sound system of Internal Control commensurate with the size of the company and the nature of business transactions carried out by it.

STORE AUDIT:

The concept of Store audit has been brought into the company with effect from the financial year 2018-19. Four external audit firms of Chartered / Cost Accountants have been appointed for the current financial year through the process of 'Invitation of Expression of Interest (EOI)' as in the case of appointment of Internal Auditors. Each audit firms have been

allotted auditing assignment of a specified cluster of Central, Regional, Area and workshop stores for verification of all stores and spares items including diesel & lubricants. The Auditors are required to comment on the adequacy of systems and mode of storage, receipt and issue of the materials in order to avoid damages and pilferage of materials. Stock of all store materials are required to be physically verified and commented upon with reference to the Kardex balances. Differences / discrepancies (if any) in respect of deficit/ excess in physical and book stocks will be reconciled by going into details of transactions and physical balances will be required to be matched with kardex balance & tallied with priced stores ledger.

COST AUDIT:

Pursuant to Section 148(6) of the Companies Act, 2013 and rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, Cost Audit Report in Form-CRA-4 for FY-2017-18 was filed with the Central Government on 8th October, 2018.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Results of Operations:

(₹ in Crore)

Particulars	2018-19	2017-18	Growth (%)
Gross Sales	18385.03	15250.11	20.56%
Less: Levies	5470.68	4624.10	18.31%
Net Sales	12914.35	10626.01	21.54%
Other Income	993.14	841.65	18.00%
Total Income	13907.49	11467.66	21.28%

Income from Sale of Coal:

Sales are presented as gross sales net of (i) various statutory levies comprising royalty, cess on coal and goods & service tax. The Income from sale of coal is mainly dependent on the pricing and production of coal and distribution thereof.

Expenditure:

Break up of Major Heads:

(₹ in Crore)

Particulars	2018-19	2017-18	Growth	
			Absolute	% age
(Accretion)/Decretion in stock	109.50	33.53	75.97	226.57%
Stores & Spares	721.71	656.99	64.72	9.85%
Excise Duty	0.00	146.14	-146.14	-100.00%
Salary & Wages	7448.47	8415.89	-967.42	-11.50%
Power & Fuel	476.39	506.06	-29.67	-5.86%
Social Overhead	16.46	12.69	3.77	29.71%
Contractual Exp	1929.81	1587.39	342.42	21.57%
Repair	141.12	153.41	-12.29	-8.01%
Other Expenditure	643.04	551.12	91.92	16.68%
OBR Adjustment	456.24	274.04	182.20	66.49%
Depreciation/Impairment	494.98	443.99	50.99	11.48%
Provision	8.28	-1.24	9.52	767.74%
Total Comprehensive Income Before tax	1298.39	-1303.10	2,601.49	199.64%
Total Comprehensive Income After Tax	706.38	-824.17	1,530.55	185.71%



Cash Flows:

(₹ in Crore)

Particulars	31-03-2019	31-03-2018
Opening Cash & Cash equivalents	783.39	737.44
Net cash from operating activities	420.57	1320.15
Net cash from investing activities	-718.68	-1268.16
Net cash used in financing activities	-6.60	-6.04
Change in Cash and cash equivalents	-304.71	45.95
Closing cash & cash equivalents	478.68	783.39

MoU Target vis-à-vis achievements up to 31st March, 2019:

Sl No	Parameters	Unit	Target for the year 2018-19	Actual Achievement
1	Revenue from operations	₹crore	₹11519.36 crore	₹13409.77 crore
2	Operating profit as a percentage of Revenue from operations (net)	%age	-14%	5.97%
3	Reduction in total expenses as a percentage of total income as compared to previous year	%age	4.20%	24.43%
4	Inventory of finished goods and work in progress to Revenue from operations (Net)	No. of days	15 days	6.49 days
5	Trade receivables (Net) as number of days of Revenue from Operations (gross)	No. of days	42 days	31.31 days
6	Reduction in claims against the Company not acknowledged as debt on overall basis	%age	5%	-12.11%

HUMAN RESOURCE DEVELOPMENT:

Manpower:

Category	Manpower As on		Increase (+)/ Decrease (-)
	31.03.2019	31.03.2018	
Executive	2084	2217	-133
Supervisor	4097	4197	-100
Ministerial/Clerical	2310	2559	-249
Highly Skilled/Skilled	19982	21090	-1108
Semi-Skilled/Unskilled	30141	30978	-837
Trainee(Non-Executive)	1084	755	329
Total	59698	61796	-2098

Reasons for variation in Manpower:

Particulars	Executive	Non-Executive	Total
Increase			
Fresh Appointment	63	106	169
Appointment against medically unfit cases.	0	13	13
Appointment against death cases.	0	703	703
Reinstatement/Re-joined.	0	39	39



Particulars	Executive	Non-Executive	Total
Transfer in from other companies.	59	31	90
Appointment against Land Losers	0	412	412
Appointment against Special Female VRS	0	3	3
Promotion from Non-Executive to Executive	2	0	2
Revised back from Executive to Non-Executive	0	0	0
Total Increase (A)	124	1307	1431
Decrease			
Retirement	132	2456	2588
Medical Unfit	0	4	4
Death	7	558	565
Resignation	30	10	40
Transfer to other companies	69	75	144
Dismissal/Termination	19	19	38
VR under GHS/EVRS	0	148	148
Special Female VRS	0	0	0
Promotion from Non-Executive to Executive	0	2	2
Revised back from Executive to Non-Executive	0	0	0
Total Decrease (B)	257	3272	3529
VARIATION (A-B)	-133	-1965	-2098

Industrial Relations :

The industrial relations in the company is by and large cordial. Workers do not support extraneous issues now a days. The statistics relating to Industrial Relation and Law & Order is given below:

SI No	Subject	2018-19	2017-18
1	No. of strikes	01 (2 Days)*	0
2	Mandays lost (in lakh)	0.04	0
3	Production lost (in lakh tonnes)	0.05	0

* The two days strike was called by Central Trade Unions like HMS, AITUC and was supported by TUCC, UTUC, CMAL, CMWU (Regional Trade Unions) in ECL to protest against certain policy matters of Govt. of India like commercialisation of coal mines, proper amendments in labour laws etc. The strike was partial and had no such impact in ECL and was accordingly called off.

Law and Order :

Subject	2018-19	2017-18
Law and order (Disturbance)	22	24
Production Lost (in Lakh Tonne)	0.8	0.02

Workers' Participation in Management:

The workers' participation in management in ECL is fully operative at different levels in the company. The Joint Consultative Committees are operating at Corporate, Area and Project/Unit levels. In the JCC meeting important issues are discussed thread bear viz. production, productivity, etc. Besides other committee/boards, Bipartite Safety Board, Area Safety Committee & Colliery Safety Committee, Welfare Board etc. are also functioning in our company. Major Trade Unions participate in such committee and brings about transparency, accountability apart from reinforcing trust and goodwill between management and the employee.

Meetings	2018-19	2017-18
No. of JCC Meeting held at HQ level	05	04
No. of structured Meeting held at HQ level	20	26



Employment provided under NCWA & LLS:

Employment provided under	2018-19	2017-18
NCWA	728	369
Land Losers Scheme	305	298
Direct Recruitment	105	177

Reservation for Scheduled Caste (SC)/Scheduled Tribe (ST) and Other Backward Class (OBC) in recruitment and promotion:

The Presidential Directives in the matter of recruitment of Scheduled Caste (SC), Scheduled Tribe (ST) and Other Backward Class (OBC) have been implemented in ECL. The representation of SC and ST candidates in total manpower is as under:

As on	Total Manpower	SC Candidates		ST Candidates	
		Number	%	Number	%
31.03.2019	59698	16520	27.67	7837	13.12
31.03.2018	61796	16987	27.48	8065	13.05

Out of 1297 promotions made, 173 candidates belonging to SC community and 86 candidates belonging to ST community were promoted during 2018-19 against 205 and 115 candidates respectively during 2017-18. As on 31.03.2019, on Roll OBC community employees are 16124 against 16611 employees in 2017-18.

Trade Unions:

The employees of ECL are highly unionized and hardly there are employees who are not the member of any of the unions. The major unions functioning are INTUC, AITUC, HMS, BMS, UTUC, CITU, INTTUC etc. The executives are members of CMOAI. The wage revision and other conditions of service of non-executives employees are governed by the National Coal Wage Agreement (NCWA) formulated by JBCCI, certified standing orders and government directives.

Disclosure under Sexual Harassment of women at Workplace (Prevention and Redressal) Act, 2013:

The Internal Complaint Committee (ICC) of ECL formed as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is continuing to function. During the year 2018-19, there was no complaint regarding sexual harassment was received by IC, ECL.

MoU Target vis-à-vis achievements of HRM Parameters up to 31st March, 2019:

Sl No.	Parameters	Unit	Target	Achievement
1.	Assessment of level in line with People Capability Maturity Model (PCMM) or equivalent in the CPSE and placing the matter before the Board for taking a decision whether to go for up-gradation in level and if yes, getting the approval for the timelines from the Board. If no, justifiable reason to be recorded in the Board Resolution (Date).	Date	within 15.12.2018	Achieved. The assessment in line with PCMM was conducted by the EE Department and the recommendation was approved by the ECL Board on 07.12.2018.
2.	HR Audit and decision of the Board on recommendations of the Audit (Date).	Date	within 15.12.2018	Achieved. HR Audit was conducted by the EE Department and recommendations were approved by ECL Board on 07.12.2018.
3	Online Human Resource Management System (HRMS) Implementation and Integration with Finance Division (consisting of online data administration, employee self-service, exit procedure, talent management, etc)	Date	within 15.12.2018	Achieved. Online HRMS was developed by CIL and communicated to ECL on 13.12.2018. Accordingly it was implemented in ECL.

Training:

We aim to provide continuous training for all categories of employees throughout the year. Indian Institute of Coal Management (IICM) which was formed in 1994 by Coal India Limited (CIL) offers training programmes to executives such as Advanced Management programmes, Leadership Development programmes, General Management programmes, Young Managers programmes, Advanced Maintenance practices, Management Development programme, Training and Coaching, Career Development for junior officers and Communication skills. In addition, our company has arranged for a significant number of executives to attend external training programmes and sent our employees (including Directors, senior executives and non executive employees) for a number of international training sessions outside India. Apart from IICM, at ECL, we have our four HRD training centers, fourteen area VTC which provide various training to our staffs and executives. Induction programmes are also carried out regularly for newly recruited Management Trainees.

HRD also arrange for industrial/vocational training on need basis for students of various Institutes. In 2018-19, company had imparted training to 1525 persons compared to 1278 persons in 2017-18 as per new guideline. ECL also provides training to 2177 contractual workers in 2018-19. The details are given below:

1. Action Plan: HRD Performance Report as per Action Plan (In Company)

Year	No. of Courses		No. of participants							
			Target				Actual			
	Target	Actual	Exe.	Supv.	Worker	Total	Exe	Supv.	Worker	Total
2018-19	229	249	645	579	1550	2774	620	932	2407	3959
2017-18	227	229	643	607	1538	2788	851	853	1501	3205

2. Details of various training provided during the year 2018-19 as compared to 2017-18:

Sl No	Nature of Training	2018-19				2017-18			
		Exe.	Supv.	Worker	Total	Exe.	Supv.	Worker	Total
1	General/In-Company Training:								
1.i	3 days or more	322	765	2014	3101	251	667	1034	1952
1.ii	Less than 3 days	298	167	393	858	610	186	467	1263
2	Training External (within India):								
2.i	At IICM:								
2.i.a	3 days or more	479	0	0	479	352	0	0	352
2.i.b	Short course	46	0	0	46	130	0	0	130
2.ii	Out Company Training (Other than IICM):								
2.ii.a	Short duration	78	04	0	82	77	18	0	95
2.ii.b	Long duration	191	14	0	205	113	03	07	123
2.ii.c	3 days or more	24	0	0	24	95	0	0	95
3	External (abroad)	04	0	0	04	12	0	0	12
TOTAL		1442	950	2407	4799	1640	874	1508	4022
4	Other Trainings and Seminars:								
a.	Trainees:								
4.a.i	Vocational	0	0	1525	1525	0	0	1278	1278
4.a.ii	PDPT	0	428	0	428	0	0	302	302
4.a.iii	PGPT	136	0	0	136	0	35	35	35
4.a.iv	Apprentice(Skill dev)	0	0	277	277	0	0	68	68
4.b.	Seminar/Workshop (excluding in-company)	57	0	0	57	100	07	112	112
4.c.	Simulator training	-	-	-	-	0	0	12	12
TOTAL		1635	1378	4209	7222	1740	916	3315	5829

**3. Details of Special Training Programmes conducted to meet the requirement of Skilled Manpower:**

Sl. No.	Details of Programme	Number of Participants
1.	Coaching class for First Class Manager	15
2.	Coaching classes for Second Class Manager	12
3.	Simulator training of Dumper operator	129
	Total	156

ENVIRONMENTAL PROTECTION AND CONSERVATION:

Environment Department deals with Environment & Forest related matters of ECL. Regularly monitoring of impact of coal mining activities on environment is under taken and adequate environment protective measures are taken in accordance with the provisions stipulated in the Statutory Norms, Acts and Rules. Besides taking steps for better adherence of Environment Clearance and Forest Clearance conditions the company has taken green initiatives towards sustainable development. This has culminated into a Company-wide Certification with ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2015.

1. Major Achievements during 2018-19:**a. Environment Clearance:**

1. Environment Clearance Amendment of Cluster No. 4, Cluster No. 9 & Cluster No. 10 was obtained which will facilitate production from mines under Salanpur, Kunustoria & Satgram Area.
2. EC Condition amendment of Cluster No 11, which will enable commencement of operation of New Kenda OCP (1.2 MTPA).
3. In compliance to MoEF&CC's OM Dated 06.04.2018 regarding regularization of EC under EIA Notification, 2006, updated Form I for Rajmahal OCP (17.0 MTPA) was submitted and successfully deliberated before EAC. The compliance for points raised by EAC is being carried out.
4. In compliance to MoEF&CC's OMs related to processing of Environment Clearance for violation proposals, updated Form I for Mohanpur OCP (2.5 MTPA) was applied and presented before EAC. The compliance of recommendations of EAC is being carried out.

b. Forest Clearance:**i) Stage-II Forest Clearance Proposals of Chitra East OCP (124.28 Ha):**

1. The proposal was forwarded to MOEF&CC on 17.07.2018 after requisite compliance of recommendations of FAC.
2. On 28.08.2018, MOEF&CC has sought additional compliances viz, dully-filled Performa of payments in CAMPA account and updated and approved scheme for conservation of flora and fauna with deposition of commensurate fund.
3. Scheme for conservation of flora and fauna has been prepared in co-ordination with State Forest Department, Govt. of Jharkhand. The Plan has been approved by Chief Wildlife Warden and commensurate fund of 6.49 Crore has been deposited.

ii) Stage-II Forest Clearance of Hurra C OCP (260 Ha):

1. The proposal was forwarded to MOEF&CC on 23.08.2018.
2. On 15.10.2018, MOEF&CC has sought additional compliances in respect of details of payment made in CAMPA account, Copy of approved Wildlife Management plan, clarification w.r.t. Suitability of CA land.
3. In respect of analyzing the suitability of CA land rigorous land survey and inspection in two districts viz. Dumka and Godda was conducted.



4. Apart from these, two of the long pending compliances which could have affected the forwarding the proposal of Hurra C OCP have been complied:
 - a) Long pending compliance for providing 37.67 Ha non-forest land for CA have been processed in case of Rajmahal OCP.
 - b) Stage II FC Condition no. 23 of Hurra C OCP; for returning of 17.64 Ha forest land of Rajmahal OCP to State Forest Department, Govt. of Jharkhand has also been complied.

c. Plantation & Reclamation:

ECL has undertaken Multi-tier plantation in 140.50 Ha (which is 33% above the target) over Backfilled Area (50.5 Ha), External OB Dump (22.2 Ha) and other Plain Lands (67.8 Ha). A total of 3,51,250 Nos of saplings has been planted through West Bengal State Forest Department.

d. ISO Certification:

ECL as a whole is an ISO 9001:2015 ISO 14001:2015 & OHSAS 18001:2015 certified company. ECL has conducted successfully 2 (two) internal surveillance audits by internal ISO auditors and 2 (two) external surveillance audits by the certification body. The company has been granted certificates with continuation of the latest system standards of ISO 9001:2015 ISO 14001:2015 & OHSAS 18001:2015.

e. Environment Audit:

1. Third party audit on EC compliance of Rajmahal OCP and Sonepur Bazari OCP by ICFRE was successfully completed. Final audit report has been submitted.
2. Performance Audit by CAG on "Assessment of Environmental Impact due to Mining Activities and its Mitigation in Eastern Coalfields Limited" has been successfully completed. Exit conference meeting held on 16.11.2018 at the Office DG, Indian Audit and Accounts at Kolkata.

f. Installation of piezometers for ground water monitoring:

In compliance to EC conditions for monitoring of ground water, ECL has installed 30 Nos of piezometric bore wells with 15 automatic well recorders through outside agency covering all the clusters and stand-alone projects of ECL.

g. Scientific Study:

1. Study of Carbon and Water Foot print of Sonepur Bazari OCP over 100 Ha of plantation done in Sonepur Bazari OCP is being conducted through NEERI.
2. The work of treatability study of sewage/effluent treatment plant at 11 different colonies, 2 workshops and 2 hospitals of ECL was awarded to IIT-ISM Dhanbad.
3. The study of Numerical Modeling in 3D for subsidence Prediction and Management for Tilaboni UG for FC application of 38.44 Ha forest land has been awarded to IIT-BHU.

**CSR Activities 2018-19****Brief outline of the company's CSR Policy:**

Eastern Coalfields Limited (ECL) is a subsidiary company of Coal India Limited (CIL). ECL has adopted and implemented CIL CSR Policy which is in consonance with amendment of Companies Act, 2013 and CSR Rules, 2014 approved by CIL Board. The DPE Guidelines on CDR vide F.No.-15 (13)/2013-DPE (GM) dated 21st Oct.2014 effective from 01.04.2014 is also adhered too. Our CSR initiatives integrated our business with social processes by making welfare measure focused primarily on underprivileged, land oustees and Project Affected People (PAPs) staying in the radius of 25 km of ECL. As per the provision under CIL CSR Policy, 80% of the fund should be utilised within the radius of 25 km of ECL HQ/Area/Project and remaining 20% would be spent within the State/State of operation. It ensured that poor and needy section of the society derives the maximum benefit to support their development and sustainability. The projects and Programs have been directed in the following priority areas at ECL:

1. Promotion of Education
2. Sanitation and Public Health
3. Skill Development
4. Drinking Water facility
5. Women Empowerment
6. Infrastructure development
7. Promotion of Sports & Games
8. Ensuring Environmental and Ecological Balance
9. Swachh Bharat Abhiyan

Composition of CSR Committee:

In order to steer the CSR & Sustainability agenda of the company the two-tier structure, comprising of a Board level committee, headed by Independent Director and a below Board level committee headed by GM (Welfare & CSR) were constituted for planning, implementation, monitoring and evaluation of CSR and Sustainability activities of ECL. Below Board level CSR committee constituted at ECL HQ as specified in CIL CSR Policy co-ordinates CSR activities from concept to conclusion. At the Area Level, a CSR Committee of multi-disciplinary executives has also been constituted for implementing CSR Activities.

Achievements of CSR:

A total of 69 projects got approval during FY 2018-19. Out of total approved CSR projects, ECL Board has approved 22 nos. of projects and 47 projects were approved by below Board level authorities.

Average Net Profit of the Company for last three financial years:

The determination of the amount as 2% of Average Net Profit/Profit before Tax of previous three years as per section 198 of the Companies Act, 2013 is as follows:

Particulars	2015-16	2016-17	2017-18
Profit before Tax (₹ in crore)	1300.04	15.32	-1466.73
Less: Profit on Sale of Assets (₹ in crore)	0.31	0.02	0.49
Profit u/s 198 (₹ in crore)	1299.73	15.30	-1467.22 or 0.00
Average net profit for three years (₹ in crore)	438.34		

Therefore, 2% of Average Net Profit comes to ₹ 8.767 Crore.

Prescribed CSR Expenditure:

Fund provisioning by ECL is based on the CSR Policy of CIL which is 2% of Average Net Profit of previous three years or ₹2/- per tonne of coal production of previous year whichever is higher plus the unspent amount of FY 2017-18 of CSR. Production in 2017-18 was 43.568 MT. Hence, as per CSR provision at the rate of ₹ 2/- per tonne of coal production would have been ₹ 8.714 Crore, whereas @ 2% of Average Net Profit comes to ₹ 438.34 Crore which is higher. However, the total CSR budget for FY 2018-19 is ₹ 24.289 crore (₹ 8.767 crore plus unspent amount of ₹ 15.522 crore of FY 2017-18).

Details of CSR spent during the financial year:

- Total amount spent during the financial year 2018-19: ₹ 16.46 crore
- Amount unspent: ₹ 7.83 crore
- List of activities undertaken by ECL under CSR is attached as **Annexure A**.

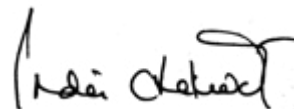
Reason for unspent amount out of prescribed amount for the year FY 2018-19:

- Interaction with stakeholders like Gram Panchayat, District Administration, People's representative etc. and involving them in planning and execution of CSR Projects is core of institutional arrangement under our CSR Policy and their engagement in their own works affect our schedule.
- In pursuit of enhancing transparency in the processes, e-tendering route was adopted in major works and assessment process of external proposals was overhauled to bring in more accountability. The transitional stages had an impact on time and work schedule.
- Major operational areas of ECL, West Bengal witnessed Panchayat elections in the May-June 2018 and West Bengal & Jharkhand witnessed Code of Conduct due to General Elections of 2019 at the end of FY 2019-20.
- Engagement of stakeholders in Panchayat elections and General Elections delayed our some of the long term CSR Projects which required their consent or execution from their end. This resulted in advancement of execution schedule and its associated execution and payment.

It is hereby confirmed that the implementation and monitoring of CSR policy of ECL is in compliance with CIL CSR Policy, in line with Companies Act, 2013 and DPE guidelines effective from 01.04.2014.



(Vinay Ranjan)
Director (Personnel)



(Dr. Indira Chakravarty)
Chairperson, CSR Sub-Committee

Date : 29.07.2019
Place : Kolkata



Annexure-A

CSR Activities for the Financial Year 2018-19

(₹ in lakh)

Sl. No.	Activity	Sector	Budget outlay	Amount Spent	Cumulative expenditure up to 31.03.2019	Amount Spent directly or through Implementing agency
1	Procurement of school bus for Asha School in Eastern Command Zone, Indian Army.	Education	23.43	23.43	23.43	Asha School, Eastern Command HQ
2	Repairing of 04 Nos. of damaged classrooms of Ukhra Nehru Vidyapith HS School.	Education	19.79	19.79	23.49	Direct
3	Construction of School Building at Nirsha Block, Mugma.	Education	418.00	356.88	520.14	Direct
4	Education Support Program for Primary School Children Studying in Govt. Schools in and around ECL, HQ.	Education	7.00	6.91	6.91	Sanctoria Village Samity
5	Construction of 4 nos. of classroom building with stair case of Sidhu Kanhu Saraswati Sishu Mandir at Lalmatia.	Education	49.27	49.27	49.27	Direct
6	Construction of 04 no. of rooms and boundary wall of Saraswati Sishu Vidya Mandir, Pakur.	Education	49.30	14.00	14.00	Saraswati Sishu Vidya Mandir Balihapur
7	Providing school benches to 08 number of schools.	Education	9.14	9.04	9.04	Direct
8	Two nos. of water purifier and cooler with Iron remover at Mejia Girls H.S., Bankura.	Education	4.52	4.26	4.26	Direct
9	Sanction of additional 80 candidates for training at CIPET, Bhubaneshwar during FY: 2018-19	Skill Development	24.40	19.20	43.60	CIPET
10	Training of Mining Sardar SC/ST candidates.	Skill Development	11.17	11.17	14.50	ECL-HRD
11	Electrical Skill Training Program for Unemployed Youth of Sanctoria.	Skill Development	9.99	5.45	5.45	SSRDP
12	Construction of workshops & procurement of equipments for Fitter & Electrician trade at ITI, Purusottam, Ramkanali.	Skill Development	48.53	38.83	38.83	MoU with Ramkanali Purushottam Pvt. ITI
13	Operation and maintenance of ITI Sikitia, Godda (FY: 2017-18)	Skill Development	46.66	23.33	23.33	JSPL
14	Unnati- A Microenterprise of Handicrafts run by women	Skill Development	12.44	12.44	12.44	SRREOSHI, Society
15	Skill Training in Hospitality & Travel Tourism and Health Care Trades by Seba Sangha	Skill Development	16.56	10.54	17.64	Seba Sangha
16	Operation and maintenance of ITI Sikitia, Godda (FY: 2018-19).	Skill Development	54.44	54.44	54.44	JSPL



Sl. No.	Activity	Sector	Budget outlay	Amount Spent	Cumulative expenditure up to 31.03.2019	Amount Spent directly or through Implementing agency
17	3rd Year of Electrical Skill Training at VTC, Salanpur Area.	Skill Development	12.44	8.89	12.35	SSRDP
18	Livelihood generation for SHG through School Uniform Tailoring Unit at Jemeri GP.	Skill Development	10.82	5.41	5.41	SSRDP
19	Construction of Bathing ghat and changing room at pond, Supol Dhwar, Sheetalpur.	Rural Development	1.14	1.14	1.98	Barjora Samaj Kalyan Kendra
20	Construction of twin electric crematorium at Dishergarh Burning Ghat.	Rural Development	57.75	25.24	185.16	Asansol Municipal Corporation
21	Construction of PCC Road at Jamgora Village.	Rural Development	1.22	1.22	1.22	Direct
22	Construction of Bituminous Road from GT Road (NH 2) to Sri Sri Ravi Shankarjee Ashram, Central Kajora.	Rural Development	49.86	35.95	35.95	Direct
23	Construction of Burning Ghat, Toran, Rest Shelter under Kunustoria Area near Project Belbaid OCP & North Searsole OCP at Dasna Village under Jamuria Block.	Rural Development	21.08	20.45	20.45	Direct
24	Construction of PCC Road with culvert and drain at Hijuli Village from Chatterjee Para to Gorai Para near Parbelia Group.	Rural Development	40.89	35.32	35.32	Direct
25	Construction of Boundary wall and miscellaneous works at Aldih F.P School under CSR	Rural Development	3.14	3.14	3.14	Direct
26	Construction of Boundary wall/Guard wall, Community shed with RCC roof, Community room/Green room & Cultural stage at Govindpur Village.	Rural Development	20.11	16.67	16.67	Direct
27	Repair, renovation and restoration of Samudra Bandh, Maheshpur & Gangasagar Talab Mahagama	Rural Development	460.33	230.17	230.17	DC, Godda
28	Construction of School Building of Bharat Sevashram Sangha, Dumka.	Rural Development	24.91	24.91	24.91	Direct
29	Construction of boundary wall at Ethora School	Rural Development	5.09	3.93	3.93	Direct
30	Construction of PCC Road at Kalipathar village	Rural Development	16.02	12.85	12.85	Direct
31	Construction of boundary wall at Nakti Kanyapur Primary School.	Rural Development	4.62	4.62	4.62	MoU with BDO Barabani
32	Construction of Kitchen with drain at Sadhuna SSK.	Rural Development	4.15	3.07	3.07	Direct
33	Construction of library cum community hall verandah including toilets at Khas Kenda Village.	Rural Development	11.60	11.17	11.17	Direct
34	Providing 2 no of trekkers for transportation of villagers and School going children.	Rural Development	11.09	3.04	3.04	Sonepur Bazari



Sl. No.	Activity	Sector	Budget outlay	Amount Spent	Cumulative expenditure up to 31.03.2019	Amount Spent directly or through Implementing agency
35	Construction of 02 classrooms at first floor with drinking water through Rig Bore-well & furniture's in Sripur High School.	Rural Development	16.80	16.80	16.80	Direct
36	Construction of IHHL out of baseline survey at Amrasota G.P.	Sanitation	9.10	9.10	18.20	Amrasota G.P.
37	Swachhata & Cleanliness services after Srawani Mela at Deoghar.	Sanitation	3.00	3.00	3.00	DC, Deoghar
38	Construction of IHHL under CSR Programme of ECL in the Gram Panchayat Jemeri, Ratibati & Tirat of Raniganj Block.	Sanitation	27.48	27.48	137.40	BDO Raniganj
39	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of Mugma, Salanpur, Sripur, Sodepur, MRS & ECL, HQ	Healthcare	28.90	22.07	22.07	HLFPPT
40	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of Jhanjra, Bankola & Pandaveswar Area	Healthcare	26.58	12.37	12.37	R.K HIV AIDS
41	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of Rajmahal Area.	Healthcare	27.06	9.39	9.39	R.K HIV AIDS
42	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of S.P. Mines Area.	Healthcare	28.90	22.94	22.94	HLFPPT
43	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of Sonepur Bazari & Kenda Area.	Healthcare	26.58	15.25	15.25	R.K HIV AIDS
44	Operation of Mobile Medical Vans (MMV) for a period of three years around the villages of Satgram Area & Kalla Hospital.	Healthcare	26.58	9.97	9.97	R.K HIV AIDS
45	Medical Health Camp	Healthcare	5.83	4.18	4.18	Direct
46	Rainbow Project	Differently abled	3.92	3.92	7.84	Asansol Anadam
47	Distribution of Aids and appliances for Divyangjan.	Differently abled	66.57	66.57	66.57	ALIMCO
48	Water supply arrangement to Kenda Village, Kenda Mouza.	Water Supply	85.06	80.15	80.15	Direct
49	Installation of 2 Nos. of Water Coolers cum Purifiers at Netaji Subhas More and Vivekananda More, Sanctoria	Water Supply	0.97	0.97	0.97	Sanctoria Village Samity
50	Supply of domestic water to nearby villages through water tanker from Mohanpur pressure filter.	Water Supply	2.27	2.27	6.08	Direct
51	Rainwater harvesting (Irrigation Projects) at Bhuradanga village	Water Supply	3.45	3.45	4.08	Direct



Sl. No.	Activity	Sector	Budget outlay	Amount Spent	Cumulative expenditure up to 31.03.2019	Amount Spent directly or through Implementing agency
52	Installation of 02 rig bore wells at Bhagran Village	Water Supply	1.15	0.60	0.60	Direct
53	Supply of domestic water to 08 villages of Barabani Block.	Water Supply	32.87	24.61	24.61	Direct
54	Supply of drinking water through water tanker in 09 GPs of Salanpur Block.	Water Supply	9.25	7.43	7.43	MoU with BDO Salanpur
55	Arrangement of drinking water by deep boring in Rangamati Kendana High school in Bankura District.	Water Supply	10.75	9.93	9.93	Direct
56	Drinking water arrangement for Amkola Village from PHE pump house at Tirat Mouza.	Water Supply	68.89	68.89	68.89	PHE office, Asansol
57	Women Empowerment through Skill Development, Beauty Therapy trade	Women Empowerment	19.18	5.75	5.75	SSRDP
58	Special diet for selected players for ECL Football Academy undergoing training at different Area Training Centre (ATC)	Sports	12.15	8.86	8.86	Direct
59	Sports Kit for selected boys for ECL Football Academy	Sports	8.33	8.27	8.27	Direct
60	Purchase of 10 mini tipper by AMC.	Environmental Sustainability	4.58	4.58	45.82	Asansol Municipal Corporation
61	Installation of 110 nos. Solar lamps for Dishergarh SC & ST basti to Barjora Samaj Kalyan Kendra	Environmental Sustainability	9.30	9.30	18.59	Barjora Samaj Kalyan Kendra
62	Approval of Online MIS for CSR works in Eastern Coalfields Limited.	Miscellaneous	1.10	1.10	1.10	Diffusion Adv. & Publicity Inc.
63	Color Printing of booklets for distribution among Parliamentary Committee members on Govt. assurance, Rajya Sabha.	Miscellaneous	0.05	0.05	0.05	Diffusion Adv. & Publicity Inc.
64	Training programme on STP& FSTP during May 07 - 09, 2018 at ASCI, Hyderabad.	Miscellaneous	0.40	0.40	0.40	ECL-HQ
65	Payment to TISS for the period of December 2017 to February 2018.	Miscellaneous	0.90	0.90	0.90	ECL-HQ
66	Approval of ₹ 2016 for supply of 08 copies (144 pages each) of documents for CSR.	Miscellaneous	0.02	0.02	0.02	ECL-HQ
67	2 day Training Program at IICA, at Manesar.	Miscellaneous	0.40	0.40	0.40	ECL-HQ
68	Print for Board meeting	Miscellaneous	0.07	0.07	0.07	ECL-HQ
69	Impact of salaries of Community Development officials limited to 5% of total expenditure(₹ 15.67 Lakh)	Administrative expenditure	0.00	78.27	0.00	ECL-HQ
	Total		2129.34	1645.50	2111.60	

**REPORT ON CORPORATE GOVERNANCE****(1) Philosophy:**

Corporate Governance may be defined as a set of systems, processes and principles which ensure that a company is governed in the best interest of all stakeholders. ECL firmly believes that Corporate Governance is a culture under which an organization is nurtured and flourishes by using its core values and the means by which it fulfills the public trust and its stakeholders' expectations. At ECL, it is not just a compliance with laws and ethical standards instead it is an important business investment which is not only necessary to preserve our reputation but also crucial for obtaining and retaining our business.

Transparency, accountability and integrity are the main ingredients of good corporate governance. Your company as a good corporate citizen believes in adhering to the highest standards of corporate governance. ECL provides appropriate access to information to the citizens of India under the provisions of Right to Information (RTI) Act, 2005.

(2) Board of Directors:**(A) Composition of the Board:**

We are a Government company within the meaning of section 2(45) of the Companies Act, 2013 as Coal India Limited holds entire paid-up share capital. As per Articles of Association the power to appoint Directors rests with the President of India.

In terms of Articles of Association of the company strength of our Board shall not be less than 2 Directors and not more than 15 Directors. These Directors may be either whole-time Functional Directors or part-time Directors. The Directors are not required to hold any qualification share.

As on 31st March, 2019, Board comprised 9 Directors, out of which 5 were whole-time Functional Directors, 2 Part Time Official Directors and 2 Part Time Non-Official Directors.

The Directors bring to Board wide range of experience and skills.

Age Limit and Tenure of Directors:

The age limit of Chairman & Managing Director and other whole-time functional Directors is 60 Years. The Chairman-cum-Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of assumption of charge or till the date of superannuation of the incumbent or till further orders from the Government of India whichever event occurs earlier. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2019 have been made by the Directors. None of the Directors are related to each other. Government Nominee Directors representing Ministry of Coal, retire from the Board on ceasing to be officials of Ministry of Coal. Independent Directors are appointed by the Government of India. The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149 of the Companies Act, 2013.

(B) Board Meetings:

Meetings of Board of Directors are normally held at Sanctoria/Kolkata for the convenience of Directors. Company has well defined procedures for meetings of Board of Directors and Committees thereof so as to facilitate decision making in an informed and efficient manner.

During the financial year ended 31st March, 2019, 12 Board meetings were held on 10.04.2018, 04.05.2018, 26.05.2018, 12.06.2018, 04.07.2018, 29.07.2018, 22.09.2018, 13.10.2018, 30.10.2018, 07.12.2018, 28.01.2019 & 13.03.2019, as against the minimum requirement of 4 meetings in a financial year.



Details of number of Board meetings attended by each of the Directors are given below:

Sl. No	Directors	Board meetings		No. of other Directorships
		Held during the tenure	Attended	
Functional Directors:				
1	Shri Prem Sagar Mishra Chairman-cum-Mg. Director, ECL (w.e.f. 20.08.2018)	06	06	NIL
2	Shri Ajay Kumar Singh Chairman-cum-Mg. Director, ECL (Additional Charge) (upto 30.06.2018)	04	04	01
3	Shri Sunil Kumar Jha Director (Technical) Operations Additional Charge, CMD, ECL (w.e.f. 01.07.2018 upto 19.08.2018)	12	12	NIL
4	Shri Jaiprakash Gupta Director (Technical) Project & Planning (w.e.f. 18.06.2018)	08	08	NIL
5	Shri Sanjiv Soni Director (Finance) (w.e.f. 19.06.2018)	08	08	NIL
6	Shri Vinay Ranjan Director (Personnel) (w.e.f. 16.08.2018)	06	06	NIL
7	Shri K.S Patro Director (Personnel) (upto 31.05.2018)	03	03	NIL
Part-time Official Directors:				
8	Shri Niranjan Kumar Sudhansu Joint Secretary, MoC (upto 03.10.2018)	07	02	01
9	Ms. Vismita Tej Joint Secretary, MoC (w.e.f. 03.10.2018 upto 10.01.2019)	03	02	01
10	Shri Bhabani Prasad Pati Joint Secretary, MoC (w.e.f. 10.01.2019)	02	02	01
11	Shri Chandan Kumar Dey Director (Finance), CIL (upto 30.09.2018)	07	06	06
12	Shri S.N. Prasad Director (Marketing), CIL (w.e.f. 10.12.2018)	02	02	04
Part Time Non-Official Director:				
12	Dr. Indira Chakravarty	12	12	NIL
13	Shri Pravin Kant (w.e.f. 13.12.2018)	02	02	05

**(C) Information placed before the Board of Directors:**

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

- 1) Annual operating plans and budgets and any updates.
- 2) Capital budgets and any updates.
- 3) Quarterly results for the company and its operating divisions or business segments.
- 4) Minutes of meetings of audit committee and other committees of the board.
- 5) 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.
- 6) Show cause, demand, prosecution notices and penalty notices which are materially important.
- 7) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- 8) Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- 9) 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.
- 10) Details of any joint venture or collaboration agreement.
- 11) 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.
- 12) Non-compliance of any regulatory and statutory.

(D) Remuneration of the Director:**a. Functional Directors:**

(Amount in ₹)

Sl. No.	Name of the Director	Salary	Benefits	Total	Remarks
1	Shri Prem Sagar Mishra	1958408.00	1316723.00	3275131.00	from 20.08.2018
2	Shri Sunil Kumar Jha	4889357.43	2014211.00	6903568.43	-
3	Shri Jaiprakash Gupta	3761049.00	2148528.00	5909577.00	from 18.06.2018
4	Shri Sanjiv Soni	1903096.98	1948761.00	3851857.98	from 19.06.2018
5	Shri Vinay Ranjan	1507978.00	129839.00	1637817.00	from 16.08.2018
6	Shri K.S. Patro	2205853.00	1614601.00	3820454.00	Superannuated on 31.05.2018

b. Part-time official Directors:

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

c. Part-time Non-official Directors:

No remuneration is being paid to Part-time Non-official Directors except sitting fee. Details of sitting fee paid for attending Board / Committee Meetings are shown below.

(Amount in ₹)

Sl No	Name of the Director	Sitting Fee for Board Meeting	Sitting Fee for Committee Meetings	Total
1.	Dr. Indira Chakravarty	1,80,000/-	2,55,000/-	4,35,000/-
2.	Shri Pravin Kant	30,000/-	75,000/-	1,05,000/-



3. Board Committee:

The Board had constituted following Committees of the Board: -

- a. Audit Committee,
- b. Sub-Committee for “Evaluation, Appraisal and Approval of Projects”,
- c. Committee on ‘CSR’ &
- d. Risk Management Committee.

[A] Audit Committee:

Your Company has an independent Audit Committee. The composition, procedures, powers and role/functions of the Audit Committee, constituted by the Company is to comply with the requirements of the Companies Act.

Scope of Audit Committee:

The scope of Audit Committee is as follows:-

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. Recommending to the Board the fixation of audit fees.
3. Recommendation to the Board for fixation of fees to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, and ensuring that the annual financial statements are in compliance with applicable laws before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of section 134 (5) of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report; and
 - h) The management discussion and analysis of financial condition and results of operations.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and the information regarding appointment and / or removal of Internal Auditor.
8. Discussion with internal auditor and / or auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



11. Looking into the reasons for substantial default in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower Mechanism.
13. Reviewing the follow up action on the audit observations of the C&A G audit.
14. Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
15. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

Composition:

Audit Committee comprised of 2 (Two) part-time official directors viz. Shri B.P. Pati (w.e.f. 28.01.2019) and Shri S.N. Prasad (w.e.f. 28.01.2019), 2 (Two) part-time non-official director viz. Dr. Indira Chakravarty and Shri Pravin Kant (w.e.f. 28.01.2019) and 3 (Three) Functional Director viz. Shri Sunil Kumar Jha, Director (Technical) Operations, Shri Jaiprakash Gupta, Director (Technical) Project & Planning (w.e.f. 04.07.2018) and Shri Vinay Ranjan, Director (Personnel) (w.e.f. 22.09.2018).

Dr. Indira Chakravarty, part-time non-official director was the Chairperson of the Audit Committee for the financial year upto 28.01.2019 and thereafter Shri Pravin Kant, part-time non-official Director became Chairperson of the Audit Committee.

Director (Finance) and HoD (Internal Audit) are the permanent invitee to the Audit Committee and Company Secretary is the Secretary to the Committee.

6 (six) meetings of the Audit Committee were held during the financial year 2018-19 on 25.05.2018, 29.07.2018, 22.09.2018, 30.10.2018, 07.12.2018 and 28.01.2019. The details are as under:

Sl. No.	Members	Meeting held during respective tenure of members	No. of Meetings attended
1	Dr. Indira Chakravarty	06	06
2	Shri C.K. Dey	03	03
3	Shri Niranjana Kumar Sudhansu	03	NIL
4	Ms. Vismita Tej	02	01
5	Shri Sunil Kumar Jha	06	06
6	Shri Jaiprakash Gupta	05	05
7	Shri Vinay Ranjan	03	03

[B] Committee for Evaluation, Appraisal and Approval of Projects:

In the 246th meeting of the Board, a Committee for Evaluation, Appraisal and Approval of projects was constituted. The Committee for Evaluation, Appraisal and Approval of Projects consisted of 2 (Two) part time Official Director, viz. Shri Bhabani Prasad Pasad (w.e.f. 28.01.2019) and Shri S.N. Prasad (w.e.f. 28.01.2019), 2 (Two) part time non-official Director viz. Dr. Indira Chakravarty and Shri Pravin Kant (w.e.f. 28.01.2019) and 4 (Four) Functional Directors viz. Shri S.K. Jha, Director (Technical) Operations, Shri Jaiprakash Gupta, Director (Technical) Project & Planning (w.e.f. 04.07.2018) and Shri Vinay Ranjan, Director (Personnel) (w.e.f. 22.09.2018). (Shri K.S. Patro, Director (Personnel) (upto 30.04.2018), Shri N.K. Sudhansu, Joint Secretary, MoC, Part-time Official Director (upto 03.10.2018) and Ms. Vismita Tej (w.e.f. 03.10.2018 upto 10.01.2019)).

Company Secretary is Secretary to the Committee and General Manager (P&P) is the Nodal Officer for this Committee.



Shri N.K. Sudhansu, Joint Secretary, MoC, Part-time Official Director was the chairman of the committee for the first two meetings. Thereafter, Dr. Indira Chakravarty, Part-time official Director became the Chairperson of the committee for the third meeting and after that Shri Bhabani Prasad Pati, Joint Secretary, MoC, Part-time Official Director was elected as the chairman of the committee on 28.01.2019.

During the year 2018-19, 4 (four) meetings of the Committee for Evaluation, Appraisal and Approval of Projects were held i.e. on 25.05.2018, 29.07.2018, 07.12.2018 and 13.03.2019. The details of members and their attendance at meetings are given below:

Sl. No.	Members	Meeting held during respective tenure of members	No. of Meetings attended.
1	Shri N.K. Sudhansu	02	01
2	Ms. Vismita Tej	01	01
3	Shri B.P. Pati	01	01
4	Shri S.N. Prasad	01	NIL
5	Dr. Indira Chakravarty	04	04
6	Shri Pravin Kant	01	01
7	Shri S.K. Jha	04	04
8	Shri Jaiprakash Gupta	03	03
9	Shri Sanjiv Soni	03	03
10	Shri Vinay Ranjan	02	02

[C] Committee on C.S.R. :

In the 261st meeting of the ECL Board, CSR & Sustainability Committee was constituted. The Committee consisted 2 (Two) part time Official Directors, viz. Shri Bhabani Prasad Pati (w.e.f. 28.01.2019) and Shri S.N. Prasad (w.e.f. 28.01.2019), 2 (Two) part time non-official Directors viz. Dr. Indira Chakravarty and Shri Pravin Kant and 4 (four) Functional Directors viz. Shri Shri S.K. Jha, Director (Technical) Operations, Shri Jaiprakash Gupta, Director (Technical) Project & Planning (w.e.f. 04.07.2018), Shri Sanjiv Soni (w.e.f. 04.07.2018) and Shri Vinay Ranjan (w.e.f. 22.09.2018).

Company Secretary is Secretary to the Committee and HOD (CSR&W) is the Nodal Officer for this Committee

During the year 2018-19, 6 (six) meetings of the Committee on C.S.R. were held i.e. on 30.06.2018, 10.08.2018, 06.11.2018, 07.12.2018, 28.01.2019 and 13.03.2019. Dr. Indira Chakravarty, part time non-official director was Chairperson of the Committee throughout the year. The details of members and their attendance at meetings are given below:

Sl. No.	Members	Meeting held during respective tenure of members	No. of Meetings attended.
1	Dr. Indira Chakravarty	06	06
2	Shri N.K. Sudhansu	02	NIL
3	Ms. Vismita Tej	02	01
4	Shri B.P. Pati	01	01
5	Shri S.N. Prasad	01	NIL
6	Shri Pravin Kant	01	01
7	Shri S.K. Jha	06	06
8	Shri Jaiprakash Gupta	06	06
9	Shri Sanjiv Soni	06	06
10	Shri Vinay Ranjan	04	04

**[D] Risk Management Committee. :**

In the 291st meeting of the ECL Board, Risk Management Committee was constituted. The Committee consisted 2 (Two) part time non-official Directors viz. Dr. Indira Chakravarty and Shri Pravin Kant (w.e.f. 28.01.2019) and 4 (four) Functional Directors viz. Shri S.K. Jha, Director (Technical) Operations (w.e.f. 28.01.2019), Shri Jaiprakash Gupta, Director (Technical) Project & Planning (w.e.f. 28.01.2019), Shri Sanjiv Soni, Director (Finance) (w.e.f. 28.01.2019) and Shri Vinay Ranjan, Director (Personnel) (w.e.f. 28.01.2019). During the year 2018-19, 1 (one) meeting of the Risk Management Committee was held i.e. on 13.03.2019.

Company Secretary is Secretary to the Committee and Shri Pravin Kant, Part time Non-Official Director was the Chairman of the committee. The details of members and their attendance at meetings are given below:

Sl. No.	Members	Meeting held during respective tenure of members	No. of Meetings attended
1	Shri Pravin Kant	01	01
2	Dr. Indira Chakravarty	01	01
3	Shri S.K. Jha	01	01
4	Shri Jaiprakash Gupta	01	01
5	Shri Sanjiv Soni	01	01
6	Shri Vinay Ranjan	01	01

Statutory Auditors:

Under Section 139 of the Companies Act, 2013 the following Chartered Accountants Firms were appointed by the Comptroller and Auditor General of India for conducting audit of the financial accounts of the company for the year 2018-19:

Statutory Auditors:

1. M/s G.P. Agrawal & Co., 7-A, Kiran Shanker Ray Road, 2nd Floor, Kolkata-700001

Branch Auditors:

2. M/s Ray & Co., 21A, Shakespeare Sarani, Flat No.-8C, 8th Floor, Kolkata-700017
3. M/s. Saraf & Chandra, 501, Ashoka House, 3A Hare Street, 5th Floor, Kolkata-700001
4. M/s. ADD & Associates, P-168, Sector-B, Metropolitan Co-Operative Housing Society Ltd., Kolkata-700105
5. M/s N. Sarkar & Co., 21 Prafulla Sarkar Street, Kolkata-700072
6. M/s S.K. Basu & Co., Temple Chambers, 2nd Floor, 6 Old post Office Street, Kolkata-700001

Annual General Meeting:

Particulars of Annual General Meeting of Shareholders of the company held during last 3 years were as under:-

Year	Date, Time and Place	Attendance	Special Resolution
2015-16	16.07.2016 11:00 A.M. Sanctoria	Shri C.K. Dey, Director (Finance), CIL, Chairman cum-Mg Director (Additional Charge), ECL Shri D. Sett, Chief Manager(F), CIL, Representative of CIL and Chairman, CIL Shri K.S. Patro, D (P), ECL, Member Audit Committee Shri A.M. Marathe, D(F), ECL	Yes *



Year	Date, Time and Place	Attendance	Special Resolution
2016-17	16.07.2017 11:00 A.M. Sanctoria	Shri S. Chakravarty, Chairman-cum-Managing Director, ECL Shri B. Sharma, Dy. Mgr. (F), CIL As representative of CIL and Proxy for Shri. S. Bhattacharya, Chairman, CIL and Shri C.K. Dey, Director (Finance), CIL Shri K.S. Patro, Director (Personnel), ECL (Member of Audit Committee) Shri A. Marathe, Director (Finance), ECL Shri B.N. Shukla, Director (Technical) Operations (Member of Audit Committee)	-
2017-18	09.07.2018 10:00 A.M. Kolkata	Shri S.K. Jha, Chairman-cum-Managing Director, ECL Shri C.K. Dey, Director (Finance), CIL (Member of Audit Committee) Shri Ranjit Kumar Singh, Dy. Mgr. (F), CIL As representative of CIL and Proxy for Shri. A.K. Jha, Chairman, CIL	-

*Special Resolution was passed in the 41st AGM of ECL for amendment of clause 32(a) of Articles of Association of ECL. The extract of special resolution is reproduced below:

“RESOLVED THAT the proposed amendments in Clause 32(a) of Articles of Association of Eastern Coalfields Limited be and is hereby approved:

“...Without prejudice to the generality of the above provision, the Board shall reserve for the decision of the President/ CIL any matter relating to:

a) Any programme of capital expenditure for an amount exceeding the limits, if any contained in the Govt. guidelines issued from time to time.”

No Special Resolution was passed through postal ballot at any of the General Meetings of the members held during the above three years.

4. DISCLOSURES:

(a) Related Party Transactions:

As per the disclosures given by the Directors of the company there were no related party transactions that have potential conflict with the interest of the company at large.

(b) Code of Conduct for Directors and Senior Executives:

The Code of Conduct for Directors and Senior Executives was approved by the Board of Directors of the company in its 214th Meeting held on 15th October, 2007. This was circulated to the Directors and senior executives and obtained their affirmation. It was also uploaded in the website of the company www.easterncoal.nic.in.

**(c) Accounting Treatment:**

The financial statements are prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 2013.

(d) Risk Management, Fraud Prevention and Identification:

Risk Assessment and Mitigation Policy has been approved by the ECL Board in its 257th Meeting held on 05.11.2012. The Risk Management Committee in its 2nd Meeting held on 13.03.2019 in Kolkata reviewed the Risk that Matters to the company and appointed Shri R.N. Som, GM (P&P), ECL as the Chief Risk Officer.

(e) CEO/CFO Certification:

A certificate duly signed by Shri Sanjiv Soni, Director (Finance) and Shri Prem Sagar Mishra, Chairman-cum-Mg. Director was placed in the 323rd Board Meeting is annexed to the Corporate Governance Report as **Annexure-B**.

(f) Compliance with applicable laws:

During the Financial Year 2018-19, all the laws applicable to the company has been complied.

5. Means of Communications:

Annual Report, Operational and financial performance of the company is uploaded in company's website www.easterncoal.nic.in.

Apart from Annual Accounts, quarterly review of accounts is also conducted by the statutory auditors of the company.

6. Audit Qualifications:

It is always the company's endeavour to present an unqualified financial statement. Management reply to the statutory auditors' observations on the accounts of the company for the year ended 31st March, 2019 are furnished as an Annexure to Directors' Report. Comments of the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013 on the accounts of Eastern Coalfields Limited for the year ended 31st March, 2019 are also enclosed.

7. Training of Board Members:

The Functional Directors are the heads of the respective functional areas by virtue of their possessing the requisite expertise and experience. They are aware of the business model of the company as well as the risk profile of the company's business. The Part-time Directors are also fully aware of the company's business model. In this regard, during the FY 2018-19, the Independent Directors were nominated for training provided by DPE at Mysore and Guwahati.

8. Shareholding pattern of the Company:

100% shares of the company are held by Coal India Ltd.

9. Whistle Blower Policy:

The company promotes ethical behavior in all its business activities. The Board has put in place mechanism of reporting illegal or unethical behavior. Employees are free to report violation of laws, rules, fraud or unethical conduct to the Competent Authority. The reports received from any employee will be reviewed by the Screening Committee. The management personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices.

The Board of your company had accorded its approval in its 218th Meeting held on 27th March, 2008 to sign a MoU with M/s. Transparency International in line with the MoU entered into by CIL for implementation of Integrity Pact and the same was carried out.

10. During 2018-19, no person has been prevented from direct access to the Chairperson of the Audit Committee.

11. The date of submission to DPE of completed data-sheet for PE Survey was 28.09.2018.



ANNEXURE - B

ईस्टर्न कोलफील्ड्स लिमिटेड
अध्यक्ष-सह-प्रबंध निदेशक का कार्यालय
सांकतोड़िया, पत्रालय- डिसेरगढ़,
जिला- बर्द्धमान, पश्चिम बंगाल-713333
सी.आइ.एन-U10101WB1975GOI030295
वेबसाइट – www.easterncoal.gov.in



EASTERN COALFIELDS LIMITED
Office of the Chairman-cum-Managing
Director
Sanctoria, P.O.: Dishergarh,
Dist.: Burdwan, West Bengal-713333
CIN-U10101WB1975GOI030295
Website – www.easterncoal.gov.in

CEO AND CFO CERTIFICATION

To
The Board of Directors
Eastern Coalfields Limited

Date: 27-05-2019

We, Prem Sagar Mishra, Chairman-cum-Managing Director, Eastern Coalfields Limited and S. Soni, Director (Finance), Eastern Coalfields Limited, responsible for the finance function certify that:

- a. We have reviewed the Financial Statements of the Company for the year ended 31st March, 2019 together with Accounting Policies and Additional Notes thereon as well as Financial Results for the year ended 31st March, 2019 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2019 as are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.



- d. We have indicated to the auditors and the Audit Committee that:
- i. There has not been any significant changes in internal control over financial reporting during the period under reference;
 - ii. There has not been any significant change in accounting policies during the period.
 - iii. We have not become aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Director (Finance)
Eastern Coalfields Limited**

**Chairman-cum-Managing Director
Eastern Coalfields Limited**

**G. P. AGRAWAL & Co.****Independent Auditor's Certificate on Corporate Governance
To The Members of Eastern Coalfields Limited**

1. We, G.P. Agrawal & Co., Chartered Accountants, the Statutory Auditors of Eastern Coalfields Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2019, as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) dated 14.05.2010 (hereinafter referred to as "DPE Guidelines").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the DPE Guidelines.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in DPE Guidelines during the year ended March 31, 2019 subject to the following:
 - i. No. of functional directors is 56% (approx.) of the actual strength of the Board whereas as per para 3.1.2 of Chapter 3 of DPE Guidelines "The number of Functional Directors (including CMD/MD) should not exceed 50% of the actual strength of the Board."
 - ii. No. of independent directors is 2 whereas as per para 3.1.4 of Chapter 3 of DPE Guidelines "..... in case of all other CPSEs (i.e. listed on Stock Exchange but without an Executive Chairman, or not listed CPSEs), at least one-third of the Board Members should be Independent Directors." i.e. there should be a minimum of 3 independent directors (1/3rd of total of 9 directors) as per the said guideline.



- iii. No. of independent directors is 2 whereas as per para 4.1.1 of Chapter 4 of DPE Guidelines “The Audit Committee shall have minimum three Directors as members. Two-thirds of the members of audit committee shall be Independent Directors.” i.e. there should be a minimum of 5 independent directors (2/3rd of total of 7 directors in Audit Committee) as per the said guideline.
- iv. As per para 4.4 of Chapter 4 of DPE Guidelines, “..... The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but a minimum of two independent members must be present.” However, there was only 1 independent director, i.e. Dr. Indira Chakravarty in the Audit Committee till 28.01.2019.
- 8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata
Dated: 30th July, 2019



For G. P. Agrawal & Co.
Chartered Accountants
Firm Regn. No. 302082E

(CA. Ajay Agrawal)
Membership No. 017643
Partner
UDIN-19017643AAAAAV2392

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U10101WB1975GOI030295
- ii) Registration Date:-01.11.1975
- iii) Name of the Company:- Eastern Coalfields Limited
- iv) Category/Sub-Category of the Company:- Public Limited Company u/s 2(71) of Companies Act-2013
- v) Address of the Registered office and contact details:- CMD's Office, Sanctoria, Post-Dishergarh, Dist.-Burdwan, PIN-713333, West Bengal.
- vi) Whether listed company Yes / No: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: NA

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Coal	0510	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of Companies Act 2013
1	Coal India Limited, CIN-L23109WB1973GOI028844 Coal Bhavan Premises-04 MAR, Plot No.-AF-III Action Area-1A, New Town Rajarhat, Kolkata-700156, West Bengal		Holding Company	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

- a. Category-wise Share Holding



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		3	3	0.01		3	3	0.01	Nil
b) Central Govt.									
c) State Govt.									
d) Bodies Corp.		22184497	22184497	99.99		22184497	22184497	99.99	Nil
e) Banks/FI									
f) Any Other....									
Sub-total (A) (1):-	Nil	22184500	22184500	100	Nil	22184500	22184500	100	Nil
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	Nil	22184500	22184500	100	Nil	22184500	22184500	100	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Co.									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	22184500	22184500	100	Nil	22184500	22184500	100	Nil

b. Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Coal India Limited	22184497	99.99	Nil	22184497	99.99	Nil	Nil
	TOTAL	22184497	99.99	Nil	22184497	99.99	Nil	Nil

c. Change in Promoters' Shareholding (please specify, if there is no change): There is no change in Promoters' Shareholding during the year. The details are given below:

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		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	22184497	99.99	22184497	99.99
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):	Nil	Nil	Nil	Nil
3	At the End of the year	22184497	99.99	22184497	99.99

d. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		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	NIL			
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
3	At the End of the year (or on the date of separation, if separated during the year)				



e. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		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	2	0.01	2	0.01
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the End of the year	2	0.01	2	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid		1698.36		1698.36
iii) Interest accrued but not due				
Total (i+ii+iii)		1698.36		1698.36
Change in Indebtedness during the financial year				
Addition		135.82		135.82
Reduction		6.60		6.60
Net Change		129.22		129.22
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid		1827.58		1827.58
iii) Interest accrued but not due				
Total (i+ii+iii)		1827.58		1827.58



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Figures in ₹)

SI No	Particulars of Remuneration	Name of MD/WTD/Manager						Total Amount
		Shri PS Mishra	Shri S.K. Jha	Shri Jaiprakash Gupta	Shri Sanjiv Soni	Shri Vinay Ranjan	Shri K.S. Patro	
1	Gross salary	1958408.00	4889357.43	3761049.00	1903096.98	1507978.00	2205853.00	16225742.41
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961							
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	250853.00	469546.00	448464.00	403014.00	37993.00	74091.00	1683961.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961							
2	Stock Option		Nil	Nil	Nil	Nil		Nil
3	Sweat Equity		Nil	Nil	Nil	Nil		Nil
4	Commission -as % of profit -others, specify		Nil	Nil	Nil	Nil		Nil
5	Others, please specify	1065870.00	1544665.00	1700064.00	1545747.00	91846.00	1540510.00	7488702.00
6	Total (A)	3275131.00	6903568.43	5909577.00	3851857.98	1637817.00	3820454.00	25398405.41

b. Remuneration to other directors:

(Figures in ₹)

SI No	Particulars of Remuneration	Name of Directors					Total Amount
1	Independent Directors	Dr. Indira Chakravarty	Shri Pravin Kant				
	Fee for attending board/committee meetings	435000.00	105000.00				540000.00
	Commission						
	Others, specify						
	Total (1)						540000.00
2	Other Non-Executive Directors	Shri N.K. Sudhansu	Ms. Vismita Tej	Shri B.P. Pati	Shri C.K. Dey	Shri S.N. Prasad	
	Fee for attending board/committee meetings	NIL	NIL	NIL	NIL	NIL	
	Commission						
	Others, specify						
3	Total (2)	0.00	0.00				0.00
4	Total (B)=(1+2)	435000.00	105000.00				540000.00



c. Remuneration to key managerial personnel other than MD/Manager/WTD

Sl.No.	Particulars of Remuneration	Company Secretary		Total
		Shri Rambabu Pathak	Shri V.R. Reddy	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2077545.00	3028824.00	5106369.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5250.00	5250.00	10500.00
	Stock Option			
	Sweat Equity			
	Commission - as % of profit - Others, specify...			
	Others, please specify	507600.00	1403987.00	1911587.00
Total		2590395.00	4438061.00	7028456.00

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			NIL		
Punishment					
Compounding					
b. Directors					
Penalty			NIL		
Punishment					
Compounding					
c. Other officers in default					
Penalty			NIL		
Punishment					
Compounding					



ANNEXTURE - IX



Dinesh Agarwal, ACMA, FCS

Practicing Company Secretary.....

16/1A, Abdul Hamid Street (British Indian Street),
4th Floor, Room No.4B, Kolkata-700069(W.B.)

Mobile: +91 9339740007 || E-Mail: agarwaldcs@gmail.com

SECRETARIAL AUDIT REPORT
Form No.-MR-3
For the Financial Year ended 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
M/s. Eastern Coalfields Limited
P.O. Dishergarh, Sanctoria,
Burdwan-713333
West Bengal, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Eastern Coalfields Limited (CIN: U10101WB1975GOI030295) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Eastern Coalfields Limited ("the Company") for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'),
- (vi) Other laws specifically applicable to the Company.

Note: The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder and The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder are not applicable to the Company.

I have also examined compliance with the applicable clauses of the following:





- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Guidelines on Corporate Governance of CPSE, 2010.

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations:

- **As per available information, company is not having sufficient number of Independent Director as required under Section 149 of the Act.**
- **The available record shows that there is a shortfall/ unexpended amount of ₹ 7.83 Crore in the Corporate Social Responsibility activity.**
- **As per Section 177 of Companies Act, 2013 Audit Committee is required to be constituted. It is not being properly constituted.**

I further report that:

The Board of Directors of the Company is duly constituted as per the Companies Act, 2013 except appointment of independent director. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the audit period under review, all decisions at Board Meetings were carried out unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as observed below:

- The company has complied with all applicable Environmental laws as per undertaking provided by the General Manager (Environment & Forest) Department of the Company vide Ref No. ECL/ENV/210 dated 13/06/2019.
- District Mining Officers (DMOs) in the state of Jharkhand had served demand notice to 11 coal mines of Eastern Coalfields Limited for alleged violation of Environmental Clearance (EC) capacity from 2000-01 to 2016-17 under Section 21(5) of the MMDR Act, 1957. The total amount of demand raised for 11 mines (Mugma Area-8 mines, Rajmahal Area-2 mines and S.P. Mines Area-1 mine) for the period mentioned above is about Rs. 2178.14 crore. ECL has filed revision application to Single Bench Revisional Authority, Ministry of Coal, New Delhi under Section 30 of the 'Mines & Minerals (Development & Regulation) Act, 1957 on 16.01.2018 and got the stay on 22.01.2018. Now the matter is under sub-judice.

**Place: Kolkata
Date: 17th June, 2019**




(DINESH AGARWAL)
Company Secretary
C. P. No. 5881
Membership No. 6315



Dinesh Agarwal, ACMA, FCS

Practicing Company Secretary.....

16/1A, Abdul Hamid Street (British Indian Street),
4th Floor, Room No.4B, Kolkata-700069(W.B.)

Mobile: +91 9339740007 || E-Mail: agarwaldcs@gmail.com

“ANNEXURE A”

To,
The Members
M/s. Eastern Coalfields Limited
P.O. Dishergarh, Sanctoria,
Burdwan-713333
West Bengal, India

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 17th June, 2019




(DINESH AGARWAL)
Company Secretary
C. P. No. 5881
Membership No. 6315

**Management Reply to the Secretarial Audit Report-2018-19 of ECL**

Sl. No.	Observation by Secretarial Auditor	Management Reply
1.	As per available information, company is not having sufficient number of Independent Director as required u/s 149 of the Act.	It is a statement of fact. ECL is having only two Independent Directors in the form of Prof. (Dr.) Indira Chakravarty and Shri Pravin Kant who were appointed on the Board of ECL w.e.f 17.11.2015 and 13.12.2018 respectively.
2.	As per section 177 of the Companies Act, 2013 Audit Committee is required to be constituted. It is not being properly constituted.	Audit Committee is constituted, but there is only two independent directors as stated above. Appointment of Directors in ECL is being done by Ministry of Coal, Govt of India.
3.	The available records show that there is shortfall/unexpended amount of ₹ 7.83 Crore in Corporate Social Responsibility activity.	It is a statement of fact. Adequate disclosure in this regard has been made in the Board's Report-2018-19.
4.	District Mining Officers (DMOs) in the state of Jharkhand had served demand notice to 11 coal mines of Eastern Coalfields Limited for alleged violation of Environmental Clearance (EC) capacity from 2000-01 to 2016-17 under Section 21(5) of the MMDR Act, 1957. The total amount of demand raised for 11 mines (Mugma Area-8 mines, Rajmahal Area-2 mines and S.P. Mines Area-1 mine) for the period mentioned above is about ₹ 2178.14 crore. ECL has filed revision petition to Single Bench Revisional Authority, Ministry of Coal, New Delhi under Section 30 of the 'Mines & Minerals (Development & Regulation) Act, 1957 on 16.01.2018 and got the stay on 22.01.2018. Now the matter is under sub-judice.	It is a statement of fact.

ANNEXURE-X**FOREIGN EXCHANGE EARNING & OUTGO**

(i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans. : Company is not engaged in export activities.

(ii) **Total Foreign Exchange used and earned:**

(₹ in Lakhs)

SI No	Description	2018-19	2017-18
(A)	Foreign Exchange used:		
	1. CIF value of imports:		
	(a) Raw materials	0.00	0.00
	(b) Components, stores & spares	0.00	0.00
	(c) Capital goods	000	000
	2. Travelling/Training Expenses	12.00	13.00
	3. Expenses on know-how and Foreign Consultancy	0.00	0.00
	4. Pension to the Foreigners.	0.00	0.00
	5. Others	0.00	0.00
	TOTAL	12.00	13.00
(B)	Foreign Exchange Earned	Nil	Nil

**ANNEXURE-XI****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION****RESEARCH AND DEVELOPMENT (R&D)**

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

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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



CONFIDENTIAL

संख्या 86/CA/LA-I/Accounts/ECL/2018-19

No.

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

दिनांक / Dated : 27/06/2019

To
The Chairman-cum-Managing Director,
Eastern Coalfields Limited,
Sanctoria,
West Bengal

Subject : Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Eastern Coalfields Limited for the year ended 31st March 2019.

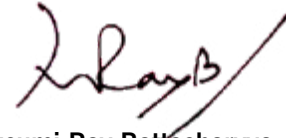
Sir.

I forward herewith the Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Eastern Coalfields Limited for the year ended 31st March 2019.

The receipt of this letter may please be acknowledged.

Encl: As stated.

Yours faithfully,



Mausumi Ray Battacharyya
DIRECTOR GENERAL OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD - II
KOLKATA

Place: Kolkata,
Dated: 27th June, 2019

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

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

The preparation of financial statements of Eastern Coalfields Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.05.2019 and revised Audit Report dated 24.06.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Eastern Coalfields Limited for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. In view of the revision made to include details of statutory dues deposited under protest in Appendix '1' referred to in 7(b) of Annexure I to the Independent Auditors' Report as a result of my audit observations highlighted during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under section 143(6)(b) of the Act.

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

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

Place: Kolkata,
Dated: 27/06/2019

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASTERN COALFIELDS LIMITED AND
MANAGEMENT REPLY**

S. N.	Auditors' Report	Management's Reply
Report on the Audit of the Financial Statements		
Opinion		
	<p>We have audited the accompanying financial statements of Eastern Coalfields Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").</p> <p>In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.</p>	It is a statement of fact.
Basis for Opinion		
	<p>We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.</p>	It is a statement of fact.
Information Other than the financial statements and Auditor's Report Thereon		
	<p>The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.</p> <p>Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>If, based on the work we have performed and the reports of other auditors as furnished to us as referred to in the Other Matter paragraph below, we conclude that there is a material misstatement of this other information, we are required to report that fact. As explained to us, such other information has not yet been prepared. Therefore, we are presently unable to comment in respect thereof.</p>	It is a statement of fact.
Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements		
	<p>The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 there under.</p>	It is a statement of fact.



<p>This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.</p> <p>Those Board of Directors are also responsible for overseeing the company's financial reporting process.</p>	
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Auditor's Responsibility for the audit of the Financial Statements

<p>Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.</p> <p>As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p> <ul style="list-style-type: none"> • Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls. • Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. • Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. • Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. <p>We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p> <p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p>	<p>It is a statement of fact.</p>
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	We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. These standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.	It is a statement of fact.
	An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the 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 Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.	It is a statement of fact.
	We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.	It is a statement of fact.
Other Matters		
	<p>a. We did not audit the financial statements/ information of 19 units included in the financial statements of the company whose financial statements/financial information reflect total assets of ₹ 4,358.52 Crore as at 31st March, 2019 and total revenue of ₹ 12,356.41 Crore for the year ended on that date, as considered in the financial statements. The financial statements/ information of these units have been audited by the unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of those units, is based solely on the report of such unit auditors.</p> <p>b. The comparative financial information of the Company for the corresponding year ended 31st March, 2018 were audited by the predecessor auditor, M/s. M. Choudhury & Co., who expressed unmodified opinion vide their report dated 26th May, 2018 and revised report dated 6th June, 2018. Reliance has been placed by us on the same for the purpose of this report. Our opinion on the financial statements, and our report on other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.</p>	It is a statement of fact.
Report on other Legal and Regulatory Requirements		
	As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 'I', a statement on the matters specified in the paragraph 3 and 4 of the order.	It is a statement of fact.
	As required under Section 143 (5) of the Act, we give in Annexure 'II' to this report, a statement on the directions, issued by the Comptroller and Auditor General of India after complying the suggested methodology of audit, the actions taken thereon and its impact on the accounts and financial statements of the Company.	It is a statement of fact.
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;	It is a statement of fact.
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 and the reports of other auditors;	It is a statement of fact.
c.	The reports on the accounts of the Units of the Company audited under Section 143(8) of the Act by Unit auditors have been sent to us and have been properly dealt with by us in preparing this report.	It is a statement of fact.
d.	The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flows Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements;	It is a statement of fact.



e.	In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;	It is a statement of fact.
f.	On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;	It is a statement of fact.
g.	With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in Annexure 'III' which is based on our auditor's reports and the auditors' report of the 19 units not audited by us. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those units, for reasons stated therein.	It is a statement of fact.
h.	<p>With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:</p> <ul style="list-style-type: none">i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 5 to the financial statements;ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.	It is a statement of fact.

**ANNEXURE 'I' to the INDEPENDENT AUDITORS' REPORT
of even date on the Financial Statements of Eastern Coalfields Limited**

Sr. No.	Auditors' Report	Management's Reply
Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended 31st March, 2019:		
1.	a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.	It is a statement of fact.
	b. As explained to us, the fixed assets have been physically verified by the management at regular intervals except in CMD Office where, as explained to us, physical verification of fixed assets is in progress. As informed to us, no material discrepancies were noticed in respect of fixed assets physically verified during the year.	It is a statement of fact.
	c. The title deeds in respect of immovable properties purchased by the Company are held in the name of the Company and ownership documents for immovable properties acquired under Coal Mines Nationalization Act, 1973, Land Bearing Acquisition (A & D) Act, 1957, direct transfer of Government land and forest land acquisition under Forest Act are held in the name of the Company except that (i) Compilation and reconciliation of documents/deeds in respect of 713.39 hectare of land is in progress and (ii) title deed for apartment in building situated at 12C, Lord Sinha Road, Kolkata-700 071 was not available for our verification.:	
2.	The year-end stock of coal has been independently physically verified by the representatives of the Holding company i.e. Coal India Limited. Physical Verification of stores was conducted by team of internal audit department. As explained, the frequency of verification of stock is reasonable and adequate in relation to the size of the Company. No material discrepancies have been noticed on physical verification of the inventory as compared to book records except for (i) Barakar Engineering and Foundry Works, (ii) Mugma Regional Workshop, (iii) Mugma Area, (iv) Satgram Area, (v) Sodepur Area, (vi) Ratibati Workshop and (vii) Sodepur Workshop where the discrepancies noticed were material in nature and have been properly dealt with in the books of account.	It is a statement of fact.
3.	The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.	It is a statement of fact.
4.	In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction in respect of loans, investments, guarantees, and security covered under section 185 and 186 of the Act. Accordingly, the provisions of clause 3 (iv) of the Order are not applicable to the Company.	It is a statement of fact.
5.	The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.	It is a statement of fact.
6.	In our opinion and according to the information and explanation given to us, the cost records and accounts has been prescribed by the Government under section 148 (1) of the Act. The said accounts and records have been maintained by the Company. However, as not required, we have not made a detailed examination of these records.	It is a statement of fact.
7.	a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.	It is a statement of fact.



	b. According to the information and explanation given to us, the amounts involved and the forum where dispute is pending in respect of dues of income tax/sales tax/wealth tax/Service Tax/Customs Duty/Excise Duty/Value Added Tax that have not been deposited on account of any disputes are given in Appendix 1 to this report.	It is a statement of fact.
8.	In our opinion and according to the information and explanations given to us, the Company has not taken any loan from bank, financial institution or from the government and has not issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company.	It is a statement of fact.
9.	Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.	It is a statement of fact.
10.	Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.	It is a statement of fact.
11.	The managerial remuneration has been paid or provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.	It is a statement of fact.
12.	In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.	It is a statement of fact.
13.	In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.	It is a statement of fact.
14.	Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.	It is a statement of fact.
15.	Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.	It is a statement of fact.
16.	In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.	It is a statement of fact.

Appendix 1

Disputed Dues that have not been deposited

Sl. No.	Name of the Statute	Nature of the Dues	Period to which the amount relates	Forum where dispute is pending	Amount (₹ in Crore)
1	Central Excise Act, 1944	Central Excise Duty	March 2011 to March 2016	CCE, Bolpur	0.93
2	Central Excise Act, 1944	Central Excise Duty	10-11 to 14-15 & Apr 15 to Sept 16	CESTAT, Kolkata	784.52
3	Central Excise Act, 1944	Central Excise Duty	2015-16	Commissioner Adjudication, Ranchi	1.15

It is a statement of fact. However, these disputed dues are included in contingent liability (claim against the company not acknowledged as debts) shown in Additional Notes to Accounts under clause no. 5. Unrecognized Items.



4	Central Excise Act, 1944	Central Excise Duty	March'11 to February'13	Commissioner, Central Excise and Service Tax, Ranchi	2.52
5	Central Excise Act, 1944	Central Excise Duty	2014-15 & 2015-16	O/O the Principle Director of Audit, Ranchi (CAG)	5.19
6	Central Sales Tax Act, 1956	CST	2001-02	CCT, Ranchi	1.96
7	Central Sales Tax Act, 1956	CST	April'06 to August'13 & 13-14	Commercial Taxes Tribunal, Ranchi	5.15
8	Central Sales Tax Act, 1956	CST	2015-16	DCCT, Godda	4.74
9	Central Sales Tax Act, 1956 / Jharkhand VAT Act, 2005	CST / JVAT	1997-98 to 01-02	ACCT, Deoghar	0.9
10	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2008-09	CCT, Ranchi	0.97
11	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2004-05, 2006-07 & 2007-08	Commissioner of Commercial Tax, Ranchi	9.04
12	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2011-12 & 2012-13	DCCT, Deoghar	3.67
13	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	1989-90 to 1995-96	Hon'ble High Court, Kolkata	24.65
14	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2003-04, 2009-10 & 2014-15	JCCT (Appeal), Dumka	12.84
15	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2000-01	JCCT, Dumka	0.14
16	Central Sales Tax Act, 1956 / Jharkhand Value Added Tax Act, 2005	CST / JVAT	2002-03	Tribunal Court, Ranchi	1.62



17	Central Sales Tax Act, 1956 / West Bengal VAT Act, 2003	WB VAT/CST	2012-13	WB Taxation Tribunal, Kolkata	23.13
18	Central Sales Tax Act, 1956 / West Bengal VAT Act, 2003	WB VAT/CST	2014-15	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	14.13
19	Finance Act, 1994	Service Tax	2012-13 to 2015-16	CESTAT, Kolkata	102.93
20	Income Tax Act, 1961	Income Tax	*1993-94, *2007-08, *2009-10 to 2015-16, *2017-18	CIT(A), Asansol	699.93
21	Income Tax Act, 1961	TDS	2007-08 to 2017-18	CPC Bangalore	0.39
22	Income Tax Act, 1961	Income Tax	*2003-04 to 2006-07 & *2008-09	Hon'ble High Court, Kolkata	304.4
23	Income Tax Act, 1961	Income Tax	*2007-08	ITAT, Kolkata	44.28
24	Jharkhand VAT Act, 2005	JVAT	1990-91, 1992-93, 2003-04 & 2005-06 to 2010-11	Dy. CCT, Chirkunda Circle	19.49
25	Jharkhand VAT Act, 2005	JVAT	78-79, 79-80, 90-91 92-93 to 96-97, 99-00, 00-01, 02-03, 07-08, 09-10 to 2012-13	JCCT (Appeal) Dhanbad	17.43
26	MMDR ACT, 1957	Royalty	01.05.73 to 31.12.97, 1994-95, 96-97, 99-00, 07-08, 08-09, 2011-12	Certificate Officer, Dumka	16.59
27	MMDR ACT, 1957	Royalty	September'03 & 2005-06	D.C., Deoghar	0.76
28	MMDR ACT, 1957	Royalty	1999-00	District Mining Officer	0.4
29	MMDR ACT, 1957	Royalty	2006-07 to 31.12.15	District Mining Officer, Dumka	0.05
30	MMDR ACT, 1957	Royalty	2008-09 to 2009-10	District Mining Officer, Godda	0.09
31	MMDR ACT, 1957	Royalty	1998-99, 24.09.03 to 31.12.05	Hon'ble High Court, Ranchi	29.93
32	MMDR ACT, 1957	Royalty	Apr'86, Feb'91, Apr'94, Mar'96 & Sept'03	Hon'ble Supreme Court	5.92



33	MMDR ACT, 1957	Royalty	2000-01 to 2009-10	Revisional Authority, Ministry of Coal, GOI, New Delhi	2,178.14
34	West Bengal Primary Education Act, 1973	West Bengal Primary Education Cess	2002-03 to 2005-06, 2007-08 & 2008-09	Spl. Commissioner, Beliaghata, Kolkata	19.84
35	West Bengal Primary Education Act, 1973	West Bengal Primary Education Cess	2009-10 to 2016-17	Sr. JC, Asansol	135.26
36	West Bengal Primary Education Act, 1973	West Bengal Primary Education Cess	1997-98 to 2001-02	WB Taxation Tribunal, Kolkata	113.55
37	West Bengal Rural Employment and Production Act, 1976	West Bengal Rural Employment Cess	2002-03 to 2005-06, 2007-08 & 2008-09	Spl. Commissioner, Beliaghata, Kolkata	79.35
38	West Bengal Rural Employment and Production Act, 1976	West Bengal Rural Employment Cess	2009-10 to 2016-17	Sr. JC, Asansol	613.34
39	West Bengal Rural Employment and Production Act, 1976	West Bengal Rural Employment Cess	1997-98 to 2001-02	WB Taxation Tribunal, Kolkata	306.16

* Assessment Year

Out of the above, the under mentioned statutory dues have been deposited under protest:

SI. No.	Nature of dues	Deposit made under protest (₹ in crore)
1	Income Tax	45.68
2	West Bengal Value Added Tax/Central Sales Tax	3.57
3	Service Tax	3.86
4	Jharkhand Value Added Tax/Central Sales Tax	8.89
5	Central Excise Duty	41.73
6	Royalty	3.52
	TOTAL	107.25



ANNEXURE 'II' to the INDEPENDENT AUDITORS' REPORT
of even date on the Financial Statements of Eastern Coalfields Limited
for the year ended 31st March, 2019

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended 31st March, 2019:

Annexure - A

Directions under section 143(5) of the Companies Act, 2013

Sr. No.	Auditors' Report	Auditor's Comments	Management Reply
1.	Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any may be stated.	Yes, subject to the following: a. Maintenance of Sub-ledger of Advance received from Rail customer (balance as on the balance sheet date ₹ 93.10 Crore) manually in Kolkata Sales Office. b. Books of account maintained manually at Ratibati Workshop.	It is a statement of fact.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There is no such case during the year.	It is a statement of fact.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilised as per its terms and conditions? List the cases of deviation.	Yes, funds received/receivable for specific scheme from Central/State agencies were properly accounted for/utilized as per its terms and conditions.	It is a statement of fact.



ANNEXURE 'II' to the INDEPENDENT AUDITORS' REPORT

**of even date on the Financial Statements of Eastern Coalfields Limited
for the year ended 31st March, 2019**

Annexure 'B'

**Additional – directions under section 143 (5) of the Companies Act, 2013 to Statutory Auditors
appointed for audit of Coal India limited and its subsidiaries for the year ended 31st March, 2019:**

S.N.	Auditors' Report	Auditor's Comments	Management Reply
1.	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year?	Coal Stock measurement was done keeping in view the contour map. The physical stock measurement reports are accompanied by contour maps. New heaps created during the year have the approval of the competent authority.	It is a statement of fact.
2.	Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	There is no such case during the year.	It is a statement of fact.
3.	Whether separate escrow accounts for each mine have been maintained by CIL or its subsidiary companies. Also, examine the utilization of fund of the account.	Yes, separate Escrow accounts have been maintained for each mine. Further, no fund was utilized from these Escrow accounts during the year.	It is a statement of fact.
4.	Whether the impact of penalty for illegal mining as imposed by the Hon'ble supreme court has been duly considered and accounted for?	There is a demand notice of ₹ 2178.14 Crore from Government of Jharkhand for producing coal in excess of the maximum production capacity in respect of Rajmahal, Mugma and S P Mines areas which has been shown as Contingent Liability. The Ministry of Coal has, however, stayed the execution of the said demand notice.	It is a statement of fact.



**ANNEXURE 'III' to the INDEPENDENT AUDITORS' REPORT
of even date on the Financial Statements of Eastern Coalfields Limited**

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

Sr. No.	Auditors' Report	Management's Reply
1.	We have audited the internal financial controls over financial reporting of Eastern Coalfields Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.	It is a statement of fact.
Management's Responsibility for Internal Financial Controls		
2.	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. 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 Act.	It is a statement of fact.
Auditor's Responsibility		
3.	<p>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 Act, 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.</p> <p>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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.</p> <p>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 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.</p>	It is a statement of fact.



Meaning of Internal Financial Controls Over Financial Reporting		
4.	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.	It is a statement of fact.
Inherent Limitations of Internal Financial Controls Over Financial Reporting		
5.	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.	It is a statement of fact.
Opinion		
6.	In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, 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.	It is a statement of fact.
Other Matters		
	Our aforesaid report under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to 19 units of the Company is based on the corresponding reports of auditors of such units.	It is a statement of fact.



Eastern Coalfields Limited

**Annual
Accounts**
2018-19



BALANCE SHEET

(₹ in Crore)

	Note No.	As at 31-03-2019	As at 31-03-2018
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipments	3	2,992.37	2,704.62
b. Capital Work in Progress	4	303.54	352.67
c. Exploration and Evaluation Assets	5	600.00	528.08
d. Other Intangible Assets	6	-	-
e. Intangible Assets under Development		-	-
f. Investment Property		-	-
g. Financial Assets			
i. Investments	7	0.08	0.08
ii. Loans	8	0.09	0.13
iii. Other Financial Assets	9	499.94	504.30
h. Deferred Tax Assets (net)		448.48	696.83
i. Other Non-Current Assets	10	187.35	159.19
Total Non-Current Assets (A)		5,031.85	4,945.90
Current Assets			
a. Inventories	12	420.56	544.53
b. Financial Assets			
i. Investments	7	-	-
ii. Trade Receivables	13	1,621.92	1,109.89
iii. Cash & Cash equivalents	14	478.68	783.39
iv. Other Bank Balances	15	4,186.82	3,870.36
v. Loans	8	-	-
vi. Other Financial Assets	9	305.65	730.07
c. Current Tax Assets (Net)		392.96	285.57
d. Other Current Assets	11	628.01	510.11
Total Current Assets (B)		8,034.60	7,833.92
Total Assets (A + B)		13,066.45	12,779.82
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	16	2,218.45	2,218.45
b. Other Equity	17	(1,169.94)	(1,876.32)
Equity attributable to equityholders of the company		1,048.51	342.13
Non-Controlling Interests		-	-
Total Equity (A)		1,048.51	342.13



(₹ in Crore)

	Note No.	As at 31-03-2019	As at 31-03-2018
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
i. Borrowings	18	1,820.96	1,692.17
ii. Other Financial Liabilities	20	20.59	18.11
b. Provisions	21	3,357.14	3,705.31
c. Other Non-Current Liabilities	22	-	-
Total Non-Current Liabilities (B)		5,198.69	5,415.59
Current Liabilities			
a. Financial Liabilities			
i. Borrowings	18	-	-
ii. Trade payables	19		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of Creditors other than micro and small enterprises		502.93	473.49
iii. Other Financial Liabilities	20	328.89	290.42
b. Other Current Liabilities	23	4,661.18	4,068.77
c. Provisions	21	1,326.25	2,189.42
d. Current Tax Liabilities (Net)		-	-
Total Current Liabilities (C)		6,819.25	7,022.10
Total Equity and Liabilities (A + B + C)		13,066.45	12,779.82
Corporate Information	1		
Significant Accounting Policies	2		
Additional Notes on Accounts	38		
The Accompanying Notes form an integral part of Financial Statements.			

(RAMBABU PATHAK)
Company Secretary

(A.BHATTACHARYA)
G.M. (Finance)

(SANJIV SONI)
Director (Finance)
DIN- 08173548

(PREM SAGAR MISHRA)
Chairman-cum-Managing Director
DIN-07379202

As per our report annexed
FOR G.P. Agrawal & Co.
Chartered Accountants
F.R.No.302082E

Date: 27-05-2019
Place: Kolkata

CA Ajay Agarwal
Membership No. 017643
Partner



STATEMENT OF PROFIT AND LOSS

(₹ in Crore)

	Note No.	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Revenue from Operations			
A Sales (Net)	24	12,914.35	10,626.01
B Other Operating Revenue (Net)	24	495.42	315.24
(I) Revenue from Operations (A + B)		13,409.77	10,941.25
(II) Other Income	25	497.72	526.41
(III) Total Income (I + II)		13,907.49	11,467.66
Expenses			
Cost of Materials Consumed	26	721.71	656.99
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	109.50	33.53
Excise Duty		-	146.14
Employee Benefits Expense	28	7,448.47	8,415.89
Power & Fuel		476.39	506.06
Corporate Social Responsibility Expense	29	16.46	12.69
Repairs	30	141.12	153.41
Contractual Expense	31	1,929.81	1,587.39
Finance Costs	32	163.10	154.38
Depreciation/Amortization		494.98	443.99
Provisions	33	8.28	(1.24)
Write off	34	-	-
Other Expenses	35	643.04	551.12
Stripping Activity Adjustment		456.24	274.04
(IV) Total Expenses		12,609.10	12,934.39
(V) Profit before exceptional items and Tax (III-IV)		1,298.39	(1,466.73)
(VI) Exceptional Items		-	-
(VII) Profit before Tax (V - VI)		1,298.39	(1,466.73)
(VIII) Tax expense	36	549.62	(535.56)
(IX) Profit for the period from continuing operations (VII - VIII)		748.77	(931.17)
(X) Profit/(Loss) from discontinued operations		-	-
(XI) Tax exp of discontinued operations		-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X - XI)		-	-
(XIII) Share in JV's/Associate's profit/(loss)		-	-
(XIV) Profit for the year (IX + XII + XIII)		748.77	(931.17)
Other Comprehensive Income			
	37	-	-
i. Items that will not be reclassified to profit or loss		(61.39)	163.63
ii. Income tax relating to items that will not be reclassified to profit or loss		(19.00)	56.63
iii. Items that will be reclassified to profit or loss		-	-
iv. Income tax relating to items that will be reclassified to profit or loss		-	-
(XV) Total Other Comprehensive Income		(42.39)	107.00



(₹ in Crore)

	Note No.	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
(XVI) Total Comprehensive Income for the year (XIV + XV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		706.38	(824.17)
Earning per equity share (in ₹) (Face Value of ₹ 1000/- per share)			
1. Basic		337.52	(419.74)
2. Diluted		337.52	(419.74)
Corporate Information	1		
Significant Accounting Policies	2		
Additional Notes on Accounts	38		
The Accompanying Notes form an integral part of Financial Statements.			

(RAMBABU PATHAK)
Company Secretary

(A.BHATTACHARYA)
G.M. (Finance)

(SANJIV SONI)
Director (Finance)
DIN- 08173548

(PREM SAGAR MISHRA)
Chairman-cum-Managing Director
DIN-07379202

As per our report annexed
FOR G.P. Agrawal & Co.
Chartered Accountants
F.R.No.302082E

Date: 27-05-2019
Place: Kolkata

CA Ajay Agarwal
Membership No. 017643
Partner



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31-03-2019

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance as at 01-04-2017	Changes in Equity Share Capital During the year	Balance as at 31-03-2018	Balance as at 01-04-2018	Changes in Equity Share Capital During the year	Balance as at 31-03-2019
10390000 Equity Shares of ₹ 1000/- each fully paid in cash	1,039.00	-	1,039.00	1,039.00	-	1,039.00
11794500 Equity Shares of ₹ 1000/- each allotted as fully paid up for consideration received other than cash	1,179.45	-	1,179.45	1,179.45	-	1,179.45
Total	2,218.45	-	2,218.45	2,218.45	-	2,218.45

B. OTHER EQUITY

(₹ in Crore)

	Equity Portion of Preference Share Capital	Capital Redemption reserve	CSR Reserve	Sustainable Development Reserve	General Reserve	Other Reserves	Retained Earnings
Balance as at 01-04-2017	855.61	-	-	-	832.71	-	(2,820.17)
Changes in accounting policy	-	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-	-
Restated balance as at 01.04.2017	855.61	-	-	-	832.71	-	(2,820.17)
Profit for the period	-	-	-	-	-	-	(931.17)
Dividends (including Dividend tax)	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Balance as at 31-03-2018	855.61	-	-	-	832.71	-	(3,751.34)
Balance as at 01-04-2018	855.61	-	-	-	832.71	-	(3,751.34)
Total Comprehensive Income for the period	-	-	-	-	-	-	748.77
Adjustment during the Period	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Balance as at 31-03-2019	855.61	-	-	-	832.71	-	(3,002.57)

The Accompanying Notes form of an integral part of the Financial Statements.

(RAMBABU PATHAK)
Company Secretary

(A.BHATTACHARYA)
G.M. (Finance)

(SANJIV SONI)
Director (Finance)
DIN- 08173548

(PREM SAGAR MISHRA)
Chairman-cum-Managing Director
DIN-07379202

As per our report annexed
FOR G.P. Agrawal & Co.
Chartered Accountants
F.R.No.302082E

Date: 27-05-2019
Place: Kolkata

CA Ajay Agarwal
Membership No. 017643
Partner

CASH FLOW STATEMENT (INDIRECT METHOD)

		31-03-2019		31-03-2018	
A.	Cash Flow From Operating Activities:				
	Total Comprehensive Income for the Year Adjustment for:		706.38		(824.17)
	Depreciation & Impairment	494.98		443.99	
	Interest Income	(400.14)		(279.91)	
	Sale of Assets	(3.16)		(0.49)	
	Provisions	8.28		(1.24)	
	Liability Written Back	(13.73)		(99.63)	
	Stripping Activity Adjustment	456.24		274.04	
	Central Excise Duty on Closing Stock of Coal	-		-	
	Unwinding of Discount	163.10		154.38	
	Loss/(Gain) on Exchange Rate Variance	10.93	716.50	0.04	491.18
	Operating Profit Before Current / Non Current Assets and Liabilities Adjustments for :		1,422.88		(332.99)
	Trade Receivable	(512.03)		519.22	
	Inventories	123.97		58.77	
	Short/Long Term Liabilities and Provisions	(722.97)		2,520.50	
	Short/Long Term Loans/Advances & Other Current Assets	423.72	(687.31)	(1,345.35)	1,753.14
	Cash Generated from Operations		735.57		1,420.15
	Income Tax paid		315.00		100.00
	Net Cash Flow from Operating Activities (I)		420.57		1,320.15
B.	Cash Flows From Investing Activities:				
	Purchase of Fixed Assets	(802.39)		(911.09)	
	Adjustment in Value of Fixed Assets	(3.13)		4.25	
	Sale of Property, Plant & Equipments	3.16		0.49	
	Proceeds/(Purchase) of Fixed Deposit	(316.46)		(641.72)	
	Interest Pertaining to Investments	400.14		279.91	(1,268.16)
	Net Cash Flow from Investing Activities (II)		(718.68)		(1,268.16)
C.	Cash Flows From Financing Activities:				
	Repayment of Borrowings	(6.60)	(6.60)	(6.04)	(6.04)
	Net Cash used in Financing Activities (III)		(6.60)		(6.04)
	Net Increase/Decrease in Cash & Bank Balances (I + II + III)		(304.71)		45.95
	Cash and Cash Equivalent (Opening Balance) (IV)	783.39		737.44	
	Cash and Cash Equivalent (Closing Balance) (V)	478.68	(304.71)	783.39	45.95
	(All figures in bracket represent outflow)				

**Notes to the Cash Flow Statement:**

1. Cash and Cash Equivalents	31-03-2019	31-03-2018
Cash on hand and balances with banks	109.78	38.44
Short-Term investemnts	368.90	744.95
Cash and cash equivalents	478.68	783.39
Effect of exchange rate changes	-	-
Cash and cash equivalents as restated	478.68	783.39

2. Total tax paid during the year amounts to ₹ 315.00 Crore (₹ 100 Crore).

3. Change in liabilities arising from financing activities :

Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2019 are as follows:

(₹ in Crore)

		As at 31st March, 2018	Cash flows	Others	As at 31st March, 2019
a)	Non-current borrowings [Refer Note no. 18]	155.01	(0.41)	4.33	158.93
b)	Current maturities of long term debt [Refer Note no. 20]	6.19	(6.19)	6.62	6.62
	Total	161.20	(6.60)	10.95	165.55
		As at 31st March, 2017	Cash flows	Others	As at 31st March, 2018
a)	Non-current borrowings [Refer Note no. 18]	161.01	0.15	(6.15)	155.01
b)	Current maturities of long term debt [Refer Note no. 20]	6.19	(6.19)	6.19	6.19
	Total	167.20	(6.04)	0.04	161.20

(RAMBABU PATHAK)
Company Secretary

(A.BHATTACHARYA)
G.M. (Finance)

(SANJIV SONI)
Director (Finance)
DIN- 08173548

(PREM SAGAR MISHRA)
Chairman-cum-Managing Director
DIN-07379202

As per our report annexed
FOR G.P. Agrawal & Co.
Chartered Accountants
F.R.No.302082E

Date: 27-05-2019
Place: Kolkata

CA Ajay Agarwal
Membership No. 017643
Partner



Note: 1 CORPORATE INFORMATION

Eastern Coalfields Limited (The Company) was incorporated as a private Limited Company on 1st November, 1975 as a 100% Subsidiary of Coal India Limited (CIL) upon taking over assets and liabilities vested with the Eastern Division of Coal Mines Authority Limited (former name of Coal India Limited). The Company is primarily engaged in business of production and sale of coal.

The Company is domiciled in India and has its registered office at CMD's Office, Sanctoria, Post- Dishergarh, District-West Burdwan, Pin- 713333.

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.

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 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

Ind AS 115, Revenue from Contracts with Customers supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue recognition, and it applies to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which a Company expects to be entitled in exchange for transferring goods or services to a customer. Eastern Coalfields Limited ('ECL' or 'the company') has adopted Ind AS 115 using the retrospective method of adoption.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

2.3.1 Revenue from contracts with customers

Eastern Coalfields Limited is a subsidiary of Coal India Limited headquartered in Sanctoria, West Bengal, India. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The principles in Ind AS 115 are applied using the following five steps:

Step 1 : Identifying the contract:

The Company account for a contract with a customer only when all of the following criteria are met:

- a) the parties to the contract have approved the contract and are committed to perform their respective obligations;
- b) the Company can identify each party's rights regarding the goods or services to be transferred;
- c) the Company can identify the payment terms for the goods or services to be transferred;
- d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and
- e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

Combination of contracts

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

- a) the contracts are negotiated as a package with a single commercial objective;
- b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract;
or
- c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Contract modification

The Company account for a contract modification as a separate contract if both of the following conditions are present:

- a) the scope of the contract increases because of the addition of promised goods or services that are distinct and
- b) the price of the contract increases by an amount of consideration that reflects the company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

**Step 2 : Identifying performance obligations:**

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

- a) a good or service (or a bundle of goods or services) that is distinct; or
- b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Step 3 : Determining the transaction price

The Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

When determining the transaction price, a Company consider the effects of all of the following:

- ❖ Variable consideration;
- ❖ Constraining estimates of variable consideration;
- ❖ The existence of significant financing component;
- ❖ Non – cash consideration;
- ❖ Consideration payable to a customer.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if the company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

In some contracts, penalties are specified. In such cases, penalties are accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it form part of variable consideration.

The Company includes in the transaction price some or all of an amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised goods or services to a customer and when the customer pays for that good or service will be one year or less.

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

After contract inception, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount of consideration to which the Company expects to be entitled in exchange for the promised goods or services.

Step 4 : Allocating the transaction price:

The objective when allocating the transaction price is for the Company to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Company determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.



Step 5 : Recognizing revenue:

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;
- b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
- c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The Company applies a single method of measuring progress for each performance obligation satisfied over time and the Company applies that method consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company re-measure its progress towards complete satisfaction of a performance obligation satisfied over time.

Company apply output methods to recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced or units delivered.

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Company recognizes revenue for a performance obligation satisfied over time only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. When (or as) a performance obligation is satisfied, the company recognize as revenue the amount of the transaction price, which excludes estimates of variable consideration that are constrained that is allocated to that performance obligation.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time. To determine the point in time at which a customer obtains control of a promised good or service and the Company satisfies a performance obligation, the Company consider indicators of the transfer of control, which include, but are not limited to, the following:

- a) the Company has a present right to payment for the good or service;
- b) the customer has legal title to the good or service;
- c) the Company has transferred physical possession of the good or service;
- d) the customer has the significant risks and rewards of ownership of the good or service;
- e) the customer has accepted the good or service.

When either party to a contract has performed, the Company present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment. The Company present any unconditional rights to consideration separately as a receivable.

**Contract assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment made or due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

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/assistance 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 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 in the nature of promoters 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

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.

2.6 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:

- a. The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- b. An active programme to locate a buyer and complete the plan has been initiated,
- c. The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- d. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- e. 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 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.

2.10 Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

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



- (c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature "Other Mining Infrastructure". Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

2.11 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

2.12 Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. Company considers individual mines as separate cash generating units for the purpose of test of impairment.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.13 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.



Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.14 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.14.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.14.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.14.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



2.14.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition 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.

2.14.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.14.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



2.14.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance,
- b) Financial assets that are debt instruments and are measured as at FVTOCI,
- c) Lease receivables under Ind AS 17,
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a. Trade receivables or contract revenue receivables; and
- b. 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 risks 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 amortised cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.14.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14.6 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.



2.15 Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.17 Employee Benefits

2.17.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.



2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.17.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss. When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.17.3 Other Employee benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.18 Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.



Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.19 Stripping Activity Expense/Adjustment

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

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

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

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the permissible limits, as detailed hereunder:-

Annual Quantum of OBR Of the Mine	Permissible limits of variance (%)
Less than 1 Mill. CUM	+/- 5%
Between 1 and 5 Mill. CUM	+/- 3%
More than 5 Mill. CUM	+/- 2%

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.20 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 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.

2.20.2 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 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.

2.20.3 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 earning per share 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
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	GAAP	Generally accepted accounting principal
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest
k.	EIR	Effective Interest Rate

NOTE 3 : PROPERTY , PLANT AND EQUIPMENTS

(₹ in Crore)

	Freehold Land	Other Land	Building (including water supply, roads and culverts)	Plant and Equipments	Telecom-munication	Railway Sidings	Land Reclamation/ Site Restoration Costs	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infrastructure	Others	Surveyed Off Assets	Total
Carrying Amount:															
As at 01-04-2017	123.33	518.81	347.00	1,305.70	18.44	19.37	327.47	83.82	14.81	2.51	-	311.92	-	1.77	3,074.95
Additions	53.60	34.50	37.40	254.30	1.81	5.64	5.42	17.97	8.54	-	-	102.90	-	4.22	526.30
Deletions/Adjustments	(10.66)	10.66	31.84	(77.11)	0.34	-	-	47.37	2.52	-	-	-	-	(0.52)	4.44
As at 31-03-2018	166.27	563.97	416.24	1,482.89	20.59	25.01	332.89	149.16	25.87	2.51	-	414.82	-	5.47	3,605.69
As at 01-04-2018	166.27	563.97	416.24	1,482.89	20.59	25.01	332.89	149.16	25.87	2.51	-	414.82	-	5.47	3,605.69
Additions	56.94	144.26	60.64	244.99	2.25	4.30	-	28.07	8.98	-	-	230.30	-	1.44	782.17
Deletions/Adjustments	-	-	0.02	(31.53)	(0.62)	-	-	(2.82)	(4.13)	-	-	-	-	(2.58)	(41.66)
As at 31-03-2019	223.21	708.23	476.90	1,696.35	22.22	29.31	332.89	174.41	30.72	2.51	-	645.12	-	4.33	4,346.20
Accumulated Depreciation and Impairment															
As at 01-04-2017	-	61.51	37.48	154.25	3.73	3.11	65.74	17.22	1.69	0.41	-	105.95	-	1.77	452.86
Charge for the year	-	46.24	22.24	211.43	3.15	1.60	39.71	15.90	2.47	0.27	-	37.26	-	-	380.27
Impairment	-	-	-	15.99	-	-	-	-	-	-	-	38.81	-	4.22	59.02
Deletions/Adjustments	-	(0.66)	22.56	(51.77)	-	-	-	38.77	0.79	-	-	(0.25)	-	(0.52)	8.92
As at 31-03-2018	-	107.09	82.28	329.90	6.88	4.71	105.45	71.89	4.95	0.68	-	181.77	-	5.47	901.07
As at 01-04-2018	-	107.09	82.28	329.90	6.88	4.71	105.45	71.89	4.95	0.68	-	181.77	-	5.47	901.07
Charge for the year	-	75.56	26.58	221.52	2.78	1.80	26.51	14.78	4.60	0.24	-	38.39	-	-	412.76
Impairment	-	-	-	19.86	-	-	-	-	-	-	-	58.47	-	1.44	79.77
Deletions/Adjustments	-	(2.82)	0.01	(28.55)	-	-	-	(1.55)	(4.28)	-	-	-	-	(2.58)	(39.77)
As at 31-03-2019	-	179.83	108.87	542.73	9.66	6.51	131.96	85.12	5.27	0.92	-	278.63	-	4.33	1,353.83
Net Carrying Amount															
As at 31-03-2019	223.21	528.40	368.03	1,153.62	12.56	22.80	200.93	89.29	25.45	1.59	-	366.49	-	-	2,992.37
As at 31-03-2018	166.27	456.88	333.96	1,152.99	13.71	20.30	227.44	77.27	20.92	1.83	-	233.05	-	-	2,704.62
As at 01-04-2017	123.33	457.30	309.52	1,151.45	14.71	16.26	261.73	66.60	13.12	2.10	-	205.97	-	-	2,622.09

Note:

- Land acquired in pursuance to Coal Mines (Nationalisation) Act 1973, does not require title deeds separately for corresponding land. All other title deeds for land acquired are in possession and are mutated in favour of company except in few cases of freehold lands, where same is under progress pending legal formalities.
- Land- Others also includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894.
- Land Reclamation/Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.
- The assets and liabilities taken over from Coal Mines Labour Welfare Organisation and Coal Mines Rescue Organisation, for which no quantitative details are available, have not been incorporated in the accounts pending determination of value thereof. The formal Transfer Deeds/Agreement for Assets & Liabilities transferred and taken over by the Company in respect of Coal Mines Labour Welfare Organisation, Kaila & Central hospital along with 4 other Hospitals/Dispensaries, Mines Rescue Station, Barakar Engineering & Foundry Works are yet to be finalised and executed in favour of the Company.
- Depreciation has been provided on the basis of useful life determined as per technical estimate.
- Plant, Property and Equipment: Building includes Roads & Culverts situated in the residential/office/mining areas.
- Pending completion of legal formalities for transfer of assets and liabilities to the Company certain Assets including Mining Rights etc. continue to be in the name of CIL.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crore)

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Others	Total
Carrying Amount:						
As at 01-04-2017	21.01	222.62	79.95	57.02	2.82	383.42
Additions	62.89	130.45	16.85	131.12	10.38	351.69
Capitalisation/ Deletions	(38.14)	(225.75)	(7.69)	(95.31)	(10.44)	(377.33)
As at 31-03-2018	45.76	127.32	89.11	92.83	2.76	357.78
As at 01-04-2018	45.76	127.32	89.11	92.83	2.76	357.78
Additions	69.92	138.74	40.78	158.47	21.03	428.94
Capitalisation/ Deletions	(58.15)	(223.59)	(4.49)	(181.89)	(11.08)	(479.20)
As at 31-03-2019	57.53	42.47	125.40	69.41	12.71	307.52
Provision and Impairment						
As at 01-04-2017	(0.17)	0.82	(0.90)	0.90	(0.01)	0.64
Charge for the year	0.02	-	-	-	-	0.02
Impairment	-	-	-	4.70	-	4.70
Deletions/Adjustments	-	(0.25)	-	-	-	(0.25)
As at 31-03-2018	(0.15)	0.57	(0.90)	5.60	(0.01)	5.11
As at 01-04-2018	(0.15)	0.57	(0.90)	5.60	(0.01)	5.11
Charge for the year	-	0.18	-	-	-	0.18
Impairment	-	-	-	2.45	-	2.45
Deletions/Adjustments	0.04	(1.97)	-	(1.83)	-	(3.76)
As at 31-03-2019	(0.11)	(1.22)	(0.90)	6.22	(0.01)	3.98
Net Carrying Amount						
As at 31-03-2019	57.64	43.69	126.30	63.19	12.72	303.54
As at 31-03-2018	45.91	126.75	90.01	87.23	2.77	352.67
As at 01-04-2017	21.18	221.80	80.85	56.12	2.83	382.78



NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 : Exploration and Evaluation Assets

(₹ in Crore)

	Exploration and Evaluation Costs
Carrying Amount:	
As at 01-04-2017	117.65
Additions	412.25
Deletions/Adjustments	(1.82)
As at 31-03-2018	528.08
As at 01-04-2018	528.08
Additions	73.56
Deletions/Adjustments	(1.64)
As at 31-03-2019	600.00
Provision and Impairment	
As at 01-04-2017	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31-03-2018	-
As at 01-04-2018	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31-03-2019	-
Net Carrying Amount	
As at 31-03-2019	600.00
As at 31-03-2018	528.08
As at 01-04-2017	117.65

Note:

1. Additions during the year include ₹ 10.85 Crore incurred towards exploration and drilling within ECL command area by CMPDIL on land not having mining lease.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 : OTHER INTANGIBLE ASSETS

(₹ in Crore)

	Computer Software	Others	Total
Carrying Amount:			
As at 01-04-2017	-	-	-
Additions	-	-	-
Deletions/Adjustments	-	-	-
As at 31-03-2018	-	-	-
As at 01-04-2018	-	-	-
Additions	-	-	-
Deletions/Adjustments	-	-	-
As at 31-03-2019	-	-	-
Amortisation and Impairment			
As at 01-04-2017	-	-	-
Charge for the year	-	-	-
Impairment	-	-	-
Deletions/Adjustments	-	-	-
As at 31-03-2018	-	-	-
As at 01-04-2018	-	-	-
Charge for the year	-	-	-
Impairment	-	-	-
Deletions/Adjustments	-	-	-
As at 31-03-2019	-	-	-
Net Carrying Amount			
As at 31-03-2019	-	-	-
As at 31-03-2018	-	-	-
As at 01-04-2017	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 7 : INVESTMENTS

(₹ in Crore)

	Number of shares current year/ (previous year)	Face value per share current year/ (previous year)	As at 31-03-2019	As at 31-03-2018
Non Current				
Others (in Co-operative Shares)				
i)"B" class shares in Coal Mines Officers Co operative credit Society Ltd.	500	1000	0.05	0.05
	(500)	(1000)		
ii) 1000 "D" class shares in Dishergarh colly Worker's central co-opt store Ltd.	1000	100	0.01	0.01
	(1000)	(1000)		
iii) 4000 shares of Rs 25/- each in the Mugma coal-field colly Worker's central co-opt store Ltd	4000	25	0.01	0.01
	(4000)	(25)		
iv)"B" class shares in Sodepur colly Employee's co-opt credit society Ltd.	500	100	0.005	0.005
	(500)	(100)		
v)"B" class shares in Dhenomain colly. Employees' co-opt credit society Ltd.	500	100	0.005	0.005
	(500)	(100)		
Total			0.08	0.08
Aggregate amount of unquoted investments			0.08	0.08
Aggregate amount of quoted investments			-	-
Market value of quoted investments			-	-
Aggregate amount of impairment in value of investments			-	-
Notes:				
1. Shares of employees co-operative societies considered at amortized cost.				
Current				
Mutual Fund Investment				
UTI Mutual Fund			-	-
LIC Mutual Fund			-	-
SBI Mutual Fund			-	-
Canara Robeco Mutual Fund			-	-
Union KBC Mutual Fund			-	-
BOI AXA Mutual Fund			-	-
8.5% Tax Free Special Bonds (Fully Paid up) :				
UP			-	-
Total			-	-
Aggregate of Quoted Investment			-	-
Aggregate of unquoted investments			-	-
Market value of Quoted Investment			-	-
Aggregate amount of impairment in value of investments			-	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 8 : LOANS

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
Non-Current				
Other Loans				
Secured, considered good	-		-	
Unsecured, considered good	0.09		0.13	
Have significant increase in credit risk	-		-	
Credit impaired	-		-	
	0.09		0.13	
Less: Allowance for doubtful loans	-	0.09	-	0.13
Total		0.09		0.13
CLASSIFICATION				
Secured, considered good	-		-	
Unsecured, Considered good	0.09		0.13	
Have significant increase in credit risk	-		-	
Credit impaired	-		-	
Current				
Other Loans				
Secured, considered good	-		-	
Unsecured, considered good	-		-	
Have significant increase in credit risk	-		-	
Credit impaired	-		-	
	-		-	
Less: Allowance for doubtful loans	-	-	-	-
Total		-		-



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
Non Current				
Bank deposits*		0.12		24.83
Deposits with bank under Mine Closure Plan**		452.29		426.87
Shifting & Rehabilitation Fund scheme		-		-
Other Deposit		47.53		35.98
Receivable from Escrow Account for Mine Closure Expenses		-		-
Other Receivables***	21.07		21.49	
Less : Allowance for doubtful receivables	21.07	-	4.87	16.62
Total		499.94		504.30

Notes:

*1. Bank Deposits consists of deposits with bank with initial maturity of more than 12 months.

**2. ₹ 25.42 Crore (₹ 19.28 Crore) has been credited by Union Bank of India as Interest towards Mine Closure Escrow Account during the year.

***3. Other receivables include ₹ 20.86 Crore (₹ 20.86 Crore) as refund of electricity duty receivables from Government of West Bengal.

Current				
Surplus Fund with CIL		-		-
Balance with Coal India Ltd.		36.18		504.39
Interest accrued		241.09		165.28
Claims & Other Receivables	32.60		63.66	
Less : Allowance for doubtful claims	4.22	28.38	3.26	60.40
Total		305.65		730.07



NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
i. Capital Advances	185.60	184.12	158.03	156.55
Less : Provision for doubtful advances	1.48		1.48	
ii. Advances other than capital advances				
a. Security Deposit for utilities*	3.74	2.22	3.74	2.22
Less :Provision for doubtful deposits	1.52		1.52	
b. Other Deposits and Advances	1.14	1.01	0.55	0.42
Less :Provision for doubtful deposits	0.13		0.13	
c. Advances to related parties		-		-
Total		187.35		159.19

Note:

* ₹ 2.21 Crore deposited to Ministry of Internal Affairs towards security deposit to augment CISF wing strength.

NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
Advance for Revenue (Goods & Services)	62.97	62.97	66.15	66.15
Less : Provision for doubtful advances	-		-	
Advance payment of statutory dues	199.79	199.79	275.70	275.70
Less : Provision for doubtful advances	-		-	
Advance to Related Parties		-		-
Other Advances & Deposits	169.80	168.10	19.09	18.64
Less: Provision for Doubtful Advances	1.70		0.45	
Input Tax Credit Receivable		197.15		149.62
MAT Credit Entitlement		-		-
Total		628.01		510.11

Note:

Other Current Assets are secured and considered good except certain doubtful advances for which full provision has been created as above.



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 12 : INVENTORIES
(As taken, valued and certified by the Management)

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
Stock of Coal	238.42		333.88	
Add: Coal under Development	-		-	
Stock of Coal (Net) (A)		238.42		333.88
Stock of Stores & Spares (at cost)	167.51		182.46	
Add: Stores-in-transit	2.73		1.78	
Net Stock of Stores & Spares (at cost) (B)		170.24		184.24
Stock of Medicine at Central Hospital (C)		0.54		0.77
Workshop Jobs & Press Jobs (D)		11.36		25.64
Total (A +B + C + D)		420.56		544.53

Notes:

1. Method of valuation :

A. 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 for inventories less all estimated costs of completion and costs necessary to make the sale.

B. 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.

C. Other Inventories: Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationery at printing press and medicines at central hospital are valued at cost.

2. Closing Stock of stores at Central and Area Stores have been valued at weighted average cost less provision for unserviceable, damaged, obsolete and non moving stores and spares.



NOTES TO THE FINANCIAL STATEMENTS

ANNEXURE TO NOTE - 12 (1)
RECONCILIATION OF BOOK STOCK & MEASURED STOCK

(Qty. in Lakh Tonnes) (Value ₹ in Crore)

	Overall Stock		Non-Vendable Stock		Vendable Stock	
	Qty.	Value	Qty.	Value	Qty.	Value
Opening Stock as on 01.04.2018	24.94	334.96	-	-	24.94	334.96
Add/(Less): Adjustment in Opening Stock	-	-	-	-	-	-
1. Adjusted Opening Stock as on 01.04.2018	24.94	334.96	-	-	24.94	334.96
2. Production for the Year	501.60	-	-	-	501.60	-
3. Sub-Total (1 + 2)	526.54	334.96	-	-	526.54	334.96
4. Off-Take for the Year :						
A. Outside Despatch	502.23	12,914.35	-	-	502.23	12,914.35
B. Coal feed to Washeries	-	-	-	-	-	-
C. Own Consumption	1.84	55.01	-	-	1.84	55.01
Total	504.07	12,969.36	-	-	504.07	12,969.36
5. Derived Stock	22.47	238.80	-	-	22.47	238.80
6. Measured Stock	21.86	232.35	-	-	21.86	232.35
7. Difference (5 - 6)	0.61	6.45	-	-	0.61	6.45
8. Break-up of Difference:						
a. Excess within 5%	-	0.04	-	-	-	0.04
b. Shortage within 5%	0.64	6.46	-	-	0.64	6.46
c. Excess beyond 5%	-	-	-	-	-	-
d. Shortage beyond 5%	-	0.03	-	-	-	0.03
9. Closing stock adopted in Accounts [6 - 8a + 8b]	22.50	238.80	-	-	22.50	238.80

Summary of Closing Stock of Coal

(Qty. in Lakh Tonnes) (Value ₹ in Crore)

	Raw Coal			Washed Coal			Other Products		Total	
	Coking Qty.	Value	Non-Coking Qty.	Value	Coking Qty.	Value	Non-Coking Qty.	Value	Qty.	Value
Opening Stock (Audited)	-	-	24.94	334.96	-	-	-	-	24.94	334.96
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-
Adj. Opening Stock (Vendable)	-	-	24.94	334.96	-	-	-	-	24.94	334.96
Production	-	-	501.60	-	-	-	-	-	501.60	-
Offtake										
a. Outside Despatch	-	-	502.23	12,914.35	-	-	-	-	502.23	12,914.35
b. Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-
c. Own Consumption	-	-	1.84	55.01	-	-	-	-	1.84	55.01
Closing Stock	-	-	22.47	238.80	-	-	-	-	22.47	238.80
Less: Shortage	-	-	-	-	-	-	-	-	-	-
Closing Stock as on 31-03-2019 (Note - 12)	-	-	22.47	238.80	-	-	-	-	22.47	238.80
Less: Seized Coal	-	-	-	-	-	-	-	-	-	-
Closing Stock as on 31-03-2019 (Note - 27)	-	-	22.47	238.80	-	-	-	-	22.47	238.80

Note:

- Closing Stock as shown in Note-12 is after adjustment of ₹ 0.38 crore (₹ 1.08 crore) for provision against closing stock of coal.
- Closing Stock as shown in Note-27 is after adjustment of ₹ 0.38 crore (₹ 1.08 crore) for provision against closing stock of coal and ₹ 0.84 crore (₹ 1.08 crore) for provision for seized coal as shown in Note -21.

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 13 : TRADE RECEIVABLES

(₹ in Crore)

	As at 31-03-2019		As at 31-03-2018	
Current				
Trade receivables				
Secured, considered good	-		-	
Unsecured, considered good	1,621.92		1,109.89	
Have significant increase in credit risk	-		-	
Credit impaired	307.05		366.00	
	1,928.97		1,475.89	
Less : Allowance for bad & doubtful debts	307.05	1,621.92	366.00	1,109.89
Total		1,621.92		1,109.89

Notes:

	31-03-2019	31-03-2018
1. Due by Companies in which directors of the Company are also a director/member		
Closing Balance	NIL	NIL
Maximum Amount Due at Any Time	NIL	NIL
2. Due by the parties in which the Director(s) of company is /are interested		
Closing Balance	NIL	NIL
Maximum Amount Due at Any Time	NIL	NIL
3. The details of allowance are as under :-		
Opening Balance	366.00	371.10
Less:- Settled/Written off/adjusted against opening debtors	-	-
Add:- New provision during the year	26.53	72.47
Less:- Written back from opening provision	85.48	77.57
Closing Balance	307.05	366.00

4. Allowance for Sundry Debtors is made on Expected Credit Loss Model.

5. Adjustment of grade slippage has been made after reconciliation, settlement and issuing credit notes to parties during the year. Details are given below:

	31-03-2019	31-03-2018
Actual Grade Slippage	41.27	282.78
Estimated Grade Slippage	74.02	(21.62)
Total	115.29	261.16



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Balances with Banks		
i. In Deposit Accounts	-	-
ii. In Current Accounts		
a. Interest Bearing (CLTD Accounts etc.)*	368.90	744.95
b. Non-interest Bearing	109.78	38.44
iii. In Cash Credit Accounts	-	-
Bank Balances outside India	-	-
Cheques, Drafts and Stamps in hand	-	-
Cash on hand	-	-
Cash on hand outside India	-	-
Others	-	-
Total Cash and Cash Equivalents	478.68	783.39
Less: Bank Overdraft	-	-
Total Cash and Cash Equivalents(net of Bank Overdraft)	478.68	783.39

Note:

*Current account interest bearing comprise of CLTD, Sweep Account, RLTD etc.

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Balances with Banks		
Deposit accounts	4,186.82	3,870.36
Mine Closure Plan	-	-
Shifting and Rehabilitation Fund scheme	-	-
Unpaid dividend accounts	-	-
Dividend accounts	-	-
Total	4,186.82	3,870.36

Note:

1. Bank deposits are for more than 3 months but less than 12 months maturity.



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Authorised		
25000000 Equity Shares of ₹ 1000/- each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued, Subscribed and Paid-up		
10390000 Equity Shares of ₹ 1000/- each fully paid in cash	1,039.00	1,039.00
11794500 Equity Shares of ₹ 1000/- each allotted as fully paid up for consideration received other than cash	1,179.45	1,179.45
	2,218.45	2,218.45

Notes:

1. Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No. of Shares Held (Face value of ₹ 1000 each)
Coal India Limited - Holding Company (Equity Share)	22184500

2. There was no change in the Number of Equity Shares during the year.

3. The Company has only one class of shares i.e Equity Shares.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 17 : OTHER EQUITY

(₹ in Crore)

	Equity Portion of Preference Share Capital	Other Reserves				General Reserve	Retained Earnings	Total Other Comprehensive Income	Total
		Capital Redemption reserve	Capital reserve	CSR Reserve	Sustainable Development Reserve				
Balance as at 01-04-2017	855.61	-	-	-	-	832.71	(2,820.17)	79.70	(1,052.15)
Changes in accounting policy	-	-	-	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 01.04.2017	855.61	-	-	-	-	832.71	(2,820.17)	79.70	(1,052.15)
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	-	-	-	-
Total comprehensive income during the year	-	-	-	-	-	-	(931.17)	107.00	(824.17)
Appropriations									
Transfer to General reserve	-	-	-	-	-	-	-	-	-
Transfer to Other reserves	-	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-
Balance as at 31-03-2018	855.61	-	-	-	-	832.71	(3,751.34)	186.70	(1,876.32)
Balance as at 01-04-2018	855.61	-	-	-	-	832.71	(3,751.34)	186.70	(1,876.32)
Additions during the year	-	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	-	-	-	-
Total comprehensive income during the year	-	-	-	-	-	-	748.77	(42.39)	706.38
Appropriations									
Transfer to General reserve	-	-	-	-	-	-	-	-	-
Transfer to Other reserves	-	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-
Balance as at 31-03-2019	855.61	-	-	-	-	832.71	(3,002.57)	144.31	(1,169.94)

Notes:

	31-03-2019	31-03-2018	01-04-2017
1. Authorised Share Capital of Preference Share Capital 21000000 6% Non Convertible Cumulative, Redeemable Preference Shares of ₹ 1000/- each	2,100.00	2,100.00	2,100.00

- There was no change in the Number of Preference Shares during the year.
- Preference Shares were issued to the Coal India Limited (Holding Company) in the financial year 2014-15.
- Preference Share is a compound financial instrument and dividend is cumulative and discretionary. As per Ind AS 109 this compound instrument has been segregated into Equity and Long Term Borrowing. The Present value of preference share capital cash flow has been calculated by applying discounting rate of 8% p.a. The present value of cash flow calculated has been considered as Long Term Borrowing (₹ 1195.36 Crore as on 26.12.2014) and balance amount i.e. the difference between the existing Preference Shares value and Long Term Borrowing (₹ 2050.97 Crore - ₹ 1195.36 Crore = ₹ 855.61 Crore) has been considered as new Preference Shares as on 26.12.2014.
- The General Reserve is a free reserve which is used for transfer of profits from retained earnings for appropriation purposes as and when permits and required.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 18: BORROWINGS

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Non-Current		
Term Loans		
From Banks	-	-
From Other Parties		
Export Development Corporation, Canada	158.93	155.01
Liability Component of Compound Financial Instrument (Preference Shares)	1,662.03	1,537.16
Other Loans	-	-
Total	1,820.96	1,692.17

CLASSIFICATION 1

Secured	-	-
Unsecured	1,820.96	1,692.17

CLASSIFICATION 2

Loan Guaranteed by directors & others

Particulars of Loan	Amount in (₹ Crore)	Nature of Guarantee
Export Development Corporation, Canada	158.93	GOI

Notes:

- Loss on Exchange Rate Variance of ₹ 10.93 Crore (₹ 0.04 Crore) in respect of unsecured loan from Export Development Corporation, Canada has been adjusted in the value of the unsecured loan and corresponding effect in Other Expenses (Note - 35).
- Repayment Schedule- Repayment of instalment of Loan from EDC Canada is made semiannually i.e. on January 31 and on July 31.
- Preference Share is a compound financial instrument and dividend is cumulative and discretionary. As per Ind AS 109 this compound instrument has been segregated into Equity and Long Term Borrowing. The Present value of preference share capital cash flow has been calculated by applying discounting rate of 8% p.a. The present value of cash flow calculated has been considered as Long Term Borrowing (₹ 1195.36 Crore as on 26.12.2014) and balance amount i.e. the difference between the existing Preference Shares value and Long Term Borrowing (₹ 2050.97 Crore - ₹ 1195.36 Crore = ₹ 855.61 Crore) has been considered as new Preference Shares as on 26.12.2014. Value of the liability component of Compound Financial Instrument (Preference Shares) has been derived after adjusting the unwinding of amortizaion cost of ₹ 124.87 Crore (₹ 113.86 Crore).

Current

Loans repayable on demand		
From Banks	-	-
From Other Parties	-	-
Other Loans	-	-
Total	-	-

CLASSIFICATION

Secured	-	-
Unsecured	-	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 19 : TRADE PAYABLES

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Current		
Trade Payables for Micro, Small and Medium Enterprises	-	-
Other Trade Payables for:		
Stores and Spares	82.33	64.17
Power and Fuel	24.66	27.00
Liability for Salary, Wages and Allowances	395.94	382.32
Others	-	-
Total	502.93	473.49

Notes:

1. Delayed payments to Micro, Small and Medium Enterprises due NIL (NIL) on account of Principal and Interest due thereon - NIL (NIL).
2. Total interest paid on all delayed payments during the period under the provisions of the Act - NIL (NIL).
3. Interest due on principal amounts paid beyond the due date during the period/ year but without the interest amounts under this Act - NIL (NIL).
4. Interest accrued but not due - NIL (Represents interest accrued as at the end of the year/period but not due as interest is computed at monthly rests from the due date).
5. Total Interest Due but not paid - NIL (NIL) (Represents all interest amounts remaining due together with that from prior year(s) until such date when the interest was actually paid to the small enterprises).

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Non Current		
Security Deposits	19.21	16.73
Earnest Money	-	-
Others	1.38	1.38
Total	20.59	18.11
Current		
Surplus fund from Subsidiaries	-	-
Current Account with:		
CIL	-	-
IICM	-	-
Current maturities of long-term debt	6.62	6.19
Unpaid dividends	-	-
Security Deposits	205.93	179.55
Earnest Money	104.21	85.39
Capital Expenditure	12.13	19.29
Others	-	-
Total	328.89	290.42

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Non Current		
Employee Benefits		
Gratuity	(103.12)	783.44
Leave Encashment	189.49	94.11
Other Employee Benefits	146.94	135.95
Site Restoration Provision	606.03	567.80
Stripping Activity Adjustment	2,454.37	1,998.13
Others (Post Retirement Medical Benefit)	63.43	125.88
Total	3,357.14	3,705.31

Notes:

- The period end liability of Gratuity, Leave encashment, post retirement medical benefit for employee and benefits like Group Personal Accident Insurance, Leave Travel Concession, compensation to dependents in case of mine accidental death etc. are valued on actuarial basis.
- Provisions of long term gratuity is after adjustment of Gratuity Trust Fund balance of ₹ 3863.43 Crore (₹ 2867.07 Crore).
- Provisions of long term leave encashment is after adjustment of Leave Encashment Fund balance with LIC of ₹ 454.34 Crore (₹491.73 Crore).
- Provisions of Others (Post Retirement Medical Benefit) is after adjustment of CPRMSE Trust Fund balance of ₹ 101.97 Crore (₹ 19.01 Crore).
- Provision of Others (Post Retirement Medical Benefit) includes ₹ 14.81 Crore (NIL) of non-refundable fees received from retired non-executives for medicare.
- Reconciliation of Reclamation of Land/ Site restoration /Mine Closure :

	31-03-2019	31-03-2018
Gross value of Site Restoration Assets as on 01.04.2015	346.00	346.00
Add: Unwinding of Provision charged (incl. Capitalised) Upto 31.03.2019/31.03.2018	221.80	175.86
Add: Unwinding of Provision charged (incl. Capitalised) For Current Year	38.23	45.94
Mine Closure Provision	606.03	567.80

7. Reconciliation of Escrow Account Balance

	31-03-2019	31-03-2018
Balance in Escrow Account (Current/ Non Current) on opening date	426.87	327.24
Add: Balance Deposited during Current Year	-	80.35
Add: Interest Credited during the year	25.42	19.28
Less: Amount Withdrawn during Current Year	-	-
Balance in Escrow Account (Current/ Non Current) on Closing date	452.29	426.87



(₹ in Crore)

Current	As at 31-03-2019	As at 31-03-2018
Employee Benefits		
Gratuity	477.44	438.71
Leave Encashment	72.26	60.99
Ex- Gratia	352.36	351.75
Performance Related Pay	131.72	39.77
Others	229.62	326.67
NCWA-X	58.05	844.42
Executive Pay Revision	3.96	126.03
Excise Duty on Closing Stock of Coal	-	-
Provision for Others (Sieved Coal)	0.84	1.08
Total	1,326.25	2,189.42

Notes:

1. Provision for NCWA-X is after adjustment of ₹ 2.25 Crore (₹ 281.60 Crore) of lumpsum recoverable advance paid to non-executives due to finalization of NCWA-X.
2. Others include Other Employee Benefits of ₹ 170.52 crore & Provision for Onerous Contract ₹ 59.10 Crore.

NOTE - 22 :OTHER NON CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Shifting & Rehabilitation Fund	-	-
Deferred Income	-	-
Total	-	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2019	As at 31-03-2018
Statutory Dues	704.90	479.81
Advance for Coal Import	-	-
Advance from Customers / Others	766.28	764.69
Cess Equalization Account	2,239.60	1,879.01
Others liabilities	950.40	945.26
Total	4,661.18	4,068.77

Note 1:- In the process of making payment of Cess on the annual value of coal bearing land based on the 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 ₹ 2239.60 Crore (₹ 1879.01 Crore) which has been shown under Cess Equilisation Account.



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

	For the Year Ended 31-03-2019		For the Year Ended 31-03-2018	
I. Sales of Coal		18,385.03		15,250.11
Less : Statutory Levies (Excluding Excise Duty)		5,470.68		4,624.10
Sales of Coal (Net) (A)		12,914.35		10,626.01
II. Other Operating Revenue				
Subsidy for Sand Stowing & Protective Works		-		23.93
Loading and Additional Transportation Charges	328.14		245.03	
Less : Statutory Levies (Excluding Excise Duty)	15.63	312.51	11.15	233.88
Evacuation facilitating Charges	192.06		60.30	
Less: Statutory Levies	9.15	182.91	2.87	57.43
Other Operating Revenue (Net) (B)		495.42		315.24
Revenue from Contract with Customers (A+B)		13,409.77		10,941.25

Notes:

- Government of India introduced Goods and Services Tax (GST) w.e.f 1st July, 2017. Consequently revenue from operations for the period from 01.07.2017 to 30.06.2018 is presented net of GST.
- Revenue from operations for the period prior to 01.07.2017 is inclusive of Excise duty. Sale of coal includes excise duty of ₹ 146.14 Crore for the period 01.04.2017 to 30.06.2017.
Loading and additional transportation charges includes excise duty of ₹ 2.19 Crore.
- Subsidy for Sand Stowing & Protective Works includes ₹ NIL (₹ 23.93 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.
- Clean energy Cess has been repealed w.e.f 01.07.2017 and GST compensation cess has been introduced w.e.f. 01.07.2017.
- Sale is net of deduction for grade slippage of ₹ 115.29 Crore (₹ 261.16 Crore) due to credit note issued/being issued to the parties for grade slippage.
- Sales includes e-auction quantity of 23.67 LT (30.58 LT) and e-auction gain of ₹ 598.15 Crore (₹ 374.86 Crore).
- Sale includes MOU quantity of 17.02 LT (11.92 LT) and MOU gain of ₹ 29.19 Crore (₹ 15.14 Crore).
- Based on historical trend of the reports regarding coal quality analysis made in earlier cases w.r.t. to the mine, a provision for downgrade of coal quality or up-gradation of coal quality is estimated and accordingly, provision for down-gradation / adjustment for up-gradation of coal quality is recognised. Adjustment for coal quality variance is taken considering the net amount derived by adjusting Grade Slippage with Grade up-gradation.
Actual referee analysis report received for last three months has been considered for trend analysis. Actual grade slippage / enhancement of grade as stated above on the basis of last three months' referee results has been calculated first. The total sum of above grade slippage / enhancement has been considered and then the average trend of last three months has been calculated by dividing the sum derived above by quantity of coal of above 3 months sample. Finally the above average cost per ton of grade slippage / enhancement as per trend analysis has been multiplied by the quantity of pending referee results till March 2019 to arrive at the estimated grade slippage / enhancement.
- Disaggregated revenue information as per Ind AS 115 is given in Notes 38.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Interest Income	400.14	279.91
Dividend Income	-	-
Others		
Apex Charges	-	-
Profit on Sale of Assets	3.16	0.49
Gain on Foreign exchange Transactions	-	-
Lease Rent	-	-
Liability / Provision Write Backs	13.73	99.63
Excise Duty on Decrease in Stock	-	-
Miscellaneous Income	80.69	146.38
Total	497.72	526.41

NOTE 26 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Explosives	213.92	181.71
Timber	5.68	5.43
Oil & Lubricants	239.68	229.40
HEMM Spares	91.27	82.04
Other Consumable Stores & Spares	171.16	158.41
Total	721.71	656.99



NOTES TO THE FINANCIAL STATEMENTS

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Opening Stock of Coal	332.80	376.27
Closing Stock of Coal	237.58	332.80
Change in Inventory of Coal (A)	95.22	43.47
Opening Stock of Workshop made finished goods, WIP and Press Jobs	25.64	15.70
Closing Stock of Workshop made finished goods, WIP and Press Jobs	11.36	25.64
Change in Inventory of Workshop (B)	14.28	(9.94)
Change in Inventory of Stock-in-trade {Decretion / (Accretion)} (A + B)	109.50	33.53

NOTE 28 : EMPLOYEE BENEFITS EXPENSES

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Salary and Wages (incl. Allowances and Bonus etc.)	5,651.13	5,731.97
Contribution to P.F. & Other Funds	1,532.21	2,403.29
Staff Welfare Expenses	265.13	280.63
Total	7,448.47	8,415.89

Notes:

- Salary, Wages, Allowances & Benefits includes provision of 9.38 Crore (23.78 Crore) made for superannuation Benefit to Executive.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
CSR Expenses	16.46	12.69
Total	16.46	12.69

Note-1: According to Section 135 of the Companies Act, 2013 CSR Expenses should be 2% of the average net profit of the company made during the three immediately preceding financial years.

	31-03-2019	31-03-2018
Average Net Profit of 3 Years	16.01	1,044.31
2% of the Average Net Profit	0.32	20.89

NOTE 30 : REPAIRS

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Building	12.94	7.93
Plant & Machinery	126.23	143.68
Others	1.95	1.80
Total	141.12	153.41

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Transportation Charges	326.46	236.06
Wagon Loading	26.98	26.06
Hiring of Plant and Equipments	1,460.63	1,232.09
Other Contractual Work	115.74	93.18
Total	1,929.81	1,587.39



NOTES TO THE FINANCIAL STATEMENTS

NOTE 32 : FINANCE COSTS

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Interest Expenses		
Borrowings	-	-
Unwinding of discounts	163.10	154.38
Others	-	-
Total	163.10	154.38

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
(A) Allowance / Provision made for		
Doubtful Debts	26.53	72.47
Doubtful Advances & Claims	18.40	3.26
Stores & Spares	1.47	1.93
Others	59.28	0.02
Sub-Total (A)	105.68	77.68
(B) Allowance / Provision Reversal		
Doubtful Debts	85.48	77.57
Doubtful Advances & Claims	-	-
Stores & Spares	0.82	0.28
Others	11.10	1.07
Sub-Total (B)	97.40	78.92
Total (A - B)	8.28	(1.24)



NOTES TO THE FINANCIAL STATEMENTS

NOTE 34 : WRITE OFF (Net of past provisions)

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Doubtful debts	-	-
Less :- Provided earlier	-	-
Sub-total (A)	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
Sub-total (B)	-	-
Total (A + B)	-	-

NOTE 35 : OTHER EXPENSES

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Travelling expenses	10.63	9.24
Training Expenses	5.12	3.55
Telephone & Postage	1.52	1.66
Advertisement & Publicity	2.54	2.84
Demurrage	1.02	0.61
Security Expenses	79.98	88.17
Service Charges of CIL	50.16	43.61
Hire Charges	40.57	32.20
CMPDI Charges	0.57	31.36
Legal Expenses	2.89	1.99
Consultancy Charges	18.66	9.97
Under Loading Charges	54.41	47.03
Loss on Sale/Discard/Surveyed of Assets	-	-
Auditor's Remuneration & Expenses		
a. For Audit Fees	0.21	0.20
b. For Taxation Matters	0.09	0.05
c. For Other Services	0.20	0.21
d. For Reimbursement of Expenses	0.16	0.11
Internal Audit Fees & Expenses	2.56	2.32
Rehabilitation Charges	30.23	26.17
Central Excise Duty	-	-
Rent	0.01	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Rates & Taxes	3.23	7.93
Insurance	0.03	0.03
Loss on Exchange Rate Variance	10.93	0.04
Rescue/Safety Expenses	4.65	4.40
Dead Rent/Surface Rent	7.24	9.03
Siding Maintenance Charges	1.44	3.48
R & D expenses	0.06	0.23
Environmental & Tree Plantation Expenses	6.88	4.38
Miscellaneous Expenses	307.05	220.31
Total	643.04	551.12

NOTE 36 : TAX EXPENSE

(₹ in Crore)

	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Current Year	301.27	(12.96)
Deferred tax	248.35	(523.06)
MAT Credit Entitlement		
Earlier Years		0.46
Total	549.62	(535.56)

Note 1. Deferred Tax Assets / (Liability) relates to following:

(₹ in Crore)

	31-03-2019	31-03-2018
Deferred Tax Assets/(Liability) in relation to:		
Employee Benefit	160.53	462.54
Property, Plant & Equipment and Development, Prospecting and Boring	37.82	15.10
Provision against Doubtful Financial Assets	107.30	112.32
Provision against Doubtful Loans and Advances	31.17	4.09
Provision	111.66	102.78
Total Deferred Tax Assets (B)	448.48	696.83



NOTES TO THE FINANCIAL STATEMENTS

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

		For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
I.	i. Items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit plans	(61.39)	163.63
	Sub-total (A)	(61.39)	163.63
	ii. Income tax relating to items that will not be reclassified to profit or loss		
	Remeasurement of defined benefit plans	(19.00)	56.63
	Sub-total (B)	(19.00)	56.63
	Total (C = A - B)	(42.39)	107.00
II.	i. Items that will be reclassified to profit or loss		
	Share of OCI in Joint ventures	-	-
	Sub-total (D)	-	-
	ii. Income tax relating to items that will be reclassified to profit or loss		
	Share of OCI in Joint ventures	-	-
	Sub-total (E)	-	-
	Total (F = D - E)	-	-
	Grand Total (C + F)	(42.39)	107.00



NOTE - 38
ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019

1. Fair Value measurement

1. [A] Financial Instruments by Category

(₹ in Crore)

	31-03-2019		31-03-2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments :				
Co-Operative Share	-	0.08	-	0.08
Loans	-	0.09	-	0.13
Trade receivables	-	1,621.92	-	1,109.89
Cash & cash equivalents	-	478.68	-	783.39
Other Bank Balances	-	4,186.82	-	3,870.36
Other Financial Assets	-	305.65	-	730.07
Total	-	6,593.24	-	6,493.92
Financial Liabilities				
Borrowings :				
EDC Loan	-	165.55	-	161.20
Liability Component of Compound Financial Instrument (Preference Share)	-	1,662.03	-	1,537.16
Trade payables	-	502.93	-	473.49
Security Deposit	-	225.14	-	196.28
Earnest money	-	104.21	-	85.39
Other Financial Liabilities	-	13.51	-	20.67
Total	-	2,673.37	-	2,474.19

1. [B] Fair value hierarchy

Table below shows Judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard.

1. [C] Financial Assets and Liabilities measured at fair value

(₹ in Crore)

	31-03-2019		31-03-2018	
	Level I	Level III	Level I	Level III
Financial Assets at FVTPL				
Investments :				
Co-Operative Share	-	-	-	-
Financial Liabilities				
If any item	-	-	-	-

1. [D] Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at

(₹ in Crore)

	31-03-2019		31-03-2018	
	Level I	Level III	Level I	Level III
Financial Assets				
Investments :				
Co-Operative Share	-	0.08	-	0.08
Loans	-	0.09	-	0.13
Trade receivables	-	1,621.92	-	1,109.89
Cash & cash equivalents	-	478.68	-	783.39
Other Bank Balances	-	4,186.82	-	3,870.36
Other Financial Assets	-	305.65	-	730.07
Total	-	6,593.24	-	6,493.92
Financial Liabilities				
Borrowings :				
EDC Loan	-	165.55	-	161.20
Liability Component of Compound Financial Instrument (Preference Share)	-	1,662.03	-	1,537.16
Trade payables	-	502.93	-	473.49
Security Deposit	-	225.14	-	196.28
Earnest money	-	104.21	-	85.39
Other Financial Liabilities	-	13.51	-	20.67
Total	-	2,673.37	-	2,474.19

A brief of each level is given below:

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level II: 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 II.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level III. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level III.

1. [E] Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices of instruments.

**1. [F] Fair value measurements using significant unobservable inputs**

At present there are no fair value measurements using significant unobservable inputs.

1. [G] 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.

2. Financial Risk Management**Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade 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's 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.

2. [A] Credit Risk:**2. [A] (a) 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

2. [A] (b) 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 use 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.

2. [A] (c) 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.

2. [A] (d) Expected credit loss:

The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

i. Expected Credit losses for trade receivables under simplified approach as on 31-03-2019.

(₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	1,239.95	90.32	88.73	152.58	78.68	278.71	1,928.97
Expected loss rate (%)	5.67%	8.37%	8.85%	4.80%	13.68%	72.92%	15.92%
Expected credit losses (Loss allowance Provision)	70.32	7.56	7.85	7.32	10.76	203.24	307.05

ii. Expected Credit losses for trade receivables under simplified approach as on 31-03-2018.

(₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	480.31	129.46	92.79	219.77	275.65	277.91	1,475.89
Expected loss rate (%)	7.52%	8.58%	9.74%	4.74%	14.11%	93.71%	24.80%
Expected credit losses (Loss allowance Provision)	36.12	11.11	9.04	10.42	38.89	260.42	366.00

iii. Reconciliation of Loss Allowance Provision – Trade Receivables

(₹ in Crore)

Loss allowance on 31-03-2018	366.00
Change in loss allowance	(58.95)
Loss allowance on 31-03-2019	307.05

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.



2. [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.

Particulars	31-03-2019			31-03-2018		
	Less than 1 year	Between 1 to 5 years	More than 5 years	Less than 1 year	Between 1 to 5 years	More than 5 years
Non-derivative Financial Liabilities						
Borrowings including Interest Obligations	-	1,688.49	132.47	-	1,561.94	130.23
Trade Payables	490.32	10.45	2.16	462.93	9.68	0.88

2. [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:

(₹ in Crore)

Particulars	31-03-2019	31-03-2018
i. Equity Share capital	2,218.45	2,218.45
ii. Equity Portion of Preference share capital	855.61	855.61
iii. Long term debt :		
EDC Loan - Non-Current	158.93	155.01
EDC Loan - Current	6.62	6.19
Long Term Borrowing [Pref. Share]	1,662.03	1,537.16

3. Employee Benefits: Recognition and Measurement (Ind AS-19)

a. Gratuity

Gratuity is maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.



b. Leave encashment

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

c. Provident Fund:

The 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 period is ₹ 910.99 Crore (₹ 533.74 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

d. The Company operates some defined benefit plans as follows which are valued on actuarial basis:

Funded :

- Gratuity
- Leave Encashment

Unfunded :

- Life Cover Scheme
- Compensation to dependent on Mine Accident Benefits
- Medical Benefits
- Group Personal Accident Insurance
- Settlement Allowance
- Leave Travel Concession

Total liability as on 31-03-2019 is ₹ 5251.31 Crore based on valuation made by the Actuary, details of which are mentioned below:

The actuarial liability as on 31-03-2019:

(₹ in Crore)

Heads	Opening Actuarial Liability as on 01-04-2018	Incremental Liability during the Period	Closing Actuarial Liability as on 31-03-2019
Gratuity	4,089.22	148.51	4,237.73
Earned Leave	595.14	58.33	653.47
Half Pay Leave	51.69	10.91	62.60
Leave Travel Concession - Executive	17.65	(17.65)	-
Leave Travel Concession - Non-Executive	27.18	29.81	56.99
Life Cover Scheme- Executive	0.47	(0.02)	0.45
Life Cover Scheme - Non-Executive	16.31	(0.14)	16.17
Settlement Allowance Executives	7.57	(0.62)	6.95
Settlement Allowance Non-Executives	29.38	(0.09)	29.29
Fatal Mine Accident	37.27	(0.32)	36.95
Group Personal Accident Insurance Scheme	0.12	-	0.12
Post-Retirement Medical Benefit for Executives	129.61	(3.26)	126.35
Post-Retirement Medical Benefit for non-executives	15.27	8.97	24.24
Total	5,016.88	234.43	5,251.31

e. Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below:-



**ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31-03-2019 CERTIFICATES
AS PER IND AS 19 (2015)**

Table 1: Disclosure Item

(₹ in Crore)

S.L.	Changes in Present Value of Obligation as at	31-03-2019	31-03-2018
1.	Present value of obligation as on last valuation	4,089.22	2,622.02
2.	Current Service Cost	171.43	161.53
3.	Interest Cost	292.82	192.15
4.	Participant Contribution	-	-
5.	Plan Amendments: Vested portion at end of period(Past Service)	-	1,534.76
6.	Plan Amendments: Non-Vested portion at end of period(Past Service)	-	-
7.	Actuarial gain/loss on obligations due to Change in Financial Assumption	45.08	(180.27)
8.	Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-
9.	Actuarial gain/loss on obligations due to Unexpected Experience	60.83	18.69
10.	Actuarial gain/loss on obligations due to Other reason	-	-
11.	The effect of change in Foreign exchange rates	-	-
12.	Benefits Paid	421.66	259.66
13.	Acquisition Adjustment	-	-
14.	Disposal/Transfer of Obligation	-	-
15.	Curtailment cost	-	-
16.	Settlement Cost	-	-
17.	Other(Unsettled Liability at the end of the valuation date)	-	-
18.	Present value of obligation as on valuation date	4,237.73	4,089.22

Table 2: Disclosure Item

(₹ in Crore)

S.L.	Changes in Fair Value of Plan Assets as at	31-03-2019	31-03-2018
1.	Fair value of Plan Assets at Beginning of period	2,867.07	2,665.25
2.	Interest Income	216.46	205.49
3.	Employer Contributions	1,157.04	253.93
4.	Participant Contributions	-	-
5.	Acquisition/Business Combination	-	-
6.	Settlement Cost	-	-
7.	Benefits Paid	421.66	259.66
8.	The effect of asset ceiling	-	-
9.	The effect of change in Foreign Exchange Rates	-	-
10.	Administrative Expenses and Insurance Premium	-	-
11.	Return on Plan Assets excluding Interest Income	44.53	2.06
12.	Fair value of Plan Assets at End of measurement period	3,863.44	2,867.07

Table 3: Disclosure Item

(₹ in Crore)

S.L.	Table Showing Reconciliation to Balance Sheet	31-03-2019	31-03-2018
1.	Funded Status	(374.29)	(1,222.15)
2.	Unrecognized Past Service Cost	-	-
3.	Unrecognized Actuarial gain/loss at end of the period	-	-
4.	Post Measurement Date Employer Contribution(Expected)	-	-
5.	Unfunded Accrued/Prepaid Pension cost	N/A	N/A
6.	Fund Asset	3,863.44	2,867.07
7.	Fund Liability	4,237.73	4,089.22

Table 4: Disclosure Item

(₹ in Crore)

S.L.	Table Showing Plan Assumptions	31-03-2019	31-03-2018
1.	Discount Rate	7.55%	7.71%
2.	Expected Return on Plan Asset	7.55%	7.71%
3.	Rate of Compensation Increase (Salary Inflation)	9.00% for Executive Staff 6.25% for Non-Executive Staffs	9.00% for Executive Staff 6.25% for Non-Executive Staffs
4.	Pension Increase Rate	N/A	N/A
5.	Average expected future service (Remaining working Life)	12,11	12
6.	Average Duration of Liabilities	12,11	12
7.	Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
8.	Superannuation at age-Male	60	60
9.	Superannuation at age-Female	60	60
10.	Early Retirement & Disablement (All Causes Combined)	0.30%	0.30%

Table 5: Disclosure Item

(₹ in Crore)

S.L.	Expense Recognized in statement of Profit/Loss as at	31-03-2019	31-03-2018
1.	Current Service Cost	171.43	161.53
2.	Past Service Cost (vested)	-	1,534.76
3.	Past Service Cost (Non-Vested)	-	-
4.	Net Interest Cost	76.35	(13.34)
5.	Cost (Loss)/(Gain) on settlement	-	-
6.	Cost (Loss)/(Gain) on curtailment	-	-
7.	Actuarial Gain loss Applicable only for last year	-	-
8.	Employee Expected Contribution	-	-
9.	Net Effect of changes in Foreign Exchange Rates	-	-
10.	Benefit Cost (Expense Recognized in Statement of Profit/loss)	247.79	1,682.94



Table 6: Disclosure Item

(₹ in Crore)

S.L.	Other Comprehensive Income	31-03-2019	31-03-2018
1.	Actuarial gain/loss on obligations due to Change in Financial Assumption	45.08	(180.27)
2.	Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-
3.	Actuarial gain/loss on obligations due to Unexpected Experience	60.83	18.69
4.	Actuarial gain/loss on obligations due to Other reason	-	-
5.	Total Actuarial (gain)/losses	105.91	(161.57)
6.	Return on Plan Asset, Excluding Interest Income	44.53	2.06
7.	The effect of asset ceiling	-	-
8.	Balance at the end of the Period	61.39	(163.63)
9.	Net(Income)/Expense for the Period Recognized in OCI	61.39	(163.63)

Table 7: Disclosure Item

(₹ in Crore)

S.L.	Table Showing Allocation of Plan Asset at end Measurement Period	31-03-2019	31-03-2018
1.	Cash & Cash Equivalents	-	-
2.	Investment Funds	-	-
3.	Derivatives	-	-
4.	Asset-Backed Securities	-	-
5.	Structured Debt	-	-
6.	Real Estates	-	-
7.	Special Deposit Scheme	-	-
8.	State Government Securities	-	-
9.	Government of India Assets	-	-
10.	Corporate Bonds	-	-
11.	Debt Securities	-	-
12.	Annuity Contracts/Insurance Fund	-	-
13.	Other	-	-
	Total	-	-

Table 8: Disclosure Item

(₹ in Crore)

S.L.	Table Showing Total Allocation in % of Plan Asset at end Measurement Period	31-03-2019	31-03-2018
1.	Cash & Cash Equivalents	-	-
2.	Investment Funds	-	-
3.	Derivatives	-	-
4.	Asset-Backed Securities	-	-
5.	Structured Debt	-	-
6.	Real Estates	-	-
7.	Special Deposit Scheme	-	-
8.	State Government Securities	-	-
9.	Government of India Assets	-	-

10.	Corporate Bonds	-	-
11.	Debt Securities	-	-
12.	Annuity Contracts/Insurance Fund	-	-
13.	Other	-	-
	Total	-	-

Table 9: Disclosure Item

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

Table 10: Disclosure Item

(₹ in Crore)

31-03-2018		Sensitivity Analysis	31-03-2019	
Increase	Decrease		Increase	Decrease
3,953.50	4,232.96	Discount Rate (-/+ 0.5%)	4,099.49	4,384.01
-3.32%	3.52%	%Change Compared to base due to sensitivity	-3.26%	3.45%
4,182.37	3,987.65	Salary Growth (-/+ 0.5%)	4,318.28	4,148.99
2.28%	-2.48%	%Change Compared to base due to sensitivity	1.90%	-2.09%
4,092.49	4,085.95	Attrition Rate (-/+ 0.5%)	4,241.03	4,234.42
0.08%	-0.08%	%Change Compared to base due to sensitivity	0.08%	-0.08%
4,113.35	4,065.10	Mortality Rate (-/+ 10%)	4,262.64	4,212.81
0.59%	-0.59%	%Change Compared to base due to sensitivity	0.59%	-0.59%

Table 11: Disclosure Item

Table Showing Cash Flow Information

(₹ in Crore)

Next Year Total (Expected)	4,238.78
Minimum Funding Requirements	597.11
Company's Discretion	-



Table 12: Disclosure Item

Table Showing Benefit Information Estimated Future payments (Past Service)

(₹ in Crore)

S.L.	Year	Amount
1.	1	495.11
2.	2	470.05
3.	3	464.04
4.	4	448.92
5.	5	420.99
6.	6 to 10	2,403.58
7.	More than 10 years	3,140.63
8.	Total Undiscounted Payments Past and Future Service	-
9.	Total Undiscounted Payments related to Past Service	7,843.33
10.	Less Discount For Interest	3,605.61
11.	Projected Benefit Obligation	4,237.73

Table 13: Disclosure Item

Table Showing Outlook Next Year Components of Net Periodic benefit Cost Next Period

(₹ in Crore)

S.L.	Particulars	Amount
1.	Current service Cost (Employer portion Only) Next period	172.79
2.	Interest Cost next period	301.26
3.	Expected Return on Plan Asset	319.95
4.	Unrecognized past service Cost	-
5.	Unrecognized actuarial/gain loss at the end of the period	-
6.	Settlement Cost	-
7.	Curtailement Cost	-
8.	Other (Actuarial Gain/loss)	-
9.	Benefit Cost	154.10

Table 14: Bifurcation of Net liability

Table Showing expected return on Plan Asset at end Measurement Period

(₹ in Crore)

S.L.	Particulars	31-03-2019	31-03-2018
1.	Current liability	477.42	438.71
2.	Non-Current Liability	3,760.31	3,803.72
3.	Net Liability	4,237.73	4,089.22

**ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL)
AS AT 31-03-2019
CERTIFICATES AS PER IND AS 19 (2015)**

The valuation at a glance based on best estimate assumption as on current valuation date is as provided below:

Table 1: Disclosure Item

(₹ in Crore)

S.L.	Changes in Present Value of Obligation as at	31-03-2019	31-03-2018
1.	Present value of obligation as on last valuation	646.83	698.09
2.	Current Service Cost	101.14	70.25
3.	Interest Cost	46.22	50.73
4.	Participant Contribution	-	-
5.	Plan Amendments: Vested portion at end of period (Past Service)	-	-
6.	Plan Amendments: Non-Vested portion at end of period (Past Service)	-	-
7.	Actuarial gain/loss on obligations due to Change in Financial Assumption	8.77	(33.87)
8.	Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-
9.	Actuarial gain/loss on obligations due to Unexpected Experience	(17.54)	(58.10)
10.	Actuarial gain/loss on obligations due to Other reason	-	-
11.	The effect of change in Foreign exchange rates	-	-
12.	Benefits Paid	69.34	80.27
13.	Acquisition Adjustment	-	-
14.	Disposal/Transfer of Obligation	-	-
15.	Curtailement cost	-	-
16.	Settlement Cost	-	-
17.	Other (Unsettled Liability at the end of the valuation date)	-	-
18.	Present value of obligation as on valuation date	716.07	646.83

Table 2: Disclosure Item

(₹ in Crore)

S.L.	Changes in Fair Value of Plan Assets as at	31-03-2019	31-03-2018
1.	Fair value of Plan Assets at Beginning of period	491.73	378.62
2.	Interest Income	37.13	29.19
3.	Employer Contributions	-	160.02
4.	Participant Contributions	-	-
5.	Acquisition/Business Combination	-	-
6.	Settlement Cost	-	-
7.	Benefits Paid	69.34	80.27
8.	The effect of asset ceiling	-	-
9.	The effect of change in Foreign Exchange Rates	-	-
10.	Administrative Expenses and Insurance Premium	-	-
11.	Return on Plan Assets excluding Interest Income	(5.18)	4.17
12.	Fair value of Plan Assets at End of measurement period	454.34	491.73



Table 3: Disclosure Item

(₹ in Crore)

S.L.	Table Showing Reconciliation to Balance Sheet	31-03-2019	31-03-2018
1.	Funded Status	(261.73)	(155.10)
2.	Unrecognized Past Service Cost	-	-
3.	Unrecognized Actuarial gain/loss at end of the period	-	-
4.	Post Measurement Date Employer Contribution(Expected)	-	-
5.	Unfunded Accrued/Prepaid Pension cost	N/A	N/A
6.	Fund Asset	454.34	491.73
7.	Fund Liability	716.07	646.83

Table 4: Disclosure Item

S.L.	Table Showing Plan Assumptions	31-03-2019	31-03-2018
1.	Discount Rate	7.55%	7.71%
2.	Expected Return on Plan Asset	0.076	0.077
3.	Rate of Compensation Increase(Salary Inflation)	9.00% for Executive Staffs	9.00% for Executive Staffs
		6.25% for Non-Executive Staffs	6.25% for Non-Executive Staffs
4.	Pension Increase Rate	0	0
5.	Average expected future service (Remaining working Life)	12,11	12
6.	Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
7.	Superannuation at age-Male	60	60
8.	Superannuation at age-Female	60	60
9.	Early Retirement & Disablement (All Causes Combined)	0.30 % p.a.	0.30 % p.a.
10.	Voluntary Retirement	Ignored	Ignored

Table 5: Disclosure Item

(₹ in Crore)

S.L.	Expense Recognized in statement of Profit/Loss as at	31-03-2019	31-03-2018
1.	Current Service Cost	101.14	70.25
2.	Past Service Cost (vested)	-	-
3.	Past Service Cost (Non-Vested)	-	-
4.	Net Interest Cost	9.09	21.54
5.	Cost (Loss)/(Gain) on settlement	-	-
6.	Cost (Loss)/(Gain) on curtailment	-	-
7.	Actuarial Gain/loss	(3.59)	(96.14)
8.	Employee Expected Contribution	-	-
9.	Net Effect of changes in Foreign Exchange Rates	-	-
10.	Benefit Cost(Expense Recognized in Statement of Profit/loss)	106.64	(4.35)

Table 6: Disclosure Item

(₹ in Crore)

S.L.	Other Comprehensive Income	31-03-2019	31-03-2018
1.	Actuarial gain/loss on obligations due to Change in Financial Assumption	-	-
2.	Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-
3.	Actuarial gain/loss on obligations due to Unexpected Experience	-	-
4.	Actuarial gain/loss on obligations due to Other reason	-	-
5.	Total Actuarial (gain)/losses	-	-
6.	Return on Plan Asset, Excluding Interest Income	-	-
7.	The effect of asset ceiling	-	-
8.	Balance at the end of the Period	-	-
9.	Net(Income)/Expense for the year Recognized in OCI	-	-

Table 7: Disclosure Item

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

Table 8: Disclosure Item

(₹ in Crore)

31-03-2018		Sensitivity Analysis	31-03-2019	
Increase	Decrease		Increase	Decrease
622.54	672.83	Discount Rate (-/+ 0.5%)	689.30	744.78
-3.76%	4.02%	%Change Compared to base due to sensitivity	-3.74%	4.01%
672.78	622.37	Salary Growth (-/+ 0.5%)	744.64	689.18
4.01%	-3.78%	%Change Compared to base due to sensitivity	3.99%	-3.76%
647.47	646.18	Attrition Rate (-/+ 0.5%)	717.80	714.35
0.10%	-0.10%	%Change Compared to base due to sensitivity	0.24%	-0.24%
650.67	642.98	Mortality Rate (-/+ 10%)	720.20	711.95
0.60%	-0.60%	%Change Compared to base due to sensitivity	0.58%	-0.58%



Table 9: Disclosure Item

Table Showing Benefit Information Estimated Future payments (Past Service)

(₹ in Crore)

S.L.	Year	Amount
1.	1	74.91
2.	2	70.70
3.	3	73.38
4.	4	72.62
5.	5	72.20
6.	6 to 10	381.22
7.	More than 10 years	793.48
8.	Total Undiscounted Payments Past and Future Service	-
9.	Total Undiscounted Payments related to Past Service	1,538.52
10.	Less Discount For Interest	822.45
11.	Projected Benefit Obligation	716.07

Table 10: Bifurcation of Net liability

Table Showing expected return on Plan Asset at end Measurement Period

(₹ in Crore)

S.L.	Particulars	31-03-2019	31-03-2018
1.	Current liability	72.24	60.99
2.	Non-Current Liability	643.84	585.84
3.	Net Liability	716.07	646.83

4. DISCLOSURE AS PER IND AS 115 REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregated revenue information:

(₹ in Crore)

Types of goods or service	31-03-2019	31-03-2018
• Coal	12,914.35	10,626.01
• Others	-	-
Total revenue from contract with customers	12,914.35	10,626.01

(₹ in Crore)

Types of customers	31-03-2019	31-03-2018
• Power sector	10,652.65	9,062.65
• Non-Power Sector	2,261.70	1,563.36
• Others or Services (CMPDIL)	-	-
Total revenue from contract with customers	12,914.35	10,626.01

(₹ in Crore)

Types of contract	31-03-2019	31-03-2018
• FSA	11,180.16	9,016.78
• E-Auction	1,369.80	1,363.51
• Others	364.39	245.72
Total revenue from contract with customers	12,914.35	10,626.01

(₹ in Crore)

Timing of goods or service	31-03-2019	31-03-2018
• Goods transferred at a point in time	-	-
• Goods transferred over time	12,914.35	10,626.01
• Services transferred at a point in time	-	-
• Services transferred over time	-	-
Total revenue from contracts with customers	12,914.35	10,626.01

(₹ in Crore)

Contract balances:	31-03-2019	31-03-2018
Trade receivables (Refer Note 13)	1,621.92	1,109.89
Contract assets	-	-
Contract liabilities (Refer Note 23)	766.28	764.69
Revenue recognised out of Contract Liabilities at beginning of reporting period	-	-
Revenue recognised out of Performance obligation performed during previous year	-	-

5. Unrecognized items

Contingent Liabilities : Claims against the company not acknowledged as debt.

(₹ in Crore)

S.L.	Particulars	Central Govt.	State Govt. & Other localities**	CPSE	Others	Total
1.	Opening as on 01-04-2018	1,633.21	3,347.72	-	713.29	5,694.22
2.	Addition during the period	645.74	402.70	-	92.67	1,141.11
3.	Settled during the period:					
4.	a. From opening balance	(333.10)	(66.15)	-	(49.02)	(448.27)
	b. Out of addition during the period	-	-	-	(3.19)	(3.19)
	c. Total settled during the year (a + b)	(333.10)	(66.15)	-	(52.21)	(451.46)
	Closing as on 31-03-2019	1,945.85	3,684.27	-	753.75	6,383.87

The management believes that the outcome of the above will not have any material adverse effect on the company.

** Demand of State of Jharkhand and District Mining Officer Dhanbad as penalty for illegal or unlawful Mined Mineral under MMDR Act 1957 on the basis of judgment of Hon'ble Supreme Court : Government of Jharkhand has raised a demand under Mines and Minerals (Development and Regulation) Act, 1957 as a penalty for illegally or unlawfully mined mineral of ₹ 2,178.14 Crore. State of Jharkhand and District Mining Officer, Dhanbad had issued 11 Demand notices to Rajmahal area, S.P Mines and Mugma area claiming the penalty mentioned above. CGM (GM I/C), Rajmahal, SP Mine, Mugma Area of ECL have filed 11 Revision Application challenging the Demand notices issued by the State of Jharkhand regarding alleged violation before the Revisional Authority, Ministry of Coal, Government of India.



The above Revision Applications are admitted by MOC by staying the execution of the 11 notices as mentioned above in the exercise of power under rule 55(v) of Mineral Concession Rules 1960 read with section 30 of MMDR Act. MOC had also directed that no coercive action will be taken against the applicants by the respondents pursuant to the impugned Demand notices. Government of Jharkhand was directed to file a reply to the revision applications within the prescribed time of 3months from the date of service of copy revision applications. The reply to the Revision Applications by the Government of Jharkhand has not yet been forwarded to the applicant i.e. Rajmahal Area, ECL for filing Rejoinders. In view of above Rajmahal, S. P. Mines and Mugma area of ECL have made a prima facie case and the balance of convenience is in their favour subject to decision of revision petition.

5. [A] Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

- The amount remaining to be executed on capital account not provided for is ₹ 186.27 Crore (₹ 250.57 Crore).
- The amount remaining to be executed on revenue account not provided for is ₹ 2124.95 Crore (₹ 1257.31 Crore).

5. [B] Letter of Credit :

As on 31-03-2019 outstanding Letters of Credit (LoC) is ₹ 22.41 Crore (₹ 25.88 Crore) and Bank Guarantee issued is ₹ 75.04 Crore (₹ 37.64 Crore).

6. Other Information

A. Provisions

The position and movement of various provisions as per Ind AS-37, as on 31-03-2019 are given below: (₹ in Crore)

Provisions	Opening Balance as on 01-04-2018	Addition during the year	Write back/ Adj./Paid during the year	Unwinding of Discount	Closing Balance as on 31-03-2019
Note 3:- Property, Plant and Equipments : Depreciation & Impairment of Assets	901.07	492.53	39.77	-	1,353.83
Note 4:- Capital Work in Progress : Against CWIP	5.11	2.63	3.76	-	3.98
Note 5:- Exploration And Evaluation Assets : Provision and Impairment	-	-	-	-	-
Note 8:- Loans : Other Loans :	-	-	-	-	-
Note 9:- Other Financial Assets: Other Deposits and Receivables	-	-	-	-	-
Security Deposit for utilities	-	-	-	-	-
Current Account with Subsidiaries	-	-	-	-	-
Claims & other receivables	4.87	16.20	-	-	21.07
Note 11:- Other Current Assets : Advances for Revenue	-	-	-	-	-
Advance payment of statutory dues	-	-	-	-	-
Other Advances and Deposits to Employees	0.45	1.25	-	-	1.70
Note 13:-Trade Receivables : Provision for bad & doubtful debts	366.00	-	58.95	-	307.05
Note 21 :- Non-Current & Current Provision : Others	2,451.76	-	(296.50)	-	2,748.26
Site Restoration/Mine Closure	567.80	38.23	-	-	606.03



Note 12: Inventories					
Stock of Coal	1.08	-	0.70	-	0.38
Stock of stores & spares	44.49	0.65			45.14

B. Authorised Preference Share capital	31-03-2019	31-03-2018
21000000 6% Non Convertible Cumulative, Redeemable Preference Shares of ₹ 1000/- each	2,100.00	2,100.00

C. Earnings Per Share			
S.L.	Particulars	For the year ended	For the year ended
		31-03-2019	31-03-2018
i.	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	748.77	(931.17)
ii.	Weighted Average no. of Equity Shares Outstanding	22,184,500	22,184,500
iii.	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share) (₹)	337.52	(419.74)

D. Related Party Disclosures

(i) Holding & its Subsidiaries

- a.Coal India Limited (Holding Company)
- b.Bharat Coaking Coal Limited (BCCL)
- c.Central Coalfields limited (CCL)
- d.Western Coalfields Limited (WCL)
- e.South Eastern Coalfields Limited (SECL)
- f.Northern Coalfields Limited (NCL)
- g.Mahanadi Coalfields Limited (MCL)
- h.Central Mine Planning and Design Institute Limited (CMPDIL)

(ii) Post Employment Benefit Fund:

- a.Group Gratuity Cash Accumulation Plan with LICl.
- b.New Group Gratuity Cash Accumulation Plan with LICl (for employees joining after 01.04.2014).
- c.New Group Leave Encashment Scheme with LICl.
- d.Coal Mines Provident Fund (CMPF).
- e.Contributory Post-Retirement Medical Scheme for Executive Trust
- f.CIL Executive Defined Contribution Pension Scheme-2007

E. (i) Key Managerial Personnel

Whole time Functional Directors:

1.Shri Prem Sagar Mishra	CMD, ECL, (w.e.f 20.08.2018)
2.Shri S.K. Jha	CMD (Additional charge) (w.e.f. 01.07.2018 upto 19.8.2018) Director (Technical) OP (w.e.f 19.12.2017)
3.Shri A. K. Singh	CMD (Additional charge) (from 01.04.2018 to 30.06.2018)
4.Shri K. S. Patro	Director (Personnel) (upto 30.04.2018)
5.Shri Sanjiv Soni	Director (Finance) (w.e.f 19.06.2018)
6.Shri Jaiprakash Gupta	Director (Technical) P&P (w.e.f 18-06-2018)
7.Shri Vinay Ranjan	Director (Personnel) (w.e.f 16.08.2018)



Part-time Official Director:

1. Shri C. K. Dey	Director (Finance), CIL (up to 30.09.2018)
2. Shri N.K. Sudhansu	Joint Secretary, MoC (30-10-2017 to 02.10.2018)
3. Ms. Vismita Tej	Joint Secretary, MoC (03.10.2018 to 10.01.2019)
4. Shri B. P. Pati	Joint Secretary, MoC (w.e.f 11.01.2019)
5. Shri S.N. Prasad	Director (Marketing), CIL (w.e.f 10.12.2018)

Independent Directors:

1. Dr. (Prof.) Indira Chakravarty
2. Shri Pravin Kant (w.e.f 13.12.2018)

Company Secretary:

- | | |
|------------------------|------------------|
| 1. Shri Rambabu Pathak | w.e.f 02-07-2018 |
| 2. Shri V. R. Reddy | Upto 30.06.2018 |

(ii) Remuneration of Key Managerial Personnel.

(₹ in Crore)

S.L.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the year ended	For the year ended
		31-03-2019	31-03-2018
i. Short Term Employee Benefits :			
	Gross Salary	1.07	1.08
	Medical Benefits	0.02	0.02
	Perquisites and Other Benefits	0.43	0.45
ii. Post-Employment Benefits :			
	Contribution to P.F. & Other Fund	0.18	0.15
iii. Termination Benefits (Paid at the time of Seperation) :			
	Leave Encashment	0.20	0.33
	Gratuity	0.40	0.40
	Total	2.30	2.43

Note: 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.

(iii) Payment to Independent Directors

(₹ in Crore)

S.L.	Payment to Independent Directors	For the year ended	For the year ended
		31-03-2019	31-03-2018
i.	Sitting Fees	0.06	0.04

(iv) Balances Outstanding with Key Management Personnel

(₹ in Crore)

S.L.	Payment to Independent Directors	For the year ended	For the year ended
		31-03-2019	31-03-2018
i.	Amount Payable	-	-
ii.	Amount Receivable	-	-

(v) Related Party Transactions within Group:

Nature of transactions with CIL are Apex charges, R&D expenses, Rehabilitation Expenses, Subsidy, EDC Loan repayment, C&F Charges and Employees related expenses. As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

(₹ in Crore)

Name of Related Parties	Loan to Related Parties	Loan from Related Parties	Apex Charges	Rehab. Charges	Lease Rent Income	Interest on Funds parked with CIL	IICM Charges	Current Account Balance (Receivable)
CIL	-	-	50.16	30.23	-	12.83	3.08	36.18

F. Recent Accounting Pronouncements**i. Ind AS, 116- Leases**

Ministry Of Corporate Affairs vide notification dated 30th March 2019 has notified Indian Accounting Standard (Ind AS) 116, Leases which shall come into force on the 1st day of April 2019.

This Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The standard permits two possible methods of transition:

Retrospectively to each prior reporting period presented applying IND AS 8 i.e. 1 April 2018. Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1 April 2019.

Management is in the process of selecting the appropriate method of transition and estimating the impact in the Financial Statement.

ii. Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. Management is in the process of estimating the impact of the above in the Financial Statement.

G. Goods purchased by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Limited on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

H. Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/ final settlement.

I. Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

J. Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

K. Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

L. Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is made against all doubtful unconfirmed balances.



M. Significant accounting policy

Significant Accounting Policies (Note-2) are 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.

N. CSR Expenditure:

- i. Gross amount required to be spent by the company during the Financial Year 2018-19 is ₹ 16.46 crore (₹ 12.69 crore)
- ii. Amount spent during the year on:

(₹ in Crore)

Sl.	Year Ended	31.03.2019			31.03.2018		
		In Cash/ Bank	Yet to be paid in Cash/ Bank	Total	In Cash/ Bank	Yet to be paid in Cash/ Bank	Total
1	Construction / Acquisition of any Assets	-	-	-	-	-	-
2	On Purpose other than above (1)	14.56	1.90	16.46	11.81	0.88	12.69

iii. The various heads under which CSR Expenditure were incurred is detailed as follows

(₹ in Crore)

Sl.	Relevant clause of schedule VII of the Act	Description of CSR activities	Year ended 31.03.2019	Year ended 31.03.2018
1	Clause (i)	Eradicating hunger, poverty and malnutrition, making available safe drinking water & Promoting healthcare	3.22	1.36
2	Clause (ii)	Promotion of education	6.70	5.51
3	Clause (iii)	Promoting gender equality and empowering women	0.06	0.12
4	Clause (vi)	Healthcare	0.14	0.43
5	Clause (vii)	Promoting rural sports and nationally recognised sports	0.17	-
6	Clause (x)	Rural development and others	6.18	5.27
Total			16.46	12.69

O. Others

- a. Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.
- b. Previous period's figures in Note No. 3 to 38 are in brackets.
- c. Note- 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31st March, 2019 and 24 to 37 form part of Statement of Profit & Loss for the year ended 31st March, 2019. Note-38 provides Additional Notes to the Financial Statements.





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