कोल इण्डिया लिमिटेड
महारत्न कंपनी
3 तल्ला, कोर-2
प्रेमिसेस-04-एमआर,प्लॉट-ए एफ-III,
एक्शन एरिया-1A, न्यूटाउन, रजरहट,
कोलकाता-700156
फोन 033-२३२४६५२६,
फैक्स-033-२३२४६५१०
ईमेल:mviswanathan2.cil@coalindia.in
वेबसाइट: www.coalindia. In

Coal India Limited
A Maharatna Company
(A Govt. of India Enterprise)
Regd. Office:3rd floor, Core-2
Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat,Kolkata-700156
PHONE; 033-2324-6526,
FAX; 033-23246510
E-MAIL:
mviswanathan2.cil@coalindia.in
WEBSITE: www.coalindia.in
CIN- L23109WB1973GOI028844

Ref.No.CIL:XI(D):04157:2016:

Dated: 25nd Aug'2016

Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

Sub: Notice of AGM (Including Addendum), Book Closure, Annual Report and Accounts of Coal India Limited and Sustainability Report for 2015-16
Reference: ISIN – INE522F01014

Annual General Meeting of Coal India Limited will be held **Wednesday, the 21st September'2016 at 10.30 A.M** at the **Science City**, Main Auditorium, JBS Haldane Avenue, Kolkata-700046. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, the 12th September, 2016 to Wednesday, the 21st September, 2016 (both days inclusive)** for the purpose of AGM. This is as per Regulations 42 of SEBI (LODR) Regulations 2015

In terms of Regulations 36 of SEBI (LODR) Regulations 2015, one copy of Annual Report and Accounts 2015-16 alongwith Notice of AGM(including Addendum) is being sent to each shareholder. It has been sent by e-mail to those shareholders who have opted to get the same in electronic mode and for others hard copy is being sent. This is also uploaded in CIL website as well as RTA website.

We are also enclosing the Annual Report and Accounts alongwith the Notice of AGM(including Addendum) and Sustainability Report of CIL prepared as per GRI framework for the year 2015-16.This is for your information and records please.

Yours faithfully,

25/8/16

(M.Viswanathan/एम.विस्वनाथन)
Company Secretary/कंपनी सचिव
& Compliance Officer/कम्प्लायंस ऑफिसर

Enc:As above

COAL INDIA LIMITED

A Maharatna Company
CIN: L23109WB1973GOI028844
Registered office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III,
Action Area-1A, New town, Rajarhat, Kolkata-700156
Tel No-033-23246526, Fax No-033-23246510
Email-complianceofficer.cil@coalindia.in, Website: www.coalindia.in

NOTICE

Dated: 11th July' 2016

Notice of Forty-Second Annual General Meeting of Coal India Limited

NOTICE is hereby given to the members of Coal India Limited that the Forty-Second Annual General Meeting of the Company will be held on **Wednesday, the 21st September 2016 at 10.30 A.M** at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700046 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt:

a. the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2016 including the Audited Balance Sheet as at March 31, 2016 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.

b. the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2016 including the Audited Balance Sheet as at March 31, 2016 and Statement of Profit & Loss for the year ended on that date and the Report of Statutory Auditor thereon.

2. To approve the Interim dividend paid on equity shares for the Financial Year 2015-16 as final dividend for the year 2015-16.

3. To appoint a director in place of Dr A K Dubey [DIN-02766755] who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and Article 39(j) of Articles of Association of the Company and being eligible, offers himself for reappointment.

SPECIAL BUSINESSES:

ITEM No. 4

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

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 and any other applicable law, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Loretta Mary Vas [DIN-02544627] who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 17th November' 2015 and who holds office until the date of this AGM in terms of section 161 of Companies Act 2013, and in respect of whom the Company has received a notice in writing from a member under section 160 of Companies Act 2013 signifying his intention to propose Ms. Loretta Mary Vas as a candidate for the office of a Director of the Company be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the balance period of her appointment i.e upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier in terms of Ministry of Coal letter no-21/15/2014-ASO(Part-II)(i) Dated 17th November 2015".

ITEM No. 5

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

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 and any other applicable law, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Satish Balram Agnihotri [DIN-03390553] who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 17th November' 2015 and who holds office until the date of this AGM in terms of section 161 of Companies Act 2013, and in respect of whom the Company has received a notice in writing from a member under section 160 of Companies Act 2013 signifying his intention to propose Dr. Satish Balram Agnihotri as a candidate for the office of a Director of the company be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the balance period of his appointment i.e upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier in terms of Ministry of Coal letter no-21/15/2014-ASO(Part-II)(i) Dated 17th November 2015".

ITEM No. 6

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

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable law, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. D.C.Panigrahi [DIN-07355591] who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 17th November' 2015 and who holds office until the date of this AGM in terms of section 161 of Companies Act 2013, and in respect of whom the company has received a notice in writing from a member under section 160 of Companies Act 2013 signifying his intention to propose Dr. D.C.Panigrahi as a candidate for the office of a Director of the Company be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for the balance period of his appointment i.e upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier in terms of Ministry of Coal letter no-21/15/2014-ASO(Part-II)(i) Dated 17th November 2015".

ITEM No. 7

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

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 and any other applicable law, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Khanindra Pathak [DIN-07348780] who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 17th November' 2015 and who holds office until the date of this AGM in terms of section 161 of Companies Act 2013, and in respect of whom the company has received a notice in writing from a member under section 160 of Companies Act 2013 signifying his intention to propose Dr. Khanindra Pathak as a candidate for the office of a Director of the Company be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for the balance period of his appointment i.e upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier in terms of Ministry of Coal letter no-21/15/2014-ASO(Part-II)(i) Dated 17th November 2015".

ITEM No. 8

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

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 and any other applicable law, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Vinod Jain [DIN-00003572] who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 17th November' 2015 and who holds office until the date of this AGM in terms of section 161 of Companies Act 2013, and in respect of whom the company has received a notice in writing from a member under section 160 of Companies Act 2013 signifying his intention to propose Shri Vinod Jain as a candidate for the office of a Director of the Company be and

is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for the balance period of his appointment i.e upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier in terms of Ministry of Coal letter no-21/15/2014-ASO(Part-II)(i) Dated 17th November 2015".

ITEM No. 9.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and provisions of any other guidelines issued by relevant authorities and any other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Shyam Nandan Prasad [DIN-07408431], who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st February' 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as a Whole time Director of the Company w.e.f 1st February 2016 to hold office upto 30th November' 2019 i.e the date of his superannuation or until further orders, whichever is earlier in terms of Ministry of Coal letter no-21/6/2015-ASO dated 1st January' 2016. He shall be liable to retirement by rotation

ITEM No. 10.

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

"RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013("Act") and other applicable provisions, if any, of the Act and relevant rules prescribed thereunder (including any amendment, statutory modification(s) or re-enactment thereof for the time being in force) or any other applicable law, the consent of the members be and is hereby accorded to authorise Director(Finance)/ Company Secretary to charge from the members such amount as may be deemed fit as an advance amount being equivalent to the estimated actual expenses for delivery of the documents to the members in a mode specified by the member.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors(Finance)/Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion as may deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 11th July' 2016

By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

NOTES:-

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

   In terms of Section 105 of the Companies Act' 2013 read with Rule 19 of the Companies (Management and Administration) Rules 2014 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The Company is providing facility for voting by electronic means (e-voting) and the business set out in the Notice will be transacted through such voting. Information and instructions relating to e-voting are given in this Notice under note no-24

3. The Register of Members and Share Transfer Books of the Company will remain closed from **12th September' 2016 to 21st September' 2016 (both days inclusive)** for the purpose of Annual General Meeting.

4. Members are requested to:

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

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

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

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

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

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

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

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

7. Members may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating any person to whom their shares in the Company shall vest on occurrence of events stated in Form-SH.13. Form-SH.13 is to be submitted in duplicate to M/s Alankit Assignments Limited, RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.

8. Corporate Members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act 2013 to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. An authorised representative of a body corporate Member may also appoint a proxy under his signature in the manner provided in note 1 above.

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

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

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

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

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

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

11. The Board of Directors of your Company in its 325th meeting held on 5th March' 2016 had declared an interim dividend @ 274% (Rs. 27.40 per share) on the paid-up equity share capital of the company which was paid on and from 21st March 2016. Members who have not received or not encashed their dividend warrants may approach M/s Alankit Assignments Limited, RTA of the Company, for obtaining Demand Draft.

In terms of Section 205A and Section 205C of the Companies Act, 1956 as amended from time to time and/or relevant corresponding provisions of the Companies Act, 2013 once notified, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Therefore, Members are advised to encash their Dividend warrants immediately on receipt. Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 23rd September' 2015 (date of the last Annual General Meeting) on the website of the Company (www.coalindia.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

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

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

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

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

16. Members may also note that notice of 42nd AGM and the Annual Report 2015-16 will be available on the Company's website, www.coalindia.in and on the website of M/s Alankit Assignments Limited (www.alankit.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during the normal business hours on working days from 11.00 A.M to 1.00 P.M . Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: complianceofficer.cil@coalindia.in

17. In terms of Section 152 of the Companies Act, 2013 Dr.A.K.Dubey (DIN-02766755.), Director, retires by rotation at the general meeting and being eligible, offers himself for re-appointment. Details of Director seeking appointment or re-appointment as required to be provided pursuant to the provisions of (i) Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) para 1.2.5 of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government forms a part of the notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.

Name of Director	**Dr A. K. Dubey**
DIN	**02766755**
Date of Birth	01/01/1959
Nationality	Indian
Date of appointment on the Board	03/04/2013
Qualifications	IAS
List of Directorships held in other companies	NIL
Chairman/Membership of other Committee in Coal India Ltd	NIL
Shareholding in Coal India Ltd	NIL

Profile of Dr A.K.Dubey is given under "Brief profile of Directors" in Annual Report 2015-16

18. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of Special businesses is enclosed.

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

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

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

22. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s Alankit Assignments Limited, for consolidation into a single folio.

23. Members are requested to address all correspondences, including dividend matters to our RTA on any one of the below mentioned addresses :

Registered Office

M/s Alankit Assignments Limited,
Alankit Height,
1E/13, Jhandewalan Extension,
New Delhi-110055
Email-id-alankit_rta@alankit.com
Ph.no-011-4254-1234/2354-1234
Fax-011-4154-3474
Toll-free – 1860-121-2155
Website-www.alankit.com

Local Address

M/s Alankit Assignments Limited
Main Building, 2nd floor
19 R N Mukherjee, Kolkata-700001
Email-id-alankit_rta@alankit.com
Ph. no-033-4401-4100/4200
Toll-free-1860-121-2155

24. STEPS FOR REMOTE E-VOTING:-

Pursuant to section 108 and other applicable provisions, if any, of the Companies Act' 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening the 42nd Annual General Meeting to be held on Wednesday, the 21st September 2016 at 10.30 A.M at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700046 through remote e-voting services provided by NSDL.

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

The electronic voting particulars are set out below:

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

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

Commencement of remote e-voting	End of remote e-voting
September 18, 2016, IST 9.00 A.M	**September 20, 2016 IST 5.00 P.M**

Please read the instructions given below before exercising your vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on 21st September 2016.

STEPS FOR REMOTE E-VOTING:

I. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder – Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "COAL INDIA LIMITIED".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

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

B. In case a Member receives physical copy of the Notice of AGM[for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM):

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

V. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

General Instructions:

a) The remote e-voting will commence on **18th September' 16 (9:00 AM IST) and ends on 20th September'16 (5:00 P.M IST).** The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith. During this period, shareholders of the company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e **14th September' 2016** may cast their vote electronically. A person who is not a member as on cut-off date should treat this Notice for information purpose only. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

b) Any Persons who has acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 14th September' 2016 , may obtain their user ID and password for remote e-voting from Company's Registrar & Transfer Agents, M/s Alankit Assignments Limited, Alankit Height,1E/13, Jhandewalan Extension, New Delhi-110055, Email-id-alankit_rta@alankit.com, Ph.no-011-4254-1234/2354-1234, Fax-011-4154-3474,Toll-free-1860-121-2155 and can also request for the physical copy of the Annual Report or may obtain the login ID and password by sending a request at evoting@nsdl.co.in also.

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

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

Name	:	Mr. Amit Vishal
Designation	:	Sr. Manager, NSDL
E-mail id	:	amitv@nsdl.co.in/evoting@nsdl.co.in
Address	:	NSDL, Trade world, A-wing, 4th floor, Kamala Mills compound, Senapati Bapat, Marg, Lower Parel, Mumbai-400013
Contact details	:	022 2499 4360

e) A. K. Labh, Practicing Company Secretary, 40, Weston Street, 3rd Floor, Kolkata – 700 013 has been appointed as the Scrutinizer to scrutinize the remote e-voting process and electronic voting at the venue of the meeting in a fair and transparent manner.

f) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **14th September'16**

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

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

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 11th July' 2016

By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

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

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

Item No. 4:

The Board of Directors, at its 323rd meeting held on 6th January' 2016, had appointed Ms. Loretta Mary Vas as an Additional Director (Independent) of the Company with effect from 17th November' 2015, pursuant to Section 161 of the Companies Act, 2013. Hence she will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Ms. Loretta Mary Vas for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

The Company has received from Ms. Loretta Mary Vas (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 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, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.

The resolution seeks the approval of members for the appointment of Ms. Loretta Mary Vas as an Independent Director of the Company upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

Ms. Loretta (62) is graduate in B.A. (English), B.Ed., M.A.(Economics), Masters in Diploma in Public Administration, M. Phil (Social Sciences) and LLB. She has joined Indian Administrative Service in 1977 and allotted to U.P. cadre. She has worked as Secretary, Ministry of Panchayati Raj, GoI, during 2012-14. She was Special Secretary, Addl. Secretary, Department of Economics Affairs, Ministry of Finance during 2008-2011. She was Joint Secretary (Budget) in Ministry of Finance, during 2005-2008. She was Export Commissioner/Joint Secretary in Ministry of Commerce, during 1993-98 and Under Secretary/Dy. Secretary, Festival of India, Department of Culture in 1984-88. She was Vice Chairperson in Ghaziabad Development Authority during 1999-2000 and 2001-2002, Addl. CEO Greater NOIDA Industrial Development Authority during 1991-93. She had worked in Departments of Health, Education in U.P. Govt., and District Magistrate of Hardoi, Addl. District Magistrate of Lakhimpur Kheri and Sub-Divisional Magistrate of Malihabad, Lucknow. She does not hold any shares of CIL. She is a member of Audit Committee and Chairman of Nomination and Remuneration Committee of CIL Board.

Based on the declarations received from her in the opinion of the Board of Directors, Ms. Loretta Mary Vas, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations 2015 and she is independent of the Management. A copy of the draft letter for the appointment of Ms. Loretta Mary Vas as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days till one day prior to the date of the AGM.

Keeping in view her vast expertise and knowledge, it will be in the interest of the company that Ms. Loretta Mary Vas is appointed as an Independent Director. No director, key managerial personnel or their relatives, except Ms. Loretta Mary Vas, to whom the resolution relates, is any way interested or concerned financially or otherwise in the resolution.

Accordingly,the Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Item No. 5:

The Board of Directors, at its 323rd meeting held on 6th January' 2016, had appointed Dr. S.B. Agnihotri as an Additional Director (Independent) of the Company with effect from 17th November' 2015, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Dr. S.B. Agnihotri for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

The Company has received from Dr. S.B. Agnihotri (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Agreement.

The resolution seeks the approval of members for the appointment of Dr. S.B. Agnihotri as an Independent Director of the Company upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

Dr. S. B. Agnihotri [61] is an IAS officer of Odisha cadre of 1980 batch. He has done his Master's degree in Physics followed by M.Tech in Environment Science and Engineering from IIT, Bombay. He later did MA in Rural Development followed by a Ph.D on sex ratio patterns in Indian Population from School of Development Studies, University of East Anglia, Norwich, UK. Dr. Satish B. Agnihotri retired as Secretary (Coordination & Public Grievances), Cabinet Secretariat. Prior to this he was Secretary, Ministry of New & Renewable Energy, Director General (Acquisition) in the Ministry of Defence, Additional Secretary in the Ministry of Agriculture discharging the role of Financial Advisor and Director General of Shipping during 2010-12. He has worked as Joint Secretary in the Cabinet Secretariat, Transport Commissioner, Odisha and Secretary, Women and Child Development and General Administration Department. He was Vice Chairman, Cuttack Urban Development Authority, CEO of Odisha Renewable Energy Development Agency, Director Industries and District Magistrate of Dhenkanal District. He also worked with UNICEF, Kolkata as Consultant on Child Nutrition and Health. Dr. S.B. Agnihotri has been appointed as an Independent Director on the Board of Indian Strategic Petroleum Reserves Limited with effect from 28th March 2015. He does not hold shares of CIL. He is a member of Audit Committee and Empowered sub-committee of CIL Board. He is the Chairman of Stakeholders Relationship Committee and CSR Committee of CIL Board.

Based on the declaration received from him, in the opinion of the Board of Directors, Dr. S.B. Agnihotri, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations 2015 and he is independent of the Management. A copy of the draft letter for the appointment of Dr. S.B. Agnihotri as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days till one day prior to the date of the AGM.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Dr. S.B. Agnihotri is appointed as an Independent Director. No director, key managerial personnel or their relatives, except Dr. S.B. Agnihotri, to whom the resolution relates, is any way interested or concerned financially or otherwise in the resolution.

Accordingly, the Board recommends the resolution set forth in Item no. 5 for the approval of the members.

Item No. 6:

The Board of Directors, at its 323rd meeting held on 6th January' 2016, had appointed Dr. D. C. Panigrahi as an Additional Director (Independent) of the Company with effect from 17th November' 2015, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Dr. D. C. Panigrahi for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

The Company has received from Dr. D. C. Panigrahi (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 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, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.

The resolution seeks the approval of members for the appointment of Dr. D. C. Panigrahi as an Independent Director of the Company upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

Dr D. C. Panigrahi [55] obtained his B. Tech in Mining Engineering in 1984 from Indian School of Mines, Dhanbad. Subsequently, he did his M. Tech in Mining Engineering in 1990, M. Tech in Industrial Engineering and Management in 1992 from Indian School of Mines, Dhanbad. He did his Ph. D in Mining Engineering from Indian School of Mines, Dhanbad in the year 1994. After graduating from Indian School of Mines, Dhanbad he served as Assistant Manager in coal mines of Tata Iron and Steel Company Limited for a period of 3½ years, as Scientist in erstwhile Central Mining Research Institute, Dhanbad, a CSIR lab., for a period of 4½ years and subsequently joined as Assistant Professor in the Department of Mining Engineering, ISM, Dhanbad in 1992. In 1998 he was promoted to Professor in Mining Engineering. He was the Chairman, IIT Joint Entrance Examination during 2004-2007 from ISM, Dhanbad. He was Head, Department of Mining Engineering, Indian School of Mines, Dhanbad from 2007 to 2010. He took over as the Director, Indian School of Mines, Dhanbad on 9th September 2011. He specializes in mine ventilation, mine fire control, coal bed methane and other areas related to underground mine environmental engineering. During his period of work, he has executed 13 major research projects as Project Leader and Coordinator

and submitted the reports as single/main author. He has published 120 research papers in the areas of mine ventilation, coal bed methane and sub-surface mine environmental engineering. He has edited a book containing 64 papers of reputed authors from 9 countries and the book has been published by A. A. Balkema, Rotterdam, Netherlands in 2001. He has edited his second book containing 100 papers from reputed authors of 14 countries and the book has been published by Science Publishers of USA in 2009. He has guided 10 students for their Ph. D degree and 12 students for their M.Tech degree in Mining Engineering. Presently he is guiding 3 students for their Ph. D degree in Mining Engineering. He has successfully executed more than 319 industry sponsored projects as Project Leader and Coordinator for solving the real life problems of 50 different organizations and submitted the reports as single/first author. Prof. Panigrahi has designed the ventilation system for most of the complex coal, metal and also uranium mines of the country up to a depth of 1.2 km from the surface and remained associated with these companies for their implementation in the mines to accrue the benefit to the bottom line of these companies. Prof Panigrahi was nominated as one of the 11 members of the International Mine Ventilation Committee representing 11 leading mineral producing countries of the world in 1997, viz. USA, Canada, Australia, South Africa, UK, Germany, Japan, France, China and India. He was also elected as the Chairman of the same committee for the duration 2009-14. He has been an honourary member of International Bureau of Mining Thermophysics since 1997 and is a member of International Advisory Board for the Journal Archives of Mining Sciences published by Polish Academy of Sciences, Poland since 2002. He was invited to chair technical sessions in 7th & 10th International Mine Ventilation Congresses in Poland and South Africa. He has received the certificate of appreciation in recognition for contributions to India Education Abroad in 2014 from University of South Florida, USA. He has been nominated as a member of Governing Body and General Body of National Institute of Rock Mechanics, Kolar Gold Fields, Karnataka; member of Governing Council of Association of Indian Universities, New Delhi; member of Executive Council of Central University of Jharkhand under Ministry of Human Resource Development, Govt. of India; Chairman of Sectoral Innovation Council of Occupational Safety and Health of the Ministry of Labour and Employment under the National Innovation Council constituted by the Prime Minister of India; member of the Committee under Section 12 of Mines Act constituted by Ministry of Labour and Employment, Govt. of India for formulating Rules and Regulations on safety and health in the Mining and Mineral Sector of the country; member of Mentor Council for Mining and Mineral Sector of the country to bridge the burgeoning gap faced by the Indian economy under the Ministry of Labour and Employment, Govt. of India. He is also a member of PERC (Project Evaluation and Review Committee) and SSAG (Standing Scientific Advisory Group) of Ministry of Mines, Govt. of India. He was also appointed as a member of the expert committee for studying the problems leading to a mine disaster in New Kenda Mine in 1994 in which 55 persons had died and he had also been chosen by the Ministry of Coal as a member of the Expert Committee for Anjan Hill Mine Disaster in 2010 in which 14 persons had died and 34 persons seriously injured.

For his significant contributions and distinguished services to the mining industry in India, he has been conferred the prestigious National Mineral Award – 1998 by the Ministry of Mines and Minerals, Govt. of India; S.S.B. Memorial Award – 2005 by ISM, Dhanbad; ASPIRE recognition by Tata Steel Limited in 2005; National Design Award-2012 at Vigyan Bhawan during 27th Indian Engineering Congress by National Design and Research Forum of Institution of Engineers (India); Eminent Mining Engineer Award during 23rd National Convention of Mining Engineers at Kolkata in 2012; State Bank of India(SBI) Best Researcher Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Honourable President of India; ISM Alumni Association Award of the year 2012-13 during the Convocation of Indian School of Mines, Dhanbad on 10th May, 2014 in the presence of the Honourable President of India; Indian Mining Engineering Journal Golden Jubilee Award – 2012 for his contribution in the field of Mining Education & Research; Debadutta Memorial Best Academic Management Excellence Award for the year 2011-12 on 22nd May, 2012 during National Technology Day Celebration of the Indian Mineral Industry Journal at Bhubaneswar, Odisha; SBI Best Researcher Award of the year 2011-12 during the Convocation of Indian School of Mines, Dhanbad on 23rd February, 2013; Prof S. K. Bose Memorial Award for the year 2013-14 for excellence in teaching in Mining Engineering by Mining, Geological and Metallurgical Institute of India; the certificate of merit for the year 2004-05 by the Institutions of Engineers (India) for publication of a paper in the Journal of the Institution of Engineers (India); Gopabandhu Memorial Shield for securing 1st position of the University in Intermediate Science in 1979. He does not hold any shares of CIL. He is a member of Audit committee, Nomination and Remuneration and Empowered sub-committee of CIL Board. He is the chairman of Risk Management committee of CIL Board.

Based on the declaration received from him, in the opinion of the Board of Directors, Dr. D. C. Panigrahi, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations 2015 and he is independent of the Management. A copy of the draft letter for the appointment of Dr. D. C. Panigrahi as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days till one day prior to the date of the AGM.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Dr. D. C. Panigrahi is appointed as an Independent Director. No director, key managerial personnel or their relatives, except Dr. D. C. Panigrahi, to whom the resolution relates, is any way interested or concerned financially or otherwise in the resolution.

Accordingly, the Board recommends the resolution set forth in Item no. 6 for the approval of the members.

Item No. 7:

The Board of Directors, at its 323rd meeting held on 6th January' 2016, had appointed Dr. Khanindra Pathak as an Additional Director (Independent) of the Company with effect from 17th November' 2015, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Dr. Khanindra Pathak for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

The Company has received from Dr. Khanindra Pathak (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 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, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Agreement.

The resolution seeks the approval of members for the appointment of Dr. Khanindra Pathak as an Independent Director of the Company upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

Dr. Khanindra Pathak [56] currently working as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). Dr. Pathak is B. Tech. in Mining Machinery from Indian School of Mines, Dhanbad in 1983 and M. Tech. in Opencast Mining from Indian School of Mines, Dhanbad in 1989. Dr. Pathak is Diploma holder in Mining Engineering from Imperial College of Science, Technology and Medicine, London. He has also done Ph.D in Mining Engineering in the year 1996 from Imperial College of Science, Technology and Medicine, London. He worked as 'Assistant Plant Manager (E2)' in Neyveli Lignite Corporation, Neyveli for two years from 1983 to 1985. He started his career as 'Graduate Engineer' in Central Mine Planning & Design Institute, Coal India Ltd., Ranchi in the year 1986. He worked as Research Scholar at Imperial College of Science Technology and Medicine, London during October'1993 to November'1996. He worked as Lecturer in Department of Mining Machinery at Indian School of Mines, Dhanbad from Sept.'1987 to Sept.'1998 and then he became Assistant Professor in the same institution from Sept.'1998 to November'2000. He was Associate Professor at Department of Mining Engineering, IIT, Kharagpur for 3 years from November'2000 to July'2003. At present he is continuing as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). He has been conferred with many honours/awards and he has also written many books and journals in Mining. He does not hold any shares of CIL. He is a member of Risk Management committee, CSR committee and Empowered sub-committee of CIL Board.

Based on the declaration received from him, in the opinion of the Board of Directors, Dr. Khanindra Pathak, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations 2015 and he is independent of the Management. A copy of the draft letter for the appointment of Dr. Khanindra Pathak as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during the normal business hours on working days till one day prior to the date of the AGM.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Dr. Khanindra Pathak is appointed as an Independent Director. No director, key managerial personnel or their relatives, except Dr. Khanindra Pathak, to whom the resolution relates, is any way interested or concerned financially or otherwise in the resolution.

Accordingly,the Board recommends the resolution set forth in Item no. 7 for the approval of the members.

Item No. 8:

The Board of Directors, at its 323rd meeting held on 6th January' 2016, had appointed Shri Vinod Jain as an Additional Director (Independent) of the Company with effect from 17th November' 2015, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Shri Vinod Jain for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

The Company has received from Shri Vinod Jain (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 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, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.

The resolution seeks the approval of members for the appointment of Shri Vinod Jain as an Independent Director of the Company upto 16th November' 2018 or until further orders from Govt. of India, whichever is earlier, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

Shri Vinod Jain [60] is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Intermediate Examination in November'1977 with 7th Rank in All India Merit List, Final Examination in November'1979 with 13th Rank on All India Merit List and became a Fellow Member of The Institute of Chartered Accountants of India. He qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India. He is also a qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is a Diploma holder in Information System Audit (DISA) from the Institute of Chartered Accountants of India in 2004. CA Vinod Jain has about 38 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law, Education and Strategic Planning and Business Management. Shri Vinod Jain started his career with Apollo Tyres Limited & BST Limited belonging to Apollo Group of Companies. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants from February 1980 to till date. He was a Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal (SAT), Board of Industrial and Financial Reconstruction (BIFR), Appellate Authority under Sick Industrial Companies Act, Company Law Board and Income Tax Appellate Tribunal (ITAT).He is also Chairman of Inmacs Management Services Limited. Shri Jain was the Chairman of Northern India Regional Council of The Institute of Chartered Accountants of India from September'1983 to September'1984 and also served as its Secretary (1982-83) and Treasurer (1984-1985).He was a Central Council Member of' The Institute of Chartered Accountants of India' from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of The Institute of Chartered Accountants of India from 2010 to 2011 being incharge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee for 5 years, Professional Development Committee, Management Accounting Committee for 4 years &Expert Advisory Committee of ICAI. He had also served as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc. He was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) from July'2009 to February'2013. Shri Jain was Founder and National Director of 3 months Certificate Course on Valuation conducted by The Institute of Chartered Accountants of India. Shri Jain was National Director of Certificate Course on Forex Risk and Treasury Management of ICAI from 2010 to 2013. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and following committees of Securities and Exchange Board of India (SEBI):

i) SEBI "Committee on Primary Markets Advisory.

ii) SEBI "Secondary Market Advisory Committee

iii) SEBI "Mutual Fund Advisory Committee.

iv) SEBI "Take-over Code Committee ".

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

Mr. Jain has been elected member of National Council of CII and a former National President of ANMI (Association of National Stock Exchanges members of India). Presently Shri Jain is a Member, High Powered Committee, appointed by Finance Ministry to simplify Income Tax Law. Shri Vinod Jain has bagged many Awards and Honours. He holds directorship at Inmacs Limited, Infrastructure Projects and Engineers Pvt. Ltd., Inmacs Microsystems Pvt. Ltd., Intergria Technologies Pvt. Ltd., Inmacs Management Services Ltd., Five Square Agro Gold Pvt. Ltd., Aptel Softek System Pvt. Ltd., Auatech Hong Kong Pvt. Ltd. and Inmacs Managements Services Limited – British Virgin Islands. . He does not hold any shares of CIL. He is a member of Stakeholders Relationship Committee, CSR Committee and Empowered sub-committee of CIL Board. He is the Chairman of Audit Committee of CIL Board.

Based on the declaration received from him in the opinion of the Board of Directors, Shri Vinod Jain, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations 2015 and he is independent of the Management. A copy of the draft letter for the appointment of Shri Vinod Jain as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days till one day prior to the date of the AGM.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Shri Vinod Jain is appointed as an Independent Director. No director, key managerial personnel or their relatives, except Shri Vinod Jain, to whom the resolution relates, is any way interested or concerned financially or otherwise in the resolution.

Accordingly,the Board recommends the resolution set forth in Item no. 8 for the approval of the members.

Item No. 9:

The Board of Directors at its 324th meeting held on 11th February, 2016, appointed Shri S.N.Prasad [DIN: 07408431] as an Additional Director of the company with effect from 1st February,2016, pursuant to section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/ – proposing the candidature of Shri S N Prasad for the office of Director(Marketing), to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from Shri S.N.Prasad: (i) consent in writing to act as director in Form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Shri S.N.Prasad as Director(Marketing) of the Company from 1st February,2016 upto 30th November, 2019, i.e the date of his superannuation, or until further orders, whichever is earlier, in terms of Ministry of Coal letter no 21/6/2015-ASO dated 1st January' 2016. He is liable to retire by rotation.

Shri S.N. Prasad [57] is an MBA (Marketing) and has joined as Management Trainee (Marketing) in the year 1982 in Coal India Limited. He has been working in the field of marketing for more than 33 years and gained experience from working in the mines – pit heads, coal stock yards, CHPs etc. and Corporate Office of subsidiaries. He has worked in CIL subsidiaries of Central Coalfields Limited, Western Coalfields Limited and South Eastern Coalfields Limited on various positions including General Manager (S&M) before joining as Director (Marketing) in Coal India Limited. He holds Directorship at Northern Coalfields Limited and Mahanadi Coalfields Limited. He is member of Risk Management committee of CIL Board. He does not hold any shares of CIL.

The Board of Directors considered that in view of the background and experience of Shri S.N.Prasad, it would be in the interest of the company to appoint him as Director(Marketing) of the Company from 1st February' 2016 till 30th November, 2019 or until further orders, whichever is earlier. No Director, Key managerial personnel or their relatives, except Shri S.N.Parsad to whom the resolution relates, is interested or concerned financially or otherwise in the resolution.

Accordingly, the Board recommends the resolution set forth in Item no. 9 for the approval of the members.

Item No. 10:

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post or by speed post or by courier or by delivery at his office or address or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined in its Annual General Meeting.

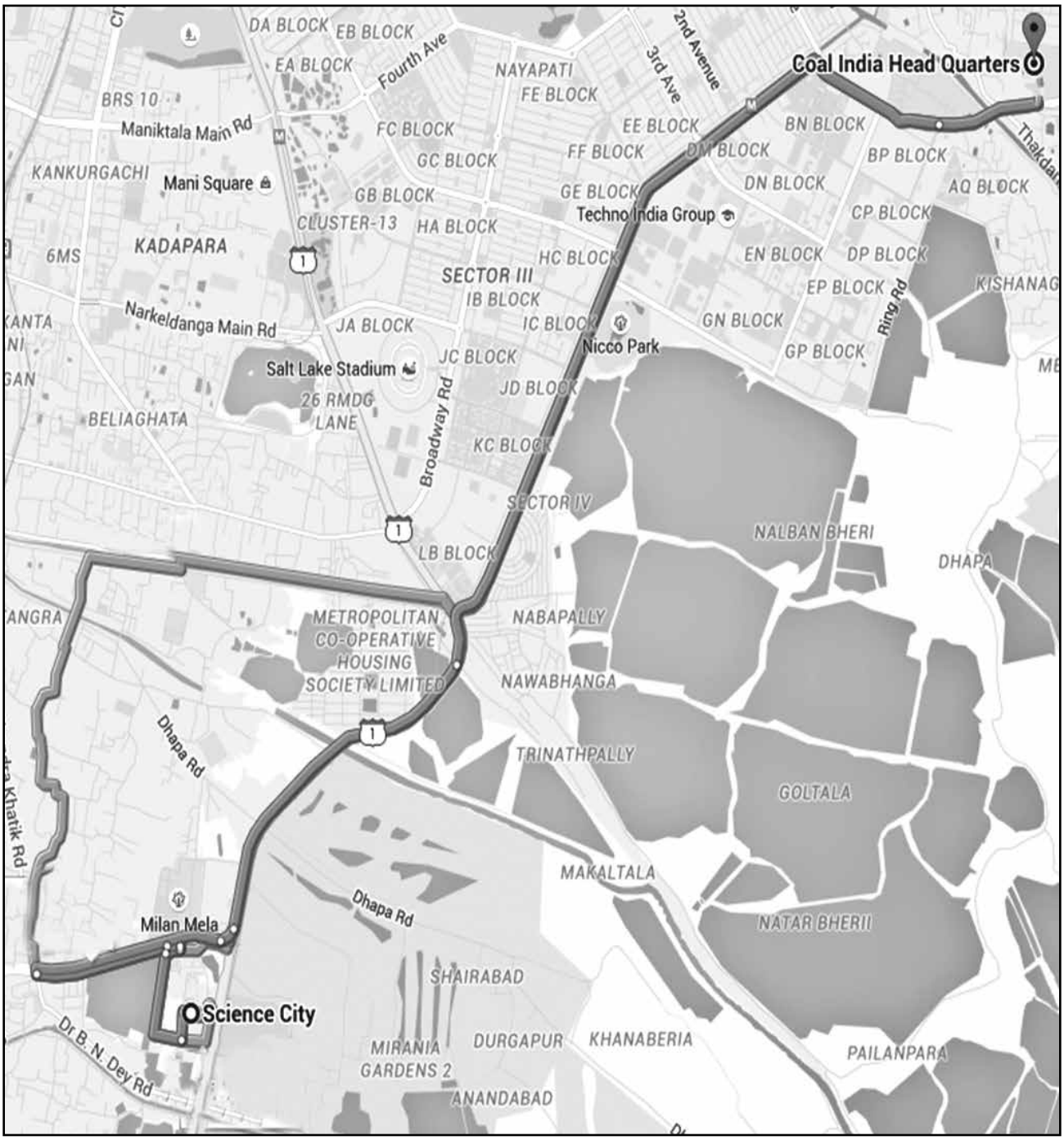
Accordingly,the Board recommends the resolution set forth in Item no. 10 for the approval of the members.

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 11th July' 2016

By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

MAP: FROM COAL INDIA LIMITED, RAJARHAT TO SCIENCE CITY



COAL INDIA LIMITED

A MAHARATNA COMPANY

CIN: L23109WB1973GOI028844

Registered office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
PHONE: 033-23246526, FAX:033-26246510, www.coalindia.in

PROXY FORM

FORTY SECOND ANNUAL GENERAL MEETING

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

I/We_____of_____ _in the district of _____being a Member/Members of Coal India Limited, hereby appoint_____of _____ in the district of_____ or failing him/her _____of _____or failing him/her ___ _____of _____as my/our Proxy to attend and vote for me/us and on my/our behalf at the forty-second Annual General Meeting of the Company to be held on **Wednesday, the 21st September 2016 at 10.30 A.M** at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700046 and at any adjournment thereof.

Signed this_____day of _____2016 _____

Signature of Shareholder

Affix Revenue Stamp

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

NOTES:-

1) **The Proxy form must be received at Coal India Limited, Coal Bhawan, 3rd floor, Core-2,Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156 not less than 48 hours before the commencement of the Annual General Meeting.**

2) When a member appoints a Proxy and both the members and Proxy attend the meeting, the Proxy will stand automatically revoked.

3) Members/Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.

4) No instrument of proxy shall be valid unless,

   - In the case of an individual shareholder, it is signed by him/her or his/her attorney, duly authorised in writing;
   - In the case of joint holder, it is signed by the shareholder first named in the Register or his/her attorney, duly authorised in writing;
   - In the case of a body corporate signed by its officer or an attorney duly authorised in writing.

5) An instrument of Proxy deposited with the Company shall be irrevocable and final.

6) A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

COAL INDIA LIMITED

A Maharatna Company
CIN: L23109WB1973GOI028844
Registered office-Coal Bhawan, Premises No-04 MAR, Plot No-AF-III,
Action Area-1A, New town, Rajarhat, Kolkata-700156
Tel No-033-23246526, Fax No-033-23246510
Email-complianceofficer.cil@coalindia.in, Website: www.coalindia.in

ADDENDUM TO THE NOTICE OF 42ND ANNUAL GENERAL MEETING

Addendum to the Notice ("Original Notice") of 42nd Annual General Meeting (AGM) of the Members of "Coal India Limited" to be held on Wednesday, the 21st September'2016 at 10.30 A.M. at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700046.

Whereas circumstances have arisen after publication of Original Notice requiring certain additions/modifications to the Original Notice, therefore, Members are hereby notified as follows:

This addendum shall be deemed to be a part of the Original Notice, and shall be read along with Original Notice. Further, Original Notice shall be deemed amended as provided herein:

1. Item no 3 of the Original Notice be deemed to be substituted by the following:

ORDINARY BUSINESS

ITEM NO. 3

To appoint a director in place of Shri C.K.Dey [DIN-03204505] who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and Article 39(j) of Articles of Association of the Company and being eligible, offers himself for reappointment.

2. Insertion of a new item as Item no 11 in the Original Notice

SPECIAL BUSINESSES:

ITEM NO.11.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and provisions of any other guidelines issued by relevant authorities and any other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force), **Shri R P Gupta [DIN-03388822]** who was appointed by the Board of Directors as an Additional Director of the Company with effect from 5th August' 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Official Part Time Director of the Company w.e.f 5th August' 2016 and until further orders, in terms of Ministry of Coal letter no-21/3/2011-ASO dated 5th August' 2016. He shall be liable to retire by rotation."

3. Insertion of a new item as Item no 12 in the Original Notice

SPECIAL BUSINESSES:

ITEM NO: 12

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and provisions of any other guidelines issued by relevant authorities and any other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force), **Shri Rajesh Kumar Sinha [DIN-05351383]** who was appointed by the Board of Directors as an Additional Director of the Company with effect from 5th August' 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Official Part Time Director of the Company w.e.f 5th August' 2016 and until further orders, in terms of Ministry of Coal letter no-21/3/2011-ASO dated 5th August' 2016. He shall be liable to retire by rotation."

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 19th August' 2016

By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
3. Proxies, if any, in order to be effective must be received at the Company's Registered Office, either in person or through post, not later than 48 hours before the time fixed for holding the meeting.
4. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person/shareholder.
5. Documents, if any, referred to in the Addendum Notice may be inspected at the Registered Office of the Company on any working day during business hours between 11.00 A.M. to 01.00 P.M. upto the date of Meeting as well as at the Meeting.
6. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of Special Business is enclosed.
7. The Company deems it appropriate to bring factual position to the notice of the Members of the Company by this Addendum to the AGM Notice to enable the Shareholders to exercise their voting rights through e-voting facility or at the AGM on informed basis .
8. The Addendum to the Notice of AGM is available on the website of the Company www.coalindia.in, on the website of the M/s Alankit Assignments Ltd, RTA and M/s NSDL.

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 19th August' 2016

By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

BACKGROUND NOTE TO ITEM NO 3:

The Ministry of Coal vide letter no 21/3/2011-ASO dated 5th August' 2016 appointed Shri R P Gupta on the board of CIL vice Dr A.K.Dubey, as a part time director on the board of Company, with effect from 5th August' 2016.

Accordingly, Dr. A. K Dubey ceases to be a Director of the Company with effect from 5th August' 2016.

Dr A K Dubey was a retiring director, retiring by rotation and the Original Notice was to consider the re-appointment of Dr A K Dubey. In view of the cessation of Dr A K Dubey as a director, Dr. Dubey cannot be considered as Director liable to retire by rotationat the ensuing AGM.

However, to comply with the mandatory requirement of Section 152 of the Companies Act,2013, Shri C.K.Dey [DIN-03204505], Director holding longest position on the Board of the Company is proposed for retirement by rotation. Being eligible he offers himself for re-appointment in the ensuing AGM.

Accordingly, Item no. 3 of the Original Notice is sought to be substituted as provided above.

Brief resume and details of Shri C.K.Dey [DIN-03204505] is provided below:

Name of Director	Shri C.K. Dey
DIN	03204505
Date of Birth	10/09/1958
Nationality	Indian
Date of appointment on the Board	01/03/2015
Qualifications	Chartered Accountant and Cost Accountant
List of Directorships held in other Public companies	NIL
Chairman/Membership of other Committee in Coal India Ltd	NIL

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

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

ITEM NO.11:

Ministry of Coal vide letter no-21/3/2011-ASO dated 5th August' 2016 has appointed Shri R P Gupta on the board of CIL vice Dr A.K.Dubey.

The Board of Directors, vide circular resolution dated 12th August' 2016 had appointed Shri R.P Gupta [DIN-03388822] as an Additional Director of the Company with effect from 5th August' 2016, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Shri R. P Gupta for the office of Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 The Company has received from Shri R. P Gupta (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (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.

As the notice was received from the Ministry of Coal proposing appointment of Shri R. P Gupta as part time director of the company subsequent to the circulation of the Notice of the forthcoming Annual General Meeting stated on 11th July' 2016 to the Members, this addendum is being circulated to the Members and the Members are requested to consider, and if thought fit, to pass, with or without modification(s) the proposed resolution as an Ordinary Resolution.

Shri R. P. Gupta[55] is an IAS Officer of 1987 Batch. He did B. Tech. from IIT, Kanpur in Aeronautical Engineering. He has served many important administrative portfolios including Principal Secretary, Department of Education, Govt. of Gujarat. During his career, major achievements are as following:

(a) Digitization of land record including village and land parcel maps and synchronizing these with geospatial imagery started resurvey of whole of Gujarat with modern technology.

(b) Conceptualize and implemented annual assessment of quality of education in 35,000 schools of Gujarat and a very transparent completely computerized and fast system of teachers recruitment which recruits tens of thousands of teachers purely on merit in 1 month only.

(c) Implemented first throughout the state monthly bio-metric verification system in PDS.

He assumed charge as Joint Secretary, Ministry of Coal with effect from 15.04.2015. He is a distinguished member of CCL Board as well as its sub-committees

The Board of Directors considered that in view of the background and experience of Shri R.P Gupta, it would be in the interest of the company to appoint him as a Part time Director of the Company from 5th August' 2016 and until further orders, from GoI. No Director, Key managerial personnel or their relatives, except Shri R.P Gupta to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. Accordingly, the Board recommends the resolution set forth in Item no. 11 for the approval of the members.

ITEM NO. 12:

Ministry of Coal vide letter no-21/3/2011-ASO Dated 5th August' 2016 has appointed Shri R.K.Sinha on the board of CIL vice Smt. Sujata Prasad.

The Board of Directors, vide circular resolution dated 12th August' 2016 had appointed Shri Rajesh Kumar Sinha [DIN-05351383] as an Additional Director of the Company with effect from 5th August' 2016, pursuant to Section 161 of the Companies Act, 2013. Hence he will hold office upto the date of ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Shri Rajesh Kumar Sinha for the office of Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 The Company has received from Shri Rajesh Kumar Sinha (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (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.

As the notice was received from the Ministry of Coal proposing appointment of Shri R.K. Sinha as part time director of the company subsequent to the circulation of the Notice of the forthcoming Annual General Meeting stated on 11th July' 2016 to the Members, this addendum is being circulated to the Members and the Members are requested to consider, and if thought fit, to pass, with or without modification(s) the proposed resolution as an Ordinary Resolution.

Shri Rajesh Kumar Sinha [51] is an IAS officer of 1994 Batch, Kerala Cadre. Presently he is posted as Joint Secretary, Ministry of Coal, Government of India.Prior to this, Shri Sinha has also held the post of Collector, Idukki, Kerala and GM, Kerala Fin Corpn. in his Cadre, Director, Ministry of Urban Development, Registrar of Delhi University, Secretary Finance (Exp.) Govt. of Kerala before joining as Joint Secretary in Ministry of Coal. He has been appointed as Official part time Director on NCL Board w.e.f 20/04/2015.

The Board of Directors considered that in view of the background and experience of Shri Rajesh Kumar Sinha, it would be in the interest of the company to appoint him as a Part time Director of the Company from 5th August' 2016 and until further orders, from GoI. No Director, Key managerial personnel or their relatives, except Shri Rajesh Kumar Sinha to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. Accordingly, the Board recommends the resolution set forth in Item no. 12for the approval of the members.

Registered Office:
CIN: L23109WB1973GOI028844
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
New town, Rajarhat, Kolkata-700156
Email-complianceofficer.cil@coalindia.in
Website: www.coalindia.in
Date: 19th August' 2016

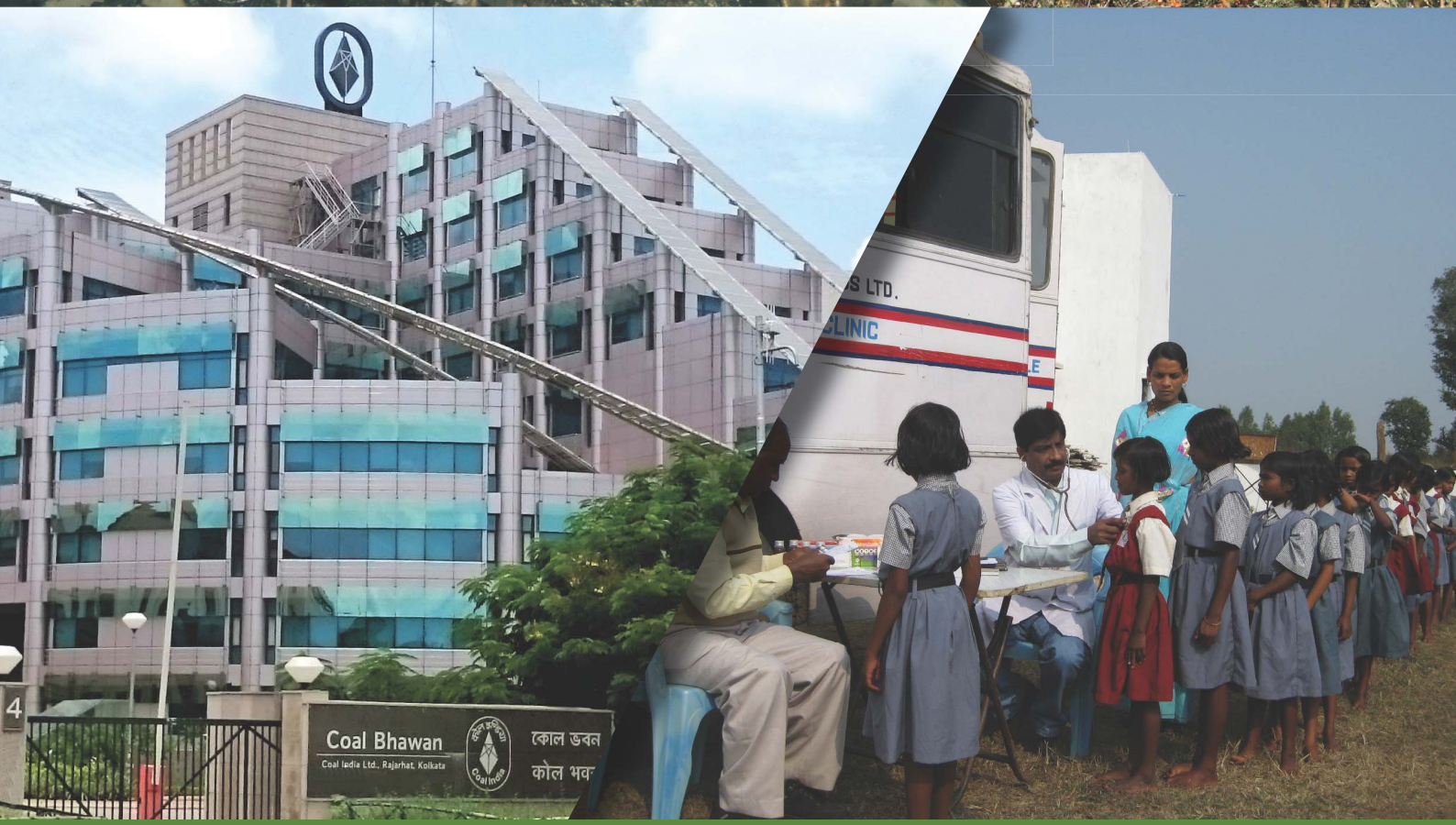
By order of the Board of Directors
For Coal India Limited

Sd/-
(M.VISWANATHAN)
Company Secretary

COAL INDIA LIMITED
A Maharatna Company

Fortifying India's Energy Future





Annual Report & Accounts 2015 - 16

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GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

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

1. Emails have been sent to all those shareholders who have registered their emails ids with CDSL, NSDL or our Share Transfer Agent intimating them that all future communication including notice of Annual General Meeting and Annual Report shall only be sent to them at their registered email. They were further requested to intimate if they wish to receive these communication physically.

2. Individual letters have been sent to shareholders who have not registered their emails ids and also to those shareholders from whom emails have bounced back requesting them to register their email ids to enable the company to send future communication including Annual report etc through email.

After seeking their response individual emails have been sent to all shareholders who have not exercised the option to receive the Annual Report 2015-16 in physical mode. They have been provided with a link (URL) to the website of COAL INDIA LIMITED for downloading the Annual Report 2015-16.

For members who have not registered their email addresses, physical copy of Annual Report 2015-16 is being sent by the permitted mode.

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

Please help us to save the environment.

sd/-

M.Viswanathan
Company Secretary

MISSION

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

VISION

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

BOARD OF DIRECTORS



Shri S. Bhattacharya



Dr A. K. Dubey



Shri R Mohan Das



Shri N. Kumar



Shri C. K. Dey



Shri S N Prasad

INDEPENDENT DIRECTORS



Ms. Loretta M Vas



Dr S. B. Agnihotri



Dr D. C. Panigrahi



Dr. Khanindra Pathak



Shri Vinod Jain

PERMANENT INVITEES



Shri R R Mishra



Shri S Saran

MEMBERS OF THE BOARD

as on 11th July, 2016.

Functional Directors:

Shri S. Bhattacharya	:	Chairman
Shri R. Mohan Das	:	Personnel & Industrial Relations
Shri N. Kumar	:	Technical
Shri C. K. Dey	:	Finance
Shri S. N. Prasad	:	Marketing

Part-Time Official Directors:

Dr A.K.Dubey	:	Special Secretary, MoC, New Delhi.

Independent Directors:

Ms. Loretta M. Vas
Dr S. B. Agnihotri
Dr D. C. Panigrahi
Dr Khanindra Pathak
Shri Vinod Jain

Permanent Invitees:

Shri R. R. Mishra	:	Chairman-cum-Managing Director, WCL.
Shri S. Saran	:	Chairman-cum-Managing Director, CMPDIL

Company Secretary:

Shri M. Viswanathan

MANAGEMENT DURING 2015-16

Shri S. Bhattacharya	:	Chairman (From 05.01.2015)

Functional Directors

Shri R. Mohan Das	:	Director (P&IR) (From 01.06.2007)
Shri N.Kumar	:	Director (Technical) (From 01.02.2012)
Shri C.K. Dey	:	Director (Finance) (From 01.03.2015)
Shri S.N. Prasad	:	Director (Marketing) (From 01.02.2016)
Shri B.K. Saxena	:	Director (Marketing) [From 19.06.2012 till 01.02.2016]

Part Time Official Directors

Dr A. K. Dubey	:	Special Secretary, Ministry of Coal (From 03.04.13)
Smt. Sujata Prasad	:	Joint Secretary & Financial Advisor(From 03.05.13 till 20.06.2016)

Independent Directors

Ms. Loretta M. Vas	:	(From 17.11.15)
Dr S. B. Agnihotri	:	(From 17.11.15)
Dr D. C. Panigrahi	:	(From 17.11.15)
Dr. Khanindra Pathak	:	(From 17.11.15)
Shri Vinod Jain	:	(From 17.11.15)

Permanent Invitees

Shri A. K. Debnath	:	CMD, CMPDI (From 23.04.13 till 31.12.15)
Shri A. N. Sahay	:	CMD, MCL (From 23.04.13 till 31.10.15)
Shri R. R. Mishra	:	CMD, WCL (From 06.11.15)
Shri S. Saran	:	CMD, CMPDI (From 01.01.16)
Shri Kundan Sinha	:	Addl. Member (Traffic Transportation) Railway Board (From 06.04.15 till 31.01.16)

Company Secretary

Shri M. Viswanathan	:	(From 14.12.2011)

BANKERS, AUDITORS AND CORPORATE OFFICE

BANKERS

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

STATUTORY AUDITOR	REGISTERED OFFICE	WEBSITE	REGISTRAR & SHARE TRANSFER AGENT
M/s Chaturvedi and Co Chartered Accountants 60, Bentick Street, Kolkata-700069	Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156 Phone-03323246526 Fax-03323246510 E-mail id : complianceofficer.cil@coalindia.in	www.coalindia.in	M/s. Alankit Assignment Limited Alankit Height, 1E/13, Jhandewalan Extension, New Delhi – 110 055 Phone No: 011-4254-1234/ 2354-1234 Fax No: 011-4154-3474 E-mail id: alankit_rta@alankit.com Website: www.alankit.com Toll Free No. 18601212155

CHAIRMAN'S STATEMENT

Friends,

I am delighted to welcome you to the 42nd Annual General Meeting of Coal India Limited. The Directors' Report and the Financial Statement for the year ended 31st March, 2016 together with the Report of Statutory Auditors and report of Comptroller & Auditor General of India are already with you.

1. Importance of coal and Coal India Limited

As our country is expanding industrially and economically so are its energy needs. In India, coal is the answer to escalating energy demand. The country's planners, however, are alternately exploring to shift from being a largely fossil driven energy economy to one that is powered by clean and renewable form, especially solar. But till such time other forms of energy begin to contribute significantly, coal is and shall remain the most dominant energy fuel in providing energy security to the country. What makes coal such a preferred energy fuel is, its abundance, availability and affordability. The estimated geological resource of Indian coal stood at 306.59 Billion Tonnes as of 1st April, 2015. Around 72% of the entire power generated in the country is coal based.

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

2. Accomplishments 2015-16

For the first time, Coal India's production and off-take have exceeded Half-a-Billion Tonne mark, an indication that the company is on its pursuit of 1 Billion Tonne production by 2019-20.

During FY 2015-16 Coal India as a whole recorded coal production of 538.75 Million Tonnes (MTs). You will be pleased to know that the company has stepped into a higher growth trajectory registering nearly 44.51 MTs increase in coal production during FY 2016 - the highest ever incremental increase in a single financial year since the inception of the company.

Raw coal off-take during FY 2016 was 534.50 MTs, an increase of 45.11 MTs on a year-on-year comparison. As in production, all subsidiary companies of Coal India have registered positive growth in off-take.

Power Utilities of the country, the major coal consuming sector, during FY 2016 were supplied with 408.75 MTs of coal against 385.39 MTs in previous fiscal, registering a growth of 6.1% and achieving 95% of the target. Coal supplies to NTPC (Including the NTPC JV) registered a materialization level of 90%.

Other positives:

1) On the financial front, you will be pleased to know that, Coal India for the first time had surpassed the magical figure of ₹1 Lakh Crores in Gross Sales recording Gross Sales of ₹1,08,150.03 Crores during 2015-16.

2) Not a single power-utility was in a critical or super-critical condition for want of coal.

3) Due to the improved despatch and better quality of coal, there was a marked decline in import of non-coking coal of 17.7 MT during FY 2016, resulting in substantial saving in foreign exchange.

4) Significantly the Over Burden Removal (OBR), an important performance criterion in exposing coal seam for future mining, took a quantum leap during FY16 registering a steep growth of 29.60%. This is more than three-fold increase on a year-on-year comparison. OBR also improves the mine geometry and makes mines safer to operate. Coal India had surpassed the target of 1031 Million Cubic Metres, in OBR, more than a month ahead of the closure of the fiscal on 24th February 2016 itself achieving an actual of 1148.908 Million Cubic Metres which is 111% of target satisfaction.

5) You may be happy to note that contrary to the popularly held convention that coal mine areas are the places to keep away from, Western Coalfields Limited, a subsidiary of Coal India Limited started an eco-friendly mine tourism which has become highly popular. The Hon'ble Prime Minister of India in his 'Mann Ki Baat' programme aired on 27th March,2016 made a special mention of this.

Financial Performance:

Coal India is one the highest contributors to the government ex-chequer in the country both- federal and state governments. Coal India paid a corporate tax of ₹7,012.35 Crores to Government of India in FY 2016.

Coal India and its subsidiaries have also paid/adjusted ₹ 29,084.11 Crores towards Royalty, Cess, VAT and other levies.

During 2015-16, Coal India as a whole earned pre-tax profit of ₹ 21,589.09 Crores and a Profit After Tax of ₹ 14,274.33 Crores.

Coal India had paid an interim dividend of ₹27.40 per share. The total outgo from the Company was ₹17,306.84 Crores of which Government of India holding 79.649% of company's shares received ₹13,784.86 Crores.

3. Strategies for Growth

Coal India is faced with meeting challenging targets in the years ahead. Going forward, in order to meet the production targets, Coal India needs to step up to a double digit growth rate from that of around 9% achieved during FY 2016. It is with a feeling of satisfaction, I share with you that during the first four months of FY 2017, Coal India's production growth was more than 6 million tonnes over the same period last year.

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

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

There are a few important coalfields in the country which have huge production potential but are without rail linkages for evacuation of coal produced. Among these, 3 rail lines linked to CCL (Jharkhand), MCL (Odisha) and SECL (Chhattisgarh) are critical and expected to play a key role in the evacuation of coal.

For speedy commissioning and implementation of these critical rail lines, Joint Venture companies have been formed in a tripartite partnership arrangement between State Nodal Agencies, respective CIL subsidiary companies and IRCON synergizing the efforts.

(ii) Technology Development

A. Geology

In geological exploration, hydrostatic drilling is the most state-of-the art technology. CMPDIL has deployed twelve hydrostatic drills for exploration of coal by replacing the conventional mechanical drills. We plan to procure seven more hydrostatic drills in 2016-17. These drills are high-tech and improves efficiency of operation significantly to achieve higher productivity.

In 2015-16, the tungsten carbide inserts of Crab Bits were replaced with PCD inserts which enabled higher penetration rate and bit life in Motur formation of WCL. To improve boreholes stability, mud mixer assembly will be introduced within the hydraulic system of mechanical drills for continuous mixing of drilling fluid.

Phenomenal development of technology applied in Geophysical Survey has also been taken place. In 2015-16, five Geophysical Loggers were available. It is planned to expand the application of Geophysical Logging by increasing the strength to ten by 2016-17. This equipment is used for delineation of different formations and in-situ characteristics in a borehole at different depth.

Five Resistivity Imaging System were introduced in 2015-16. In 2016-17, one more will be procured for sub-surface geological investigation.

We proposed to introduce a new technology by utilizing Ground Probing Radar system (GPR) for shallow depth investigation with high precision. It is also intended to introduce Gravity Survey equipment for high depth basement studies of coalfields. Further, it is planned to replace manual hammering technique with high power electro-mechanical vibrating source for generating acoustic wave (e.g. Vibroseis) for greater depth of geological investigation in 2D/3D Seismic Survey.

B. Opencast Mining

The latest version of Geovia Minex Software has been put to use which facilitates state-of-the-art resource planning through pit design, pit optimization, scheduling of resources and dumps etc.

Laser Scanners as TLS (Terrestrial Laser Scanner) for measurement of overburden and mine face, that are in use, entails significantly higher accuracy levels and speed. Further, it is also proposed to use drones with laser scanner for survey purpose.

A wide variance of HEMM size have been provisioned in coal mining projects. Higher size HEMM viz. Electric Rope Shovels of 42 Cum together with Dump Trucks of 240 T have been introduced in CIL mines. Surface Miners of varying sizes are being used & proposed for new mines, wherever suitable. Dozers fitted with rippers are also being proposed for band and thin seam removal in many of the projects. For better management and control of HEMM fleet, GPS based truck dispatch system has been introduced in large OC mines.

The use of silos with rapid loading system in large mines have been stepped up for faster and environment friendly loading in the sidings. GPS and GPRS technology are used for vehicle tracking system for better surveillance.

C. Underground Technology

In underground mines, persistent efforts are being made to embark upon the use of mass production technologies, wherever the geo-technical conditions permit. During the year 2015-16, a power support long-wall set having planned production capacity of 0.7 Mty has been installed in Moonidih XVI seam and another long-wall set for Jhanjra mine (having planned production capacity of 1.7 Mty) is under installation. The long-wall set at Moonidih commenced operation during the year.

Four continuous miners have been added and put into operation during the year in three more mines of CIL with total planned capacity of 1.84 Mty. Deployment of more numbers of continuous miners are expected in the coming years to enable enhancement of production & productivity from underground mines.

In 2015-16, the first ever diesel operated Free Steered Vehicle (FSV) has been introduced in Jhanjra mine of ECL for transportation of men and material. Additionally, eight (8) numbers of man-riding system has been installed in arduous and long distant mines of CIL which plays a significant role in enhancing safety and productivity in underground mines. It is envisaged to install more man riding systems in CIL mines in the near future.

(iii) Role of HR

Coal India is largely man-power intensive industry. Human Resource has to play an active role if Coal India has to achieve the challenging targets of the future. Coal India had identified various areas that would supplement its efforts in invigorating its manpower and is charting out a plan for recruiting multi-disciplinary professionals, skill upgradation of existing employees and identifying key areas of improvement.

Coal India had also signed a Memorandum of Understanding with National Skill Development Corporation (NSDC) to promote special education and employment enhancing vocational skills. The beneficiaries would also include Project Affected Persons (PAPs).The objective is to promote special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled.

4. Other Improvement Areas

(i) Coal Washing - A step towards Quality improvement

At present, Coal India has a total coal washing capacity of 36.8 million tonnes per year (MTY) through its 15 existing washeries, of which 12 are coking and 3 non coking with 23.30 MTY and 13.50 MTY capacities respectively.

In addition, Coal India plans to set up further 15 washeries with state-of-the-art and innovative technologies in coal beneficiation with an aggregate throughput capacity of 112.6 MTY. Out of these, 6 are coking coal washeries, with a cumulative capacity of 18.6 MTY, and the rest 9 are non-coking coal washeries with a total capacity of 94 MTY.

(ii) System Improvements

Ease of doing business:E-procurement universalized and more effectively implemented. ERP as a route towards organisational synergy will also be fast tracked.

Coal India has already adopted a host of ICT initiatives to make internal processes IT driven and to enhance all round system efficiency and transparency to improve employee, customer and vendors' satisfaction.

- E-procurement of goods in CIL and its subsidiary companies is in operation of tender value above ₹ 2.00 lakhs since 2011.
- The Reverse Auction has been implemented in CIL and its Subsidiaries from January, 2016 for tender value of ₹ 1.00 Crores and above.
- In the tenders called for procurement of Explosives and Accessories through Reverse E-Auction savings for two years has been ₹ 588.54 Crores in Bulk Loading Explosives and Cartridge Explosives & Accessories.
- Procurement of Imported HEMM on CIP basis has been introduced, thereby, the vendor has to supply the complete equipment along with spares at site and only thereafter the payment is being released. This has put onus on the vendor for any loss/damage in transit, as payment is made only after receipt of complete equipment in intact condition.
- In case of supply of HEMM ordered by CIL, the vendors are responsible for making 85% availability and in case they fail to do so, penalty is applicable. For any spares ordered along with the equipment and not consumed within the warranty/guarantee period of 4 years, the same are to be taken back by the vendors at the ordered rates.
- Savings made in Procurement of HEMM (over LPP) through e- procurement has been ₹ 244.83 Crores in 850 HP Crawler Dozer (32), 460 HP Wheel Dozer (44) & 240 Te Dumpers (44).
- Submission of Earnest Money Deposit (EMD) by various modes including electronic transfer and BG has been introduced.
- Arrangements have been made for multi-bank refund system to unsuccessful bidders within 2 days of finalization of tender.
- A bill tracking system has been introduced to facilitate the third party including vendors/suppliers/consumers to track the status of processing and payment of their bills. Senior officers will monitor the pendency at different stages of processing the bills.
- Coal India in a step towards consumer friendly approach and transparency in business operations had launched a Web Portal 'Coal Allocation and Monitoring System' during FY 16 aimed for the benefit of Small & Medium Sector Consumers. The web portal is for distribution of coal by State Nominated Agencies (SNA), which would provide small and medium consumers access to information about SNAs, availability, booking/supply distribution of coal in public domain.

- Reaching out through an electronic platform, in a transparent, consumer friendly mechanism Coal India has rolled out linkage auction for non-regulated sector consumers like captive power plants (CPPs), cement plants, Sponge Iron Units, fertilizer, chemical and many other industrial units, not having linkages or whose Fuel Supply Agreements got expired. The benefits include option of choosing specific grade of coal, preferred source of supply, mode of transport etc. In a leap from the past, the non-regulated consumers would now be able to book 100% of their normative requirement through the bidding process instead of the earlier practice of around 75% of their normative requirement.
- The linkage auction to CPPs proved to be hugely successful. As against the total offered quantity of 18.86 Million Tonnes the total booking was 96% of the quantity at 18.07 Million Tonnes.
- In another step towards consumer friendly approach, quality of all supplies would be assured through Third Party Sampling through a government nominated agency.

Coal India has put in place electronic surveillance initiatives to keep watch on its coal stock and to keep a track on movement of coal loaded vehicles. Major initiatives include:

a) GPS/GPRS based VTS (Vehicle Tracking System) on coal transport vehicles.

b) OITDS (Operator Independent Truck Dispatch System).

c) Installation of CCTV at vulnerable points like entry/exit points, coal stock yards, railway sidings, material stores, explosive magazines and important offices.

d) RFID based boom barriers.

e) Wide Area Networking for connecting all the Mines, Projects, Sidings, Weigh Bridges and HQ through dedicated network for data transfer and Coalnet implementation.

f) Installation of in-motion Weigh Bridges with RFID tags.

g) Weigh Bridge connectivity for weight tracking.

h) Geo-fencing of mine areas.

Coal India is also adopting improved measurement system of coal and OB through 3D Terrestrial Laser Scanner System for greater accuracy. Other initiatives include project monitoring system, land management system, integrated business solutions, document digitization management and archival system, amongst others.

For greater employee satisfaction, initiatives such as Grievance Management System, EIS (Executive Information System), Online filing of APR, Online PRIDE/PAR (Performance Appraisal Report), Online Vigilance Clearance System, Online CPRMSE (Coal India Post-Retirement Medical Scheme for Executives) have been undertaken.

5. Green Initiatives

Coal India is conscious of its commitment towards the environment and its ecosystem. The Company strives to give back to Nature, to the best extent possible, what has been pried away from her. The Company does this by taking appropriate measures to mitigate the impact of mining and associated activities in accordance with EIA / EMP of each project.

Coal India has created a green wealth of about 92.35 million trees covering an area over 36,896.26 Ha till March 2016. Of this, 1.68 million trees have been planted over 719 Hectares (Ha) in FY 2016. Satellite surveillance has been adopted for monitoring reclamation activities of 50 major OCPs, producing 5.0MM3 (Coal + OB) or more every year and for other OCPs once in three years. It is evident from satellite surveillance that reclaimed land area has increased by 9.63 Sq.Km during FY 2016 in 50 major OCPs w.r.t FY 2015.

Study of National Remote Sensing Centre (NRSC), ISRO, Hyderabad in 2013 revealed that the fire area in Jharia Coalfields had reduced from 8.9 Sq. Km (as assessed in Master Plan) to 2.18 Sq. Km after undertaking various methods while implementing the Master Plan.

6. Safety – Always a priority

Safety of miners and mines remains a top priority concern for Coal India. In pursuit of higher production, no compromise would be made on safety front. Safety of miners and mines override any other priority. Coal India has a well-defined safety policy to ensure safety in all mines and establishments. There are many preventive measures against accidents and these are being followed attentively. Safety can be increased with improved training, skill development and approaching the issue in a scientific and holistic manner. So, safety personnel are exposed to the best practices internationally and are sent for training abroad. We are also inculcating and monitoring a safety culture and attitude. The fatality rate per million tonne of coal produced has reduced by 22.2% and serious injury rate per million tonne has reduced by 28.9% in 2015 compared to its previous year. The endeavour is to elevate safety standards radically further, since in this regard there could be only 'Zero Accident' as the goal.

7. Corporate Social Responsibility

Apart from improving the quality of lives of people, Coal India's Corporate Social Responsibility initiatives also take them along towards the company's goal by partnering with them. While pursuing the enhancement of Coal production, CSR is being undertaken for inclusive growth of villagers and the nearby affected communities.

(i) During the year total expenditure on CSR in pursuance to Section 135 of the Companies Act, 2013 was ₹ 1076.07 crore and further ₹ 6.00 crore was towards donation to Nepal Earthquake relief fund totalling to ₹ 1082.07 crore as against ₹ 298.10 crore during FY 2014-15

(ii) Coal India has taken an initiative towards Swachh Vidyalay Abhiyaan by constructing 53,412 toilets. A total of ₹ 820.44 Crores has been spent on the construction of these toilets by 31st March'2016.

(iii) In a tie-up with Tata Medical Centre (TMC), Coal India has sanctioned ₹ 41.11 Crores for the construction of "Premashraya", a ten storied building which provides housing facilities for the economically weak and outstation patients visiting TMC for treatment. The facility is also extended to the relatives of the patients who accompany them. Apart from patient stay units, the building also has palliative care cubicles, child care centres, counselling rooms and physiotherapy facility.

(iv) Coal India has executed different development works through The Energy and Resources Institute (TERI), New Delhi in 40 villages of the backward district of Purulia, West Bengal as identified by the Planning Commission.

(vi) Coal India has also funded -

1. Construction of Aquatic sports hostel at Kolkata at a cost of ₹1.14 crores.
2. Traffic Department, Kolkata Police for conducting awareness programmes among school children towards road safety at a cost of ₹69.85 Lakhs.
3. West Bengal Housing Finance Development Corporation, Kolkata towards purchase of 3 electric buses and 1 small electric service maintenance vehicle at a cost of ₹ 5 crores.
4. Department of School Education, Govt. of West Bengal, for providing 9,000 bicycles to girl students in the district of South 24 Parganas, North 24 Parganas and Nadia district West Bengal at a cost of ₹2.88 Crores.

8. Corporate governance

Coal India complied with the conditions of Corporate Governance, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India and Clause 49 of the Listing Agreement as well as Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges except for appointment of two Independent Directors. As required under the said guidelines and provisions, a separate section on Corporate Governance has been added to Directors' Report and a Certificate regarding compliance of conditions of Corporate Governance has been obtained from a Practising Company Secretary.

Coal India has conducted Secretarial Audit for 2015-16, as required under Companies Act 2013 and the Secretarial Audit Report is enclosed as a part of Directors report.

9. Vision

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

10. Acknowledgement

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

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

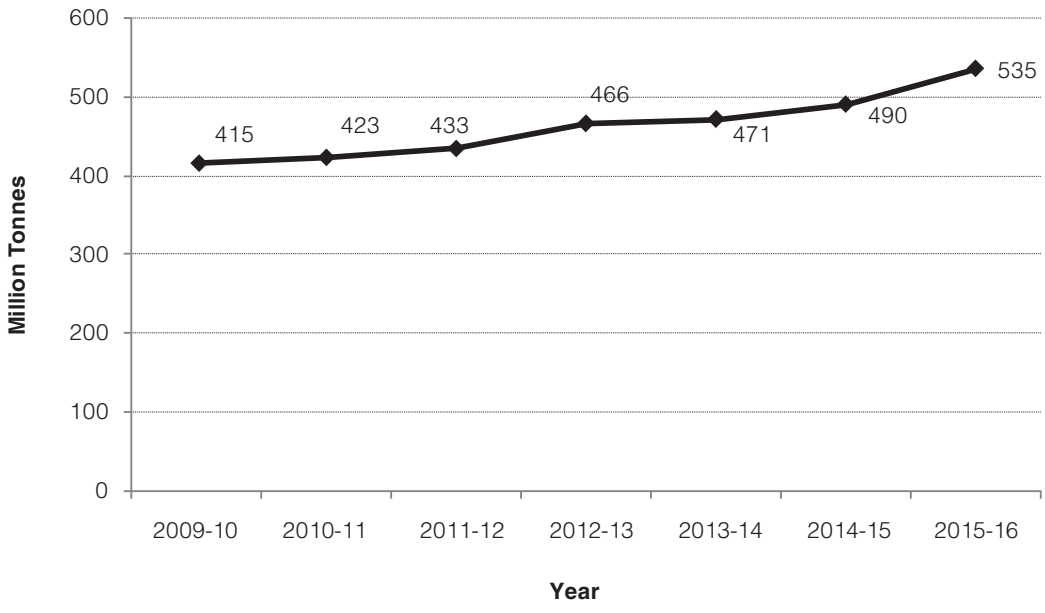


Sutirtha Bhattacharya
Chairman

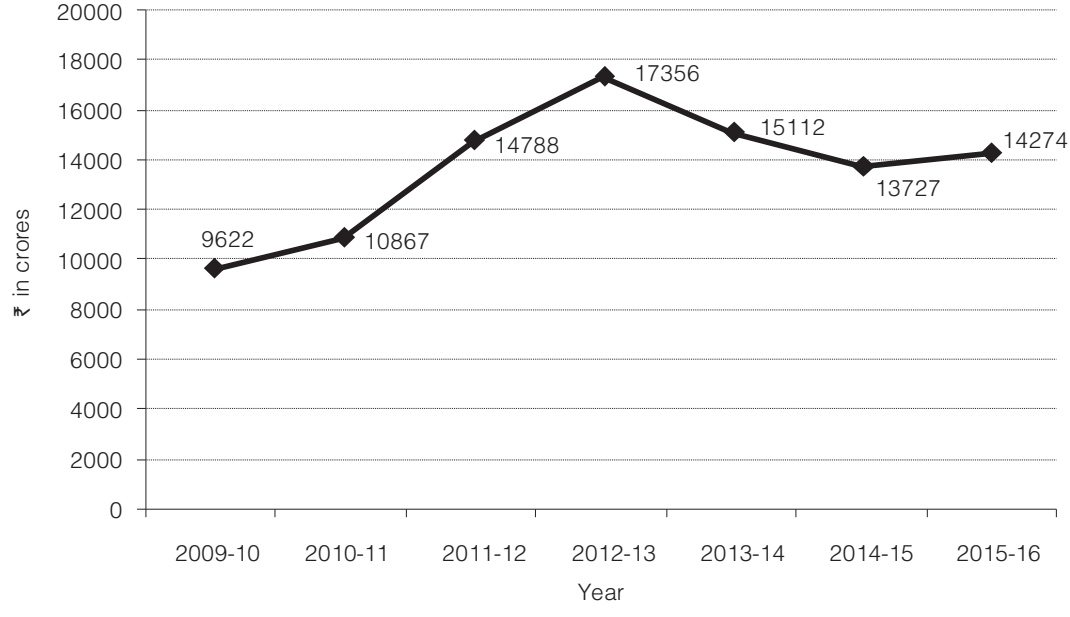
Kolkata

Dated: 9th August' 2016

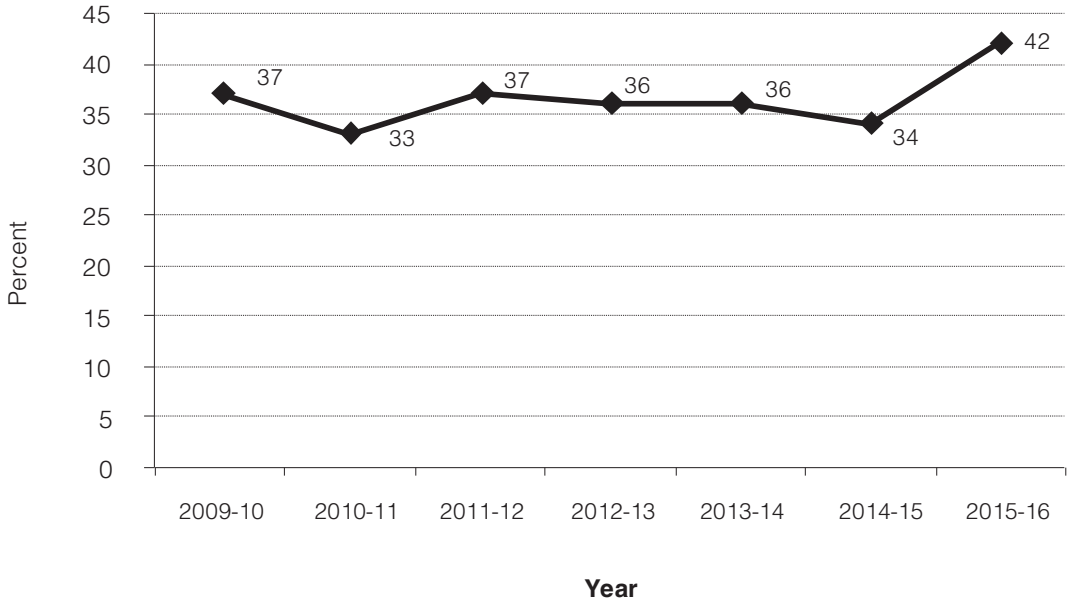
Despatches of Coal



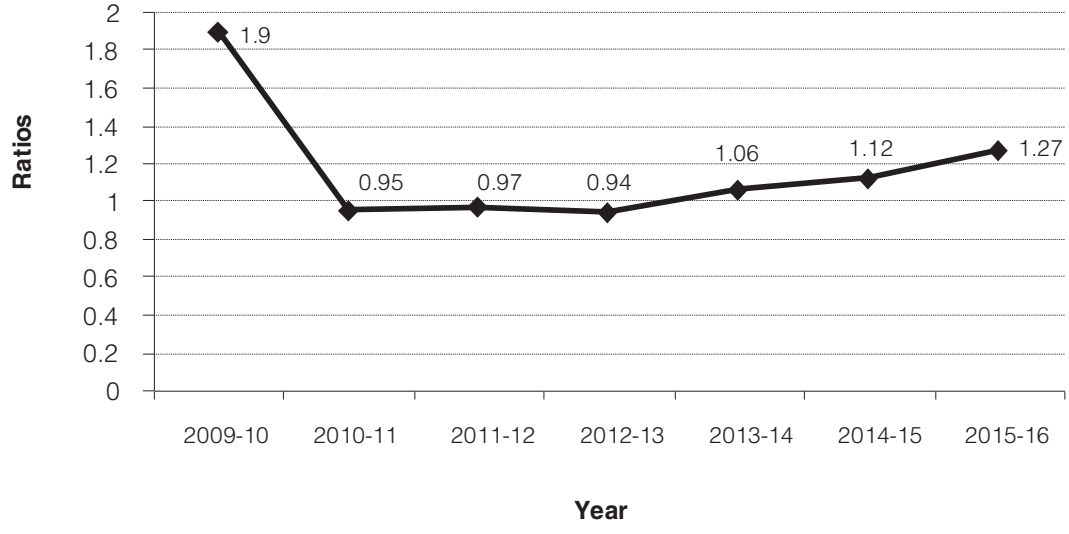
Net Profit



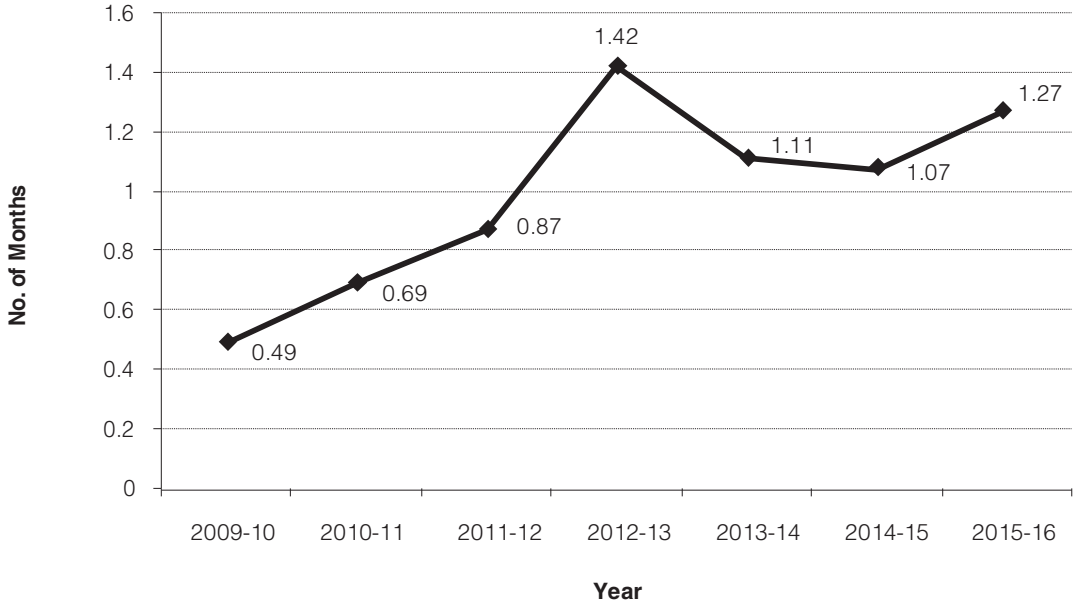
Net Profit to Net Worth



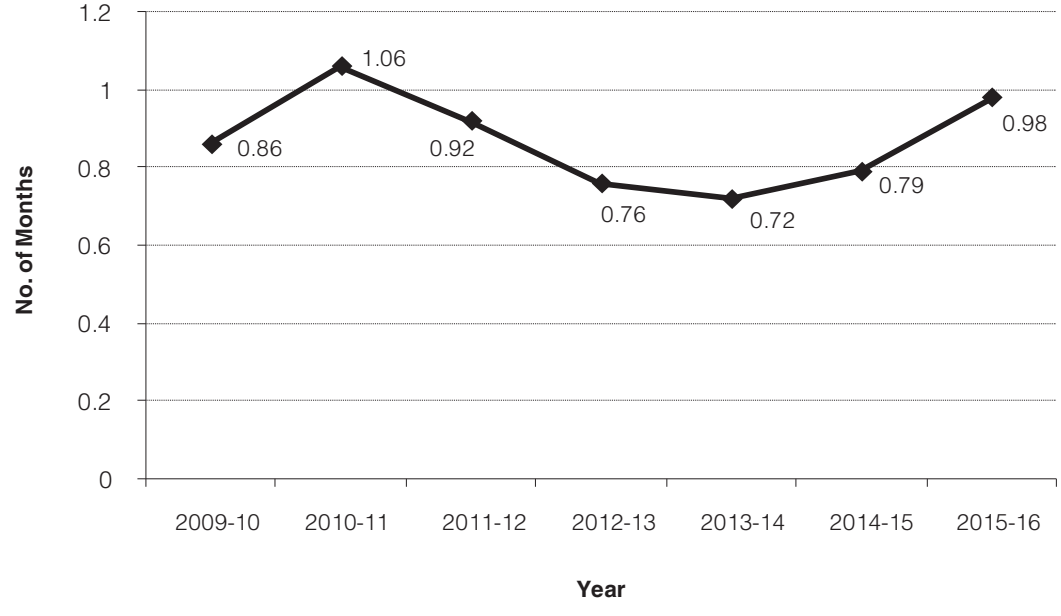
Sales(Net) to Capital Employed



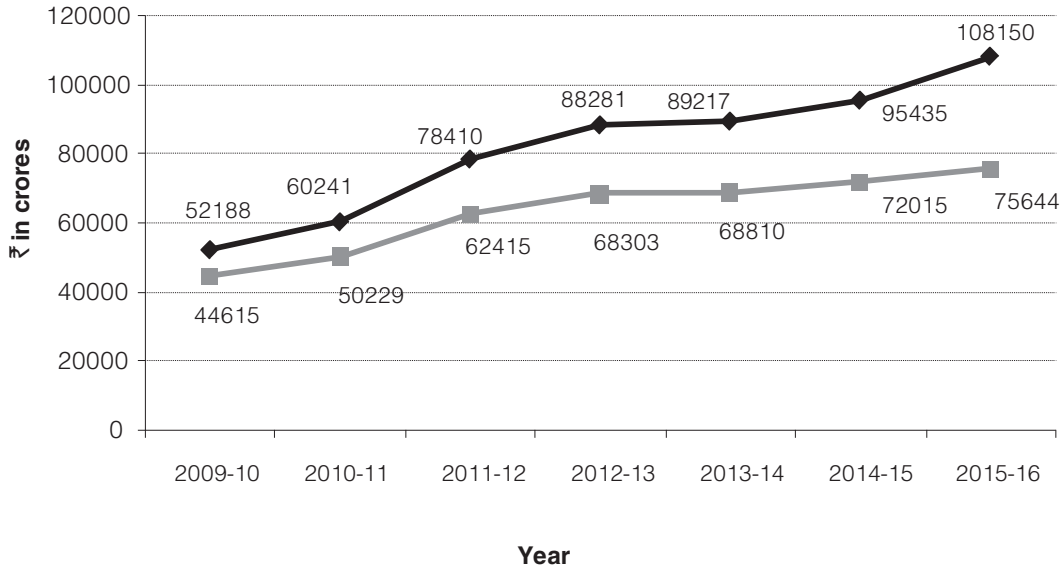
Debtors in Month's Sales



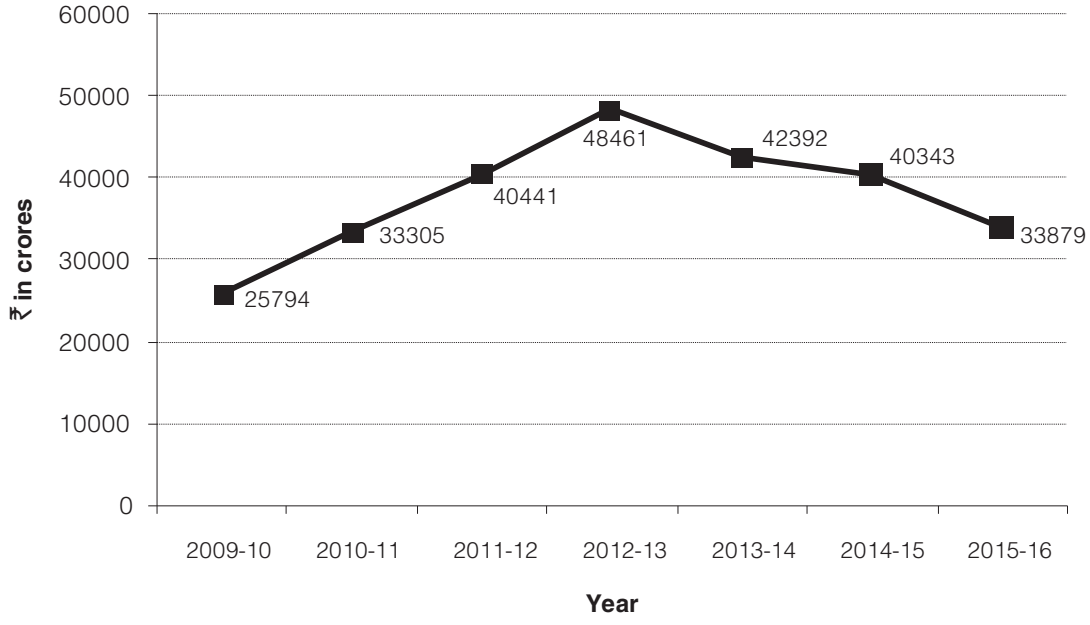
Stock of Coal as no. of Months Net Sales



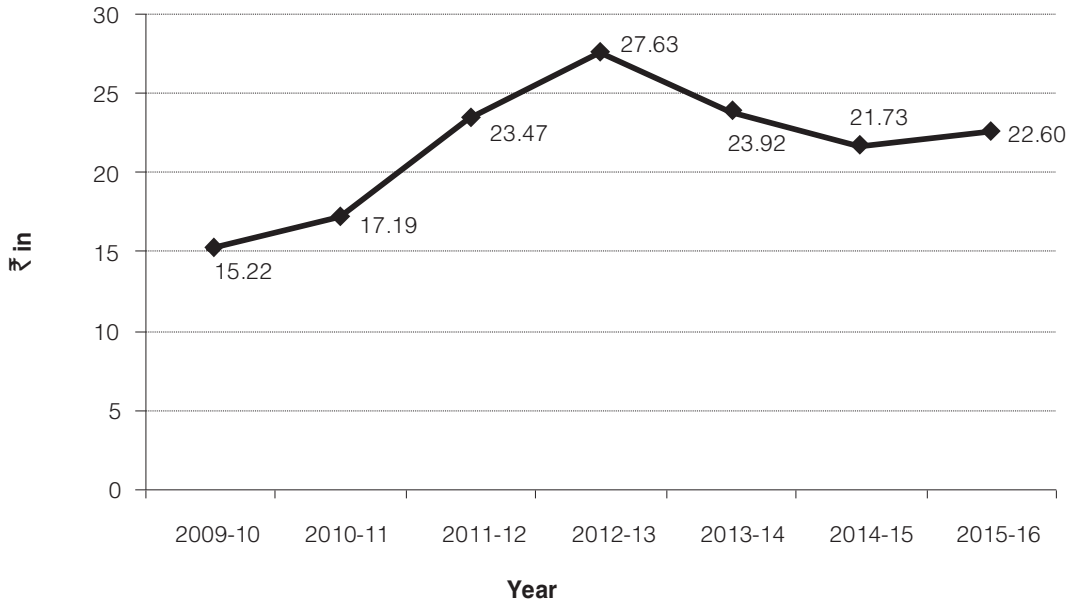
Gross Sales and Net Sales



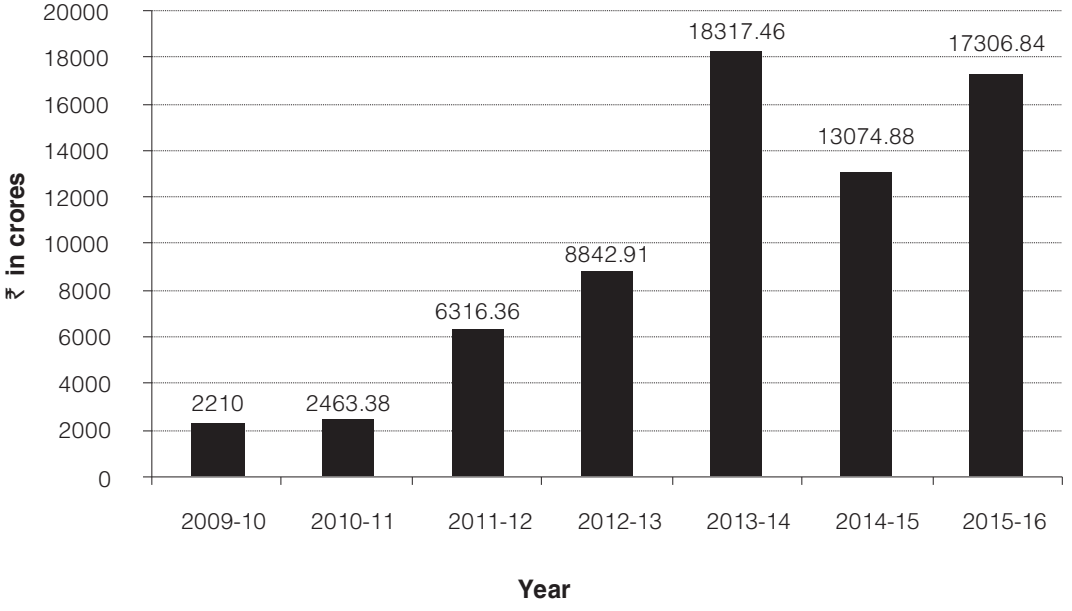
Net Worth



EPS



Dividend



OPERATIONAL STATISTICS

Year Ending 31st March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
1. a) Production of Raw Coal (MillionTonnes)											
Underground	33.786	35.042	36.11	37.776	38.39	40.02	43.25	43.96	43.54	43.32	45.82
Opencast	504.968	459.196	426.31	414.435	397.45	391.30	388.01	359.77	335.92	317.59	297.57
Total	538.754	494.238	462.42	452.211	435.84	431.32	431.26	403.73	379.46	360.91	343.39
b) Overburden Removal (million Cum)	1148.908	886.528	806.54	746.702	735.14	732.13	682.03	645.13	607.56	537.65	533.94
2. Off take (Raw Coal) (MillionTonnes)											
Power	407.648	385.852	354.62	345.32	312.05	304.30	298.87	296.74	280.15	262.14	256.65
Steel/Hard Coke	7.668	6.994	6.75	8.04	7.76	9.50	8.92	9.00	10.01	9.85	10.02
Others	119.180	96.531	110.211	111.818	113.27	110.70	108.09	95.72	85.17	79.15	66.99
TOTAL	**534.496**	**489.377**	**471.581**	**465.178**	**433.08**	**424.50**	**415.88**	**401.46**	**375.33**	**351.14**	**333.66**
3. Average Manpower	327750	339867	352282	364736	377447	390243	404744	419214	432710	445815	460369
4. Year-end Manpower	322404	333097	346638	357926	371546	383347	397138	412350	426077	439343	452287
5. Productivity											
A) Average per Man per Year (tonnes)	1671	1484	1334	1263	1173	1125.1	1085.93	979.11	890.59	821.48	759.23
B) Output per manshift (OMS)											
i) Under Ground (Tonnes)	0.80	0.79	0.76	0.77	0.75	0.77	0.78	0.76	0.73	0.71	0.71
ii) Open Cast (Tonnes)	14.35	13.13	12.18	11.48	10.40	10.06	9.51	8.95	8.60	8.00	7.51
iii) Overall (Tonnes)	6.95	6.20	5.62	5.32	4.89	4.73	4.47	4.09	3.79	3.54	3.26

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

FINANCIAL POSITION

₹ In Crores

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

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

INCOME AND EXPENDITURE STATEMENT

₹ In Crores

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

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL INFORMATION

₹ In Crores

	For The Year Ending 31st March	2016	2015	2014	2013	2012	2011
A	**Related to Assets & Liabilities**						
1.i	No. of Equity Shares (CIL) of ₹ 10 each	6316364400	6316364400	6316364400	6316364400	6316364400	6316364400
1.ii	**Shareholder's Funds**						
1.ii.a	Equity Share Capital	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
1.ii.b	Reserves (General & Statutory)	24947.89	23319.38	20599.89	17515.47	14023.38	11684.79
1.ii.c	Accumulated Profit/Loss	2651.36	10754.00	15515.36	24636.44	20105.60	15307.55
1.ii.d	Misc. Expenditure	(36.14)	(46.37)	(39.71)	(7.42)	(4.54)	(3.37)
1.ii.e	Surplus/ (Deficit) of Joint Ventures	(0.05)	(0.04)	(0.04)	(0.04)	(0.04)	-
	Net Worth	**33879.42**	**40343.33**	**42391.86**	**48460.81**	**40440.76**	**33305.33**
1.ii.f	Capital Reserve	18.18	9.74	12.60	11.18	12.26	8.87
	Shareholder's Funds	**33897.60**	**40353.07**	**42404.46**	**48471.99**	**40453.02**	**33314.20**
2.i	Long Term Borrowings incl. Current Maturities	269.76	208.21	177.82	1305.30	1527.38	1520.97
2.ii	Long Term Borrowings excl. Current Maturities	263.06	201.83	171.46	1077.79	1305.35	1333.76
3	Net Fixed Assets	18360.77	16115.04	14784.39	13465.76	13440.29	12843.31
4.i	Current Assets	72504.91	77879.51	75559.62	86379.42	85484.08	66943.21
4.ii	Current Liabilities	31453.71	29409.50	25176.40	26984.41	34700.45	27036.42
4.iii	**Net Current Assets / Working Capital**	**41051.20**	**48470.01**	**50383.22**	**59395.01**	**50783.63**	**39906.79**
5.i	**Capital Employed (3 + 4.iii)**	**59411.97**	**64585.05**	**65167.61**	**72860.77**	**64223.92**	**52750.10**
5.ii	Capital WIP & Intangible assets under development	5894.16	5159.37	4315.81	3495.95	2903.38	2057.16
5.iii	**Capital Employed including CWIP (5i+5ii)**	**65306.13**	**69744.42**	**69483.42**	**76356.72**	**67127.30**	**54807.26**
6.i	Trade Receivables	11463.70	8521.88	8241.03	10480.21	5662.84	3456.98
6.ii	Cash & Bank Balance	38312.77	47268.89	47722.60	60192.17	56271.86	44382.00
7.i	Closing Stock of Coal (Net)	6162.54	4712.16	4154.61	4301.16	4801.14	4439.82
7.ii	Closing Stock of Stores & Spares (Net)	1211.97	1245.17	1167.16	1117.90	1126.45	1038.17
B	**Related to Profit/Loss**						
1.i	Gross Margin (PBDIT)	24076.18	23911.04	24933.95	26837.18	23295.86	18302.34
1.ii	Gross Profit (PBIT)	21609.74	21591.24	22937.54	25024.21	21326.64	16536.94
1.iii	Profit Before Tax	21589.09	21583.92	22879.54	24979.04	21272.66	16463.24
1.iv	Profit AfterTax	14274.33	13726.70	15111.67	17356.36	14788.20	10867.35
2.i	Gross Sales of Coal	108150.03	95434.76	89216.86	88281.32	78410.38	60240.90
2.ii	Net Sales	75644.27	72014.62	68810.02	68302.74	62415.43	50229.28
2.iii	Sale value of Production	77088.48	72545.10	68717.37	67808.82	62796.47	51444.25
3	Cost of Goods Sold (Net Sales-PBT)	54055.18	50430.70	45930.48	43323.70	41142.77	33766.04
4	Total Expediture	62149.48	59106.79	54899.86	52070.39	48679.67	38638.18
4.i	Employee Benefits Expenses	29659.83	29874.12	27914.40	27606.00	26416.50	19869.20
4.ii	Cost of Materials Consumed	7082.55	7256.44	7022.05	6062.11	5504.07	5272.82
4.iii	Power & Fuel	2503.51	2347.28	2282.23	2333.48	2012.52	1749.48
5	Average Consumption of Material per month	590.21	604.70	585.17	505.18	458.67	439.40
6.i	Average Manpower Employed during the year	327731	339868	352282	364736	377447	390243
6.ii	CSR Expenses per employee(₹'000)	33.02	8.77	11.62	3.84	2.76	2.43
7	Value added	67502.42	62941.38	59413.09	59413.23	55279.88	44421.95
7.i	Value added per employee (₹'000)	2059.69	1851.94	1686.52	1628.94	1464.58	1138.32

OPERATIONAL STATISTICS - COAL INDIA LTD. (CONSOLIDATED)

IMPORTANT FINANCIAL RELATIVE RATIOS

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

FINANCIAL POSITION

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

As per earlier Schedule VI

OPERATIONAL STATISTICS

(₹ Crores)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
A) What is owned						
Gross Fixed Assets	34945.32	33256.13	31856.91	30257.42	29223.34	28057.55
Less Depreciation & Impairment	22909.88	22234.89	21360.32	20040.56	19080.62	17899.98
(1) Net fixed Assets	12035.44	11021.24	10496.59	10216.86	10142.72	10157.57
(2) Capital Work-in-progress	2210.67	1919.49	1620.09	1335.18	1205.95	1347.45
(3) Deferred tax Asset	960.39	926.77	977.72	690.63	650.88	590.13
(4) Misc.Expnd.&other payable	0.20					
(5) Investment(internal)	1282.14	1505.18	1717.90	2025.88	2244.52	2244.52
(6) Current Assets						
i.a) Inventory of Coal,Coke etc.	3186.49	2514.98	2381.24	2137.04	1889.50	1405.72
b) Inventory of Stores & Spares etc.	1087.54	1055.51	909.36	900.67	921.92	915.75
c) Other Inventories	127.74	112.39	93.36	82.76	90.40	95.71
ii) Sundry Debtors(Incld.CMPDIL)	2168.65	1826.14	1657.06	1586.41	1804.47	2072.14
iii) Cash & Bank Balances	39077.76	29695.01	20961.48	15929.27	13427.24	7986.95
vi) Loans & Advances	8676.20	11244.51	10304.29	8191.88	6278.10	5059.72
v) O.B.R.Adjustments						
Total Current Assets(6)	54324.38	46448.54	36306.79	28828.03	24411.63	17535.99
(7) .Less Current Liab. & Prov.	42909.08	40505.80	29695.18	22820.97	21741.25	18341.40
Net Current Assets(6-7)	11415.30	5942.74	6611.61	6007.06	2670.38	-805.41
TOTAL (A)	**27904.14**	**21315.41**	**21423.91**	**20275.61**	**16914.45**	**13534.26**
B) What is owed						
(1) 10%Redeemable Pref.Shares	0.00	0.00	0.00	0.00	0.00	0.00
(2) Govt.Loan	0.00	0.00	0.00	0.00	0.00	107.09
(3) Interest Accrued & Due	0.00	0.00	0.00	0.18	71.62	71.62
(4) Intercorporate Loan	0.00	0.00	0.00	0.00	0.00	0.00
(5) Term Loan (F.Intt.& Banks)	0.00	0.00	0.00	0.00	0.00	0.00
(6) Bonds	0.00	0.00	0.00	0.00	14.00	25.00
(7) Deferred tax liability	0.00	0.00	197.64	242.41	480.64	646.79
(8) Others (foreign loan,incld. deferred credit)	1623.68	1980.53	1675.48	1835.88	2018.41	2343.10
SUB-TOTAL (1 TO 7)	1623.68	1980.53	1873.12	2078.47	2584.67	3193.60
(9) Bank Borrowings (Incld.O.D.& Oth.)	463.17	167.94	208.43	307.84	214.96	202.32
TOTAL (B)	**2086.85**	**2148.47**	**2081.55**	**2386.31**	**2799.63**	**3395.92**
C) Minority Interest	23.61	1.90				
Net Worth (A-B-C)	**25793.68**	**19165.04**	**19342.36**	**17889.30**	**14114.82**	**10138.34**
Represented by:						
(1) Equity Capital	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
(2) Reserves	10044.70	8615.86	7676.20	6798.49	5893.98	5279.37
(3) Profit/Loss (+)/(-)	9434.15	4232.84	5349.80	4774.45	1904.48	-1457.39
(3) Misc.Expenditure (D\Liab.)	-1.53	-0.02				
Net Worth (1 to 4)	**25793.68**	**19165.04**	**19342.36**	**17889.30**	**14114.82**	**10138.34**
Capital Employed	23450.74	16963.98	17108.20	16223.74	12741.48	9280.54

INCOME AND EXPENDITURE STATEMENT

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

As per earlier Schedule VI

OPERATIONAL STATISTICS

(₹ Crores)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
A) Earned From :						
Gross Sales	52187.79	46131.24	38865.70	35129.17	33997.19	30659.46
Less Coal from development Mines	0.00	11.55	9.25	1.20	8.79	8.00
Less Levies (Royalties,cesses etc.)	7572.54	6996.21	6222.59	5525.78	5286.57	4788.60
	44615.25	39123.48	32633.86	29602.19	28701.83	25862.86
1. Net Sales						
2) Accretion/Decretion in Stocks	667.16	133.61	244.20	247.55	483.77	230.47
3) Boiler & Domestic Consumption	2069.04	2021.98	1974.54	1940.47	2054.04	1819.75
4) Other Revenue Receipts :						
TOTAL (A)	**52592.29**	**46057.38**	**38616.70**	**35005.42**	**34008.78**	**29887.12**
B) Paid to/Provided for						
Employees Remu.& benefits(Gross-Rev.)	17191.46	20219.59	12939.48	10350.39	9985.69	11263.67
Less:Trans.to oth.rev.heads	572.60	518.76	378.76	355.02	332.06	305.94
1) Net S & Wages(excld.V.R.S.Payment)	16618.86	19700.83	12560.72	9995.37	9653.63	10957.73
2) V.R.S.Payment(Net ofGrant Recvd.)	36.66	40.69	74.44	102.16	134.36	152.36
3) SocialOverheads(Incld.LLTC & Dom.Coal)	2049.47	1909.63	1642.15	1491.93	1380.39	1344.94
Less :SocialOverhead Dep.& Intt.	31.98	22.32	19.29	13.88	12.65	12.51
Social Overheads(Excld.Depr.&Intt.)	2017.49	1887.31	1622.86	1478.05	1367.74	1332.43
4) Stores & Spares (Gross-Rev.)	4975.78	4914.03	4432.11	4182.28	3939.97	3373.26
Less:Trans.to oth.rev.heads	48.86	52.73	53.55	56.68	51.22	46.14
Stores & Spares(Net)	4926.92	4861.30	4378.56	4125.60	3888.75	3327.12
5) i. Power & Fuel(excld.coalconsumed)	1739.59	1595.05	1593.70	1600.35	1551.33	1502.14
ii. Boiler & Colliery Consumption	1972.11	1992.15	1950.86	1848.05	2013.67	1739.23
6) Contractors (trans & repairs)	4579.78	4125.92	3342.95	2758.31	2624.68	2346.09
7) Misc. Expenses	1953.09	1942.59	1506.70	1287.16	1356.40	1108.07
8) Provision for D/Debts,Obsol.Etc.	209.37	176.00	232.01	116.86	34.41	202.26
9) Interest(Incld.S/O&P.P)	136.46	156.50	149.93	84.93	90.90	190.15
10) Depreciation(Incld.S/O, P.P & Impairment.)	1329.45	1690.90	1560.65	1357.81	1357.38	1355.01
11) O.B.R.Adjustment	3053.92	2177.19	1564.03	1686.58	1209.89	852.74
12) P.P.Adj.(Excl.int.depri& CPRA)	53.66	-33.15	-659.17	-38.28	-62.82	-72.26
TOTAL (B)	**38627.36**	**40313.28**	**29878.24**	**26402.95**	**25220.32**	**24993.07**
Profit/loss forthe year (A-B)	13964.93	5744.10	8738.46	8602.47	8788.46	4894.05
Investment Allowance Reserve						
Tax on Profit	-4342.48	-3665.41	-3495.19	-2893.74	-2896.94	-2376.35
Proposed dividend	-2210.00	-1705.42	-1705.42	-1500.00	-1263.27	-274.55
Tax on Dividend	-777.13	-549.35	-885.34	-534.43	-475.64	-247.79
Trans. to General Reserve	-1426.31	-933.92	-889.74	-904.61	-798.68	-557.31
Pref.Shares & Bond Redmpt Fund	-7.26	-6.99	-6.74	-13.80	-3.09	87.46
Other Adj(deferred tax,excess prov of tax)			-1180.66	114.08	11.03	69.75
Adjustment of impairment Loss	-0.43	0.03				-458.82
Cummul.profit/loss from Last year	4232.84	5349.81	4774.44	1904.48	-1457.39	-2593.83
Cummul. profit/loss to B/Sheet	9434.16	4232.84	5349.81	4774.45	1904.48	-1457.39
Current Profit / Loss & Reserves	19478.85	12848.70	13026.01	11572.94	7798.46	3821.98

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

As per earlier Schedule VI (₹ Crores)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
(A) Related to Assets & Liabilities						
1) i) No. of Equity Shares(CIL)of ₹ 10 each / ₹1000 each	6316364400.00	63163644.00	63163644.00	63163644.00	63163644.00	63163644.00
ii) Shareholder's Funds						
a) Equity	6316.36	6316.36	6316.36	6316.36	6316.36	6316.36
b) Reserves	10044.70	8615.86	7676.20	6798.49	5893.98	5279.37
c) Accumulated Profit/Loss	9434.15	4232.84	5349.80	4774.45	1904.48	-1457.39
d) Misc. Expend.(D/Liab.)	1.53	0.02	0.00			
Net Worth	25793.68	19165.04	19342.36	17889.30	14114.82	10138.34
2) Loan	1623.68	1980.53	1675.48	1836.06	2104.03	2439.72
3) Capital Employed	23450.74	16963.97	17108.20	16223.74	12741.48	9280.54
4) (i) Net Fixed Assets	12035.44	11021.23	10496.59	10216.86	10142.72	10157.57
(ii) Current Assets	54324.38	46448.55	36306.79	28828.03	24411.63	17535.99
(iii) Net Current Assets(W/C)	11415.30	5942.74	6611.61	6007.06	2670.38	-805.41
5) Current Liabilities (Excl.Intt. accrued & Due)	42909.08	40505.81	29695.18	22820.97	21741.25	18341.40
6) a) Sundry Debtors(Net) (Excl. CMPDIL)	2110.40	1780.71	1456.43	1459.29	1690.93	1954.58
b) Cash & Bank	39077.76	29695.01	20961.48	15929.27	13427.24	7986.95
7) Closing Stock of :-						
a) Stores & Spares(Net)	1087.54	1055.51	909.36	900.67	921.92	915.75
b) Coal,Cokes etc.(Net)	3186.49	2514.98	2381.24	2137.04	1889.50	1405.72
8) Average Stock ofStores&Spares (Net)	1071.53	982.44	905.02	911.30	918.84	923.70
(B) Related to Proft/Loss						
1. a) Gross Margin	15430.84	7591.50	10449.04	10045.21	10236.74	6439.21
b) Gross Profit	14101.39	5900.60	8888.39	8687.40	8879.36	5084.20
c) Net Profit(before Tax & Invt.allow.etc)	13964.93	5744.10	8738.46	8602.47	8788.46	4894.05
d) Net Profit(AfterTax)	9622.45	2078.69	5243.27	5708.73	5891.52	2517.70
d) Net Profit(AfterTax&Div.onPref.& Equity)	7412.45	373.27	3537.85	4208.73	4628.25	2243.15
2) a) Gross Sales	52187.79	46131.24	38865.70	35129.17	33997.19	30659.46
b) Net Sales(after.levies&dev.etc)	44615.25	39123.48	32633.86	29602.19	28701.83	25862.86
c) Sale value of Production	47351.45	41279.07	34852.60	31790.21	31239.64	27913.08
3) Cost of Goods Sold (Sales-Profit)	30650.32	33379.38	23895.40	20999.72	19913.37	20968.81
4) a) Total expeditures(excld.recoveries)	35891.16	38157.69	27659.50	24214.93	22682.51	22942.85
b) Sal&Wages (Gross-rev.only)	17191.46	20219.59	12939.48	10350.39	9985.69	11263.67
c) Stores & Spares (Gross-rev.only)	4975.78	4914.03	4432.11	4182.28	3939.97	3373.26
d) Power & Fuel	1739.59	1595.05	1593.70	1600.35	1551.33	1502.14
e) Int. & Depreciations (Gross-rev.only)	1465.91	1847.40	1710.58	1442.74	1448.28	1545.16
5) Avg. Consump. of Stores&Spares (gross) per month	414.65	409.50	369.34	348.52	328.33	281.11
6) a) Average Manpower Employed during the year	404744.00	419213.50	432710.00	445815.00	460369.00	476577.00
b) Social Overheads (incld.LTC/LLTC)	2049.47	1909.63	1642.15	1491.93	1380.39	1344.94
c) S/Overhead expnd.per employee(₹ 000)	50.64	45.55	37.95	33.47	29.98	28.22
7) a) Value added	38712.83	32830.57	26929.48	24216.21	23785.89	21344.59
b) Value added per employee (₹ 000)	956.48	783.15	622.34	543.19	516.67	447.87

OPERATIONAL STATISTICS
IMPORTANT FINANCIAL RELATIVE RATIOS

(As per Consolidated Audited Accounts)

As per earlier Schedule VI (₹ Crores)

For The Year Ending 31st March	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
(A)PROFITABILITY RATIOS						
1) AS % NET SALES						
a) Gross Margin	34.59	19.40	32.02	33.93	35.67	24.90
b) Gross Profit	31.61	15.08	27.24	29.35	30.94	19.66
c) Net Profit	31.30	14.68	26.78	29.06	30.62	18.92
2) AS % TOTAL EXPENDITURES						
a) Sal & Wages(Gross-Rev.)	47.90	52.99	46.78	42.74	44.02	49.09
b) Store&Spares(Gross-Rev.)	13.86	12.88	16.02	17.27	17.37	14.70
c) Power & Fuel	4.85	4.18	5.76	6.61	6.84	6.55
d) Interest & Depreciation(Gross-Rev.)	4.08	4.84	6.18	5.96	6.39	6.73
3) AS % CAPITAL EMPLOYED						
a) Gross Margin	65.80	44.75	61.08	61.92	80.34	69.38
b) Gross Profit	60.13	34.78	51.95	53.55	69.69	54.78
c) Net Profit	59.55	33.86	51.08	53.02	68.98	52.73
4) OPERATING RATIO (SALES-PROFIT/SALES)	0.69	0.85	0.73	0.71	0.69	0.81
(B)LIQUIDITY RATIOS						
(1) Current Ratio (Current Asset/Current Liability)	1.27	1.15	1.22	1.26	1.12	0.96
(2) Quick Ratio (Quick Asset/Current Laibility)	0.96	0.78	0.75	0.76	0.70	0.54
(C)TURNOVER RATIOS						
(1) Capital Turnover Ratio (Net Sales/Capital Employed	1.90	2.31	1.91	1.82	2.25	2.79
2) Sundry Debtors(net) as no of months						
a) Gross Sales	0.49	0.46	0.45	0.50	0.60	0.77
b) Net Sales	0.57	0.55	0.54	0.59	0.71	0.91
3) As Ratio of Net Sales						
a) Sundry Debtors	0.05	0.05	0.04	0.05	0.06	0.08
b) Coal Stocks	0.07	0.06	0.07	0.07	0.07	0.05
4) Stock of Stores & Spares						
a) Avg. Stock/Annual Cosumption	0.22	0.20	0.20	0.22	0.23	0.27
b) C.Stocks in terms of no.of Month's Consumpt.	2.62	2.58	2.46	2.58	2.81	3.26
5) Stock of Coal,Coke,W/coal etc.						
a) As no ofMonth's Value of production	0.81	0.73	0.82	0.81	0.73	0.60
b) As no of Month's of cost of goods sold.	1.25	0.90	1.20	1.22	1.14	0.80
c) As no of month's NetSales	0.86	0.77	0.88	0.87	0.79	0.65
(C)STRUCTURAL RATIOS						
1) Debt : Equity	0.26	0.31	0.27	0.29	0.33	0.39
2) Debt : NetWorth	0.06	0.10	0.09	0.10	0.15	0.24
3) Networth : Equity	4.08	3.03	3.06	2.83	2.23	1.61
4) Net Fixed Assets :Net Worth	0.47	0.58	0.54	0.57	0.72	1.00
(D)SHARE HOLDER'S INTEREST						
1) Book Value of Shares (₹10 from 2009-10) (Networth /No of Equity)	40.84	3034.19	3062.26	2832.21	2234.64	1605.09
2) Dividend per Share (₹) (₹10 from 2009-10)	3.50	270.00	270.00	237.50	200.00	43.00

BRIEF PROFILE OF DIRECTORS

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

Mr. R. Mohan Das (59), (DIN-01594255) is the Director (Personnel & Industrial Relations) of our Company. He holds a post graduate degree in Sociology from Madurai University. Shri Das has also participated in 'Advanced Management Programme' at Queens' College, Cambridge, United Kingdom and 'Management Development programme' at Wharton School, University of Pennsylvania, United States of America. Shri Das began his professional career over three decades ago with Bharat Heavy Electricals Limited in their human resources department. In the course of his career at Bharat Heavy Electricals Limited, Shri Das is credited with various human resource initiatives such as introduction of 'Integrated Human Resource Information System' to usher in the concept of paper-less office in Nagpur unit and was involved in development and piloting 'E-Enabled Performance Management System' for officers with linkage to balance scorecard during his stint in Bhopal office. Prior to joining our Company, Mr. Das was General Manager (Personnel & Administration) of state owned Madras Fertilizers Limited, where he concluded long pending promotion policy agreement with unions. Shri Das has undergone training as a lead auditor for 'ISO Quality System' and lead assessor for 'Total Quality Management'. As Director (Personnel & Industrial Relations) of our Company, Shri Das is responsible for formulation and implementation of personnel policies of our Company. He holds Directorship at Western Coalfields Ltd and Central Coalfields Ltd.

Shri Nagendra Kumar (57), (DIN-02624808) is the Director (Technical) of our company. Shri Kumar has graduated in Mining Engineering (B.Tech – Mining) from Indian School of Mines, Dhanbad in 1980. He joined CCL as a Junior Executive Trainee in 1980. In his first 20 years in CCL, he has worked for almost 6 years as Manager and 7 years as Project Officer. He was transferred to ECL in 2001 and assumed the charge of General Manager in 2004 and Chief General Manager in 2007. Shri Kumar assumed the charge of Director (Technical), ECL on 24th July, 2009. Shri Kumar joined our company as Director (Technical) on February 01, 2012. He has spent most of his career in reviving difficult underground and opencast mines and has experience of working with all kind of mechanization in underground and opencast mining. He was actively associated with indigenization of Long Wall Equipment and has presented a number of papers on its successful implementation. His latest achievement is the successful operation of Continuous Miner in Jhanjra Area matching World Standards in production and safety. Shri Kumar is a member of MGMI, IMMA and Institution of Engineers. He has travelled foreign countries viz. South Africa,China, France, Italy and Germany. Shri Kumar is fond of cricket, books, old melody songs and Rabindra Sangeet too. He holds Directorship at Central Mine Planning and Design Institute Ltd. He is also holding chairmanship of Coal India Africana Limitada, a 100% foreign subsidiary of CIL, Bharat Coking Coal Ltd(additional charge).

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

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

Dr A. K. Dubey (57), (DIN-02766755) is Special Secretary, MoC. He is a Govermanent nominee Director with effect from 3rd April'13 in CIL Board. Dr. A. K. Dubey belongs to Kerala cadre of IAS. He has held various positions in Government of Kerala and Government of India. He had been Secretary (Taxes), Secretary (Expenditure), Principal Secretary (Finance) and Principal Secretary (Forests and Wild Life) in Government of Kerala. He has served as Joint Secretary in Cabinet Secretariat, Ministry of Panchayati Raj and Ministry of Tribal Affairs in Government of India. He had also served as Registrar, University of Delhi (a Central University). He held additional charge of Chairman-cum-Managing Director of CIL from 26th June'14 to 5th Jan'15. He occasionally writes on various administrative matters in professional journals.

Ms. Loretta M Vas (62), (DIN-02544627) is graduate in B.A. (English), B.Ed., M.A.(Economics), Masters Diploma in Public Administration, M. Phil (Social Sciences) and LLB. She has joined Indian Administrative Service in 1977 and allotted to U.P. cadre. She has worked as Secretary, Ministry of Panchayati Raj, GoI, during 2012-14. She was Special Secretary, Addl. Secretary, Department of Economics Affairs, Ministry of Finance during 2008-2011. She was Joint Secretary (Budget) in Ministry of Finance, during 2005-2008. She was Export Commissioner/Joint Secretary in Ministry of Commerce, during 1993-98 and Under Secretary/Dy. Secretary, Festival of India, Department of Culture in 1984-88. She was Vice Chairperson of Ghaziabad Development Authority during 1999-2000 and 2001-2002, Addl. CEO Greater NOIDA Industrial Development Authority during 1991-93. She had worked in Departments of Health, Education in U.P. Govt., and District Magistrate of Hardoi, Addl. District Magistrate of Lakhimpur Kheri and Sub-Divisional Magistrate of Malihabad, Lucknow.

Dr. S. B. Agnihotri (61), (DIN-03390553) is an IAS officer of Odisha cadre from 1980 batch. He has done his Master's degree in Physics followed by M.Tech in Environment Science and Engineering from IIT, Bombay. He later did an MA in Rural Development followed by a Ph.D on sex ratio patterns in Indian Population from School of Development Studies, University of East Anglia, Norwich UK. Dr. Satish B. Agnihotri retired as Secretary (Coordination & Public Grievances), Cabinet Secretariat. Prior to this he was Secretary, Ministry of New & Renewable Energy, Director General (Acquisition) in the Ministry of Defence, Additional Secretary in the Ministry of Agriculture discharging the role of Financial Advisor and Director General of Shipping during 2010-12. He has worked as Joint Secretary in the Cabinet Secretariat, Transport Commissioner, Odisha and Secretary, Women and Child Development and General Administration Department. He was Vice Chairman, Cuttack Urban Development Authority, CEO of Odisha Renewable Energy Development Agency, Director Industries and District Magistrate in Dhenkanal District. He also worked with UNICEF, Kolkata as Consultant on Child Nutrition and Health. Dr. S.B. Agnihotri has been appointed as an Independent Director on the Board of Indian Strategic Petroleum Reserves Limited with effect from 28th March 2015.

Dr. D. C. Panigrahi (55), (DIN-07355591) obtained his B. Tech in Mining Engineering in 1984 from Indian School of Mines, Dhanbad. Subsequently he did his M. Tech in Mining Engineering in 1990, M. Tech in Industrial Engineering and Management in 1992 from Indian School of Mines, Dhanbad. He did his Ph. D in Mining Engineering from Indian School of Mines, Dhanbad in the year 1994. After graduating from Indian School of Mines, Dhanbad he served as Assistant Manager in coal mines of Tata Iron and Steel Company Limited for a period of 3½ years, as Scientist in erstwhile Central Mining Research Institute, Dhanbad, a CSIR lab., for a period of 4½ years and subsequently joined as Assistant Professor in the Department of Mining Engineering, ISM, Dhanbad in 1992. In 1998 he was promoted to Professor in Mining Engineering. He was the Chairman, IIT Joint Entrance Examination during 2004-2007 from ISM, Dhanbad. He was Head, Department of Mining Engineering, Indian School of Mines, Dhanbad from 2007 to 2010. He took over as Director, Indian School of Mines, Dhanbad on 9th September 2011. He specializes in mine ventilation, mine fire control, coal bed methane and other areas related to underground mine environmental engineering. During his period of work, he has executed 13 major research projects as Project Leader and Coordinator, and submitted the reports as single/main author. He has published 120 research papers in the areas of mine ventilation, coal bed methane and sub-surface mine environmental engineering. He has edited a book containing 64 papers of reputed authors from 9 countries and the book has been published by A. A. Balkema, Rotterdam, Netherlands in 2001. He has edited

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

Dr. Khanindra Pathak (56), (DIN-07348780) is currently working as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). He is B. Tech. in Mining Machinery from Indian School of Mines, Dhanbad in 1983 and M. Tech. in Opencast Mining from Indian School of Mines, Dhanbad in 1989. Dr. Pathak is Diploma holder in Mining Engineering from Imperial College of Science, Technology and Medicine, London. He has also done Ph.D in Mining Engineering in the year 1996 from Imperial College of Science, Technology and Medicine, London. Dr. Pathak worked as 'Assistant Plant Manager(E2)' in Neyveli Lignite Corporation, Neyveli for two years from 1983 to 1985. He started his career as 'Graduate Engineer' in Central Mine Planning & Design Institute, Coal India Ltd., Ranchi in the year 1986. He worked as Research Scholar at Imperial College of Science Technology and Medicine, London during October'1993 to November'1996. He worked as Lecturer in Department of Mining Machinery at Indian School of Mines, Dhanbad from Sept.'1987 to Sept.'1998 and then he became Assistant Professor in the same institution from Sept.'1998 to November'2000. He was Associate Professor at Department

of Mining Engineering, IIT, Kharagpur for 3 years from November'2000 to July'2003. At present Dr. Pathak is continuing as Professor & Head, Department of Mining Engineering, IIT (Kharagpur). Dr. Pathak has been conferred with many honours/awards and he has also written many books and journals in Mining.

Shri Vinod Jain (60), (DIN-00003572) is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Intermediate Examination in November'1977 with 7th Rank in all India Merit List, Final Examination in November'1979 with 13th Rank on All India merit list and became a Fellow Member of The Institute of Chartered Accountants of India. He qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India. He is also a qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is a Diploma holder in Information System Audit(DISA) from the Institute of Chartered Accountants of India in 2004. CA Vinod Jain has about 38 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law Education and strategic planning and business management. Shri Vinod Jain started his career with Apollo Tyres Limited & BST Limited belonging to Apollo Group of Companies. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants from February 1980 to till date. He was a Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal(SAT), Board of Industrial and Financial Reconstruction(BIFR), Appellate Authority under Sick Industrial Companies Act, Company Law Board and Income Tax Appellate Tribunal(ITAT).He is also Chairman of Inmacs Management Services Limited. Shri Jain was the Chairman of Northern India Regional Council of The Institute of Chartered Accountants of India from September'1983 to September'1984 and also served as its Secretary(1982-83) and Treasurer (1984-1985).He was a Central Council Member of' The Institute of Chartered Accountants of India' from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of The Institute of Chartered Accountants of India from 2010 to 2011 being incharge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee for 5 years, Professional Development Committee, Management Accounting Committee for 4 years &Expert Advisory Committee of ICAI. He had also served as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc. He was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) from July'2009 to February'2013. Shri Jain was Founder and National Director of 3 months Certificate Course on Valuation conducted by The Institute of Chartered Accountants of India. Shri Jain was National Director of Certificate Course on Forex Risk and Treasury Management of ICAI from 2010 to 2013. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and following committees of Securities and Exchange Board of India (SEBI):

i) SEBI "Committee on Primary Markets Advisory.

ii) SEBI "Secondary Market Advisory Committee

iii) SEBI "Mutual Fund Advisory Committee.

iv) SEBI "Take-over Code Committee ".

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

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

Shri Rajiv R. Mishra (56) has been appointed as "Permanent Invitee" on the Board of Directors' of Coal India Limited from November, 2015. He joined Western Coalfields Limited as Chairman-cum-Managing Director on 11th October, 2014.Prior to that, he had worked in Central Coalfields Limited as Director (Personnel) and at Central Mine Planning and Design Institute Limited (CMPDIL), Ranchi as Head of Personnel & Administration. He has put in over 30 years of service in the field of Personnel, Human Resources Development etc. in different capacities at various subsidiaries of Coal India Limited. Holding a Master Degree in Geology & Post Graduate Diploma

in Personnel Management & Industrial Relations, Shri Mishra began his career with CMPDIL over three decades ago. Shri Mishra also worked with Northern Coalfields Limited, Singrauli, Coal India Limited, Kolkata, Eastern Coalfields Limited, Sanctoria and again with CMPDIL, Ranchi before joining CCL as Director (Personnel). Shri Mishra had also participated in the Advance Management Programme at China conducted jointly by IICM, Ranchi and China Coal Information Institute in the year 2011 and also visited France and China in 2014 conducted by IIPA, New Delhi. Shri Mishra was awarded "Most Powerful HR Professional of India", "IME HR Leadership Award" for 2 (two) consecutive years during Asia Pacific HRM Congress, 2012 and 2013 held at Bangalore. "HR Leadership Award" at 2nd Indian Human Capital Sumit-2012, New Delhi and "30 Most Talented HR Leaders in PSUs Award" at World HRD Congress, 2013, Mumbai. He has also been awarded "Rajbhasha Kirti Samman-2012 & 2013" by Bharatiya Rajbhasha Vikas Sansthan for effective implementation of official Language. During his tenure in Central Coalfields Limited as Director(Personnel), CCL has been awarded "Best Company for Health & Education in CSR" at Corporate CSR Conclave, 2012 at Ranchi. CCL has also been awarded "1st prize in CSR" among all the subsidiaries of Coal India Ltd during CIL Foundation Day celebrations held at Kolkata on 1st November, 2012 and "IPE CSR Corporate Governance Award, 2012 at World CSR Congress, Mumbai". He has also been awarded Global HR Excellence Award at World HRD Congress, Mumbai – 2014. Shri Mishra has also been awarded with BT-Star PSU Award for Excellence in Human Resource Management by Bureaucracy Today in New Delhi and "Excellent Administrator Coal Mine in India" in Mumbai by R.K. HIV AIDS Research & Care Centre during 2015. Shri Mishra is known for his team building capabilities and strategic management acumen. He has widely travelled in India and abroad and is associated with several professional organizations. He is the Member of Executive Body of Standing Conference of Public Enterprises (SCOPE) and Chairman of Western Regional Chapter of SCOPE. He is a Member of Confederation of Indian Industries, New Delhi – Council on PSEs and Member of Board of Governors of Indian Institute of Coal Management (IICM), Ranchi. He is also the Patron of The National Association for the Blind, Nagpur District Branch, Nagpur. Under his able leadership, WCL has set its way forward to paradigm shift in its operation.

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

DIRECTORS' REPORT

To
The Members,
Coal India Limited
Kolkata.

Ladies and Gentlemen,

On behalf of the Board of Directors, I have great pleasure in presenting to you, the 42nd Annual Report of Coal India Limited (CIL) and Audited Accounts for the year ended 31st March, 2016, together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon.

Coal India Limited (CIL) is a 'Maharatna' company under the Ministry of Coal, Government of India with headquarters at Kolkata, West Bengal. CIL is the single largest coal producing company in the world and one of the largest corporate employers with manpower of 3, 22,404 (as on 1st April, 2016). CIL operates through 82 mining areas spread over eight provincial states of India. Coal India Limited has 413 mines (as on 1st April, 2016) of which 207 are underground, 176 opencast and 30 mixed mines. CIL further operates 15 coal washeries, (12 coking coal and 3 non-coking coal) and also manages other establishments like workshops, hospitals and so on. CIL has 27 training Institutes. Indian Institute of Coal Management (IICM) is an excellent training centre operates under CIL and imparts multidisciplinary management development programmes to the executives. Coal India's major consumers are Power and Steel sectors. Others include cement, fertilizer, brick kilns, and a host of other industries.

CIL has eight fully owned Indian subsidiary companies:

Eastern Coalfields Limited (ECL),

Bharat Coking Coal Limited (BCCL),

Central Coalfields Limited (CCL),

Western Coalfields Limited (WCL),

South Eastern Coalfields Limited (SECL),

Northern Coalfields Limited (NCL),

Mahanadi Coalfields Limited (MCL) and

Central Mine Planning & Design Institute Limited (CMPDIL).

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

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

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

a. MJSJ Coal Ltd.

MJSJ Coal Ltd. was incorporated on 13th August, 2008 as a Joint Venture Company of MCL. MJSJ Coal Ltd. has been formed for operating Gopal Prasad OCP, which was formed by combining Utlak 'A' and West of Gopal Prasad West blocks together. In this joint venture, MCL is having 60% shares, JSW Steel Limited and JSW Energy Limited having 11% shares each and Shyam Metalics and Energy Ltd. (formerly known as Shyam DRI Power Ltd.) and Jindal Stainless Limited having 9% shares each. The paid up share Capital of MJSJ Coal Ltd. as on 31st March'2016 was ₹ 95.10 Crores. Hon'ble Supreme Court, vide its order dated 24th September, 2014, cancelled the allocation of Utkal 'A' block, which was a part of the MJSJ venture.

b. MNH Shakti Ltd.

MNH Shakti was incorporated on 16th July, 2008 as a Joint Venture Company of MCL. MNH Shakti Ltd. has been formed for operating Talabira OCP, which was formed combining Talabira-II and Talabira-III coal blocks together. In this joint venture, MCL was having 70% shares, Neyveli Lignite Corporation Ltd. 15% shares and Hindalco Industries Ltd. 15% shares. The Share Capital of MNH Shakti Ltd. as on 31st March'2016 was ₹ 85.10 Crores. Hon'ble Supreme Court, vide its order dated 24th September'2014, cancelled the allocation of Talabira-II and Talabira-III coal blocks.

c. Mahanadi Basin Power Limited.

Another Company "Mahanadi Basin Power Limited" was incorporated on 2nd December, 2011. MBPL had been formed as an SPV with 100% shares held by Mahanadi Coalfields Ltd for power generation of 2x800 MW through Pit Head Power plant at Basundhara Coalfields. The Share Capital of Mahanadi Basin Power Limited as on 31st March'2016 was ₹ 5 lakh.

d. Mahanadi Coal Railway Limited

A Joint venture Company namely, Mahanadi Coal Railway Limited was formed on 31st August, 2015 with an equity participation ratio of 64:26:10 among MCL, IRCON and IDCO to build, construct, operate and maintain identified rail corridor projects including doubling, third line, traffic facility projects important for coal connectivity that are critical for evacuation of coal from mines, in the state of Odisha.

Subsidiaries of SECL

SECL had incorporated two subsidiary companies viz. M/s Chhattisgarh East Railway Ltd on 12th March'2013 and M/s Chhattisgarh East- West Railway Ltd on 25th March'2013 with 64% shareholding in each of the subsidiaries for construction of railway lines for evacuation of coal.

Joint Venture of CCL

Jharkhand Central Railway Limited is a Joint Venture Company between Central Coalfields Limited, M/s Ircon International Limited and Govt. of Jharkhand incorporated on 31st August'2015 for evacuation of Coal in which CCL holds 64% shares.

1. STATE OF COMPANY'S AFFAIRS DURING 2015-16

1) Company produced 538.75 MT. of coal with a growth of 9.01% compared to the last year same period. This is the first time CIL crossed half a billion tonne of coal production in its pursuit to achieve 1.00 billion tonne in 2019-20. The Hon'ble Prime Minister of India commented in his inaugural speech of 'Make in India' in Mumbai on 13th February'2016 that "this year we will record the highest ever coal production" which had come true.

2) Company achieved an off-take of 534.50 MT. with a growth of 9.23% compared to the last year same period. This is the first time CIL surpassed 0.5 billion tonne of coal despatch thereby setting the stage for a high orbit growth in the ensuring years.

3) For the first time, CIL has acheived a gross sales of ₹108150.03 crores, a landmark achievement.

4) Not a single power-utility was in critical or super-critical condition for want of coal.

5) Due to the improved despatch and better quality of coal, import of coal to India had reduced during 2015-16.

6) Company removed 1148.908 MM3 of OB with a growth of 29.60% compared to the last year same period. It improved the mine geometry and made the mines safer to operate. It also augurs well for more production in 2016-17.

7) Western Coalfields Limited, a subsidiary of Coal India Limited started eco-friendly mine tourism which was highly popular. The Hon'ble Prime Minister of India in his 'Mann Ki Baat' programme aired on 27th March'2016 made a special mention of this.

AWARDS RECEIVED DURING 2015-16

1. Coal India was conferred with **'Rashtriya Khel Protsahan Puruskar - 2015'** for Encouragement of Sports through Corporate Social Responsibility. The award was given to CIL by the Hon'ble President of India on 29th August 2015 at Rashtrapati Bhavan.

2. Coal India was conferred **'Fastest Growing Company'** award in the India Today PSU Awards event held in Delhi on 14th December 2015.

3. Coal India was conferred **'Award of Excellence'** in recognition of its outstanding performance by Bureaucracy Today's "BT-Star Excellence Awards 2015" in an event held on 15th May, 2015 in New Delhi.

4. Coal India bagged the 1st Prize in Corporate Offices Category for **Best Implementation of Official Language Policy** of the Union by Town Official Language Implementation Committee (TOLIC) (PSU), Kolkata. The prize was given by Hon'ble Governor of West Bengal.

2. FINANCIAL PERFORMANCE

2.1 Financial Results (CIL Consolidated)

CIL is one of the largest profit making and tax & dividend paying enterprises in India. CIL and its subsidiaries had achieved an aggregate Pre-Tax Profit of ₹21, 589.09 crores for the year 2015-16 against a pre-tax profit of ₹ 21,583.92 crores in the year 2014-15. CIL as a group had achieved a post tax profit of ₹ 14,274.33 crores in 2015-16 (excluding share of minority loss of ₹0.04 crore; previous year: 0.09 crore) compared to ₹ 13,726.70 crores in 2014-15. The subsidiary wise details of Pre-tax Profit of CIL are given in **Annexure 1.**

Highlights of performance

The highlights of performance of Coal India Limited Consolidated for the year 2015-16 compared to previous year are shown in the table below:

	2015-16	2014-15
Production of Coal (in million tonnes)	538.75*	494.24
Off-take of Coal (in million tonnes)	534.50*	489.38
Sales (Gross) (₹/Crores)	108150.03	95434.76
Capital Employed (₹/Crores) Note- 1	65306.13	69744.42
Capital Employed (₹/Crores)- excluding capital work in progress and intangible assets under development	59411.97	64585.05
Net Worth (₹./Crores)	33879.42	40343.33
Profit Before Tax (₹/Crores)	21589.09	21583.92
Profit After Tax (₹/Crores)	14274.33	13726.70
PAT / Capital Employed (in %)	21.86	19.68
Profit Before Tax / Net Worth (in %)	63.72	53.50
Profit After Tax / Net Worth (in %)	42.13	34.02
Earning Per Share (₹) (Considering Face Value of ₹10 per share)	22.60	21.73
Dividend per Share (₹) (Considering Face Value of ₹10 per share)	27.40	20.70
Coal Stock (Net) (in terms of No. of months Net Sales)	0.98	0.79
Trade Receivables (Net) (in terms of No of Months Gross Sales)	1.27	1.07

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

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

Transfer to Reserves

During the year 2015-16, a sum of ₹ 1628.51 crores was transferred to General Reserve out of CIL Consolidated profits. This includes transfer of ₹ 10.17 crores transferred out of CIL Standalone profits.

2.2 Dividend Income and Pay Outs (CIL- standalone)

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

During the year CIL Standalone has paid a total dividend (by way of interim dividend) of ₹17306.84 crores @ ₹27.40 per share on 6316364400 number of Equity Shares of ₹10/- each fully paid up. Out of above total dividend, the share of Govt of India was ₹ 13,784.86 crores and for other shareholders, ₹ 3,521.98 crores. (Earlier year - Govt of India - ₹ 10414.14 crores and Other shareholders – ₹ 2660.74 crores)

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

There are no comments issued by the office of the C&AG either on Standalone or Consolidated Financial Statements of the company for the year 2015-16 on supplementary audit conducted under Section 143(6)(a) [and also read with Sec 129(4)] of the Companies Act, 2013. The comments on supplementary audit of Standalone and Consolidated Financial Statements are enclosed as **Annexure 3** and **Annexure 4** respectively.

2.4 Management Explanation on Statutory Auditor's Report

The statutory auditors of the company have given an unqualified report **{Annexure 3(A) and Annexure 4(A)}** on the Standalone Financial Statements and Consolidated Financial Statements respectively of the company for the financial year 2015-16. However, they have drawn attention under 'Emphasis of Matter' on certain issues. These issues under 'Emphasis of Matter' along with observations of the auditors elsewhere in the annexures of the audit report, are enclosed as **Annexure 5 & Annexure 5(A)** respectively with Management explanations thereto.

3. COAL MARKETING

3.1 (a) Off-take of Raw Coal

Off-take of raw coal continued to maintain its upward trend and reached 534.496 million tonnes for fiscal ended March 2016, surpassing previous highest figure of 489.377 million tonnes achieved during the last year, i.e., an increase of 9.2 % over the last year. The overall raw coal off-take achieved was 97.2 % of the Annual Action Plan Target. In the year 2015-16, all coal companies barring NEC could outperform their achievement of last year. BCCL, NCL & SECL, in addition, had also exceeded their target.

Company-wise target vis-à-vis actual off-take for 2015-16 and 2014-15 are shown under **Annexure 6.**

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

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

ECL: Unprecedented heavy rain caused water logging in OCPs during monsoon affected production, transportation and despatch. Less Demand of higher grades coal of Raniganj & financial constraint of WBPDCL / DVC and regulated lifting by NTPC-Farakka / Kahalgaon TPP affected loading & off-take.

CCL: Intermittent Law & Order problem, inadequate demand and regulation in intake by up-country power stations of Haryana, Punjab and Uttar Pradesh had affected despatch. Logistics bottleneck at Amrapali-Magadh Mines had also come in the way of augmenting off-take.

WCL: Comfortable coal stock at power stations led to regulated lifting. TPPs were particularly reluctant to take coal from Cost Plus Sources.

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

Initiatives taken for enhancing off-take are as under:

- Regular co-ordination with Railway Board to optimize use of logistics resources available in the subsidiary coal companies, analyzing inputs of the subsidiaries to identify alternate source for coal movement wherever and whenever required to achieve overall sectoral targets and mitigating critical fuel requirement of consuming sectors, particularly power stations.
- Coordination with MOC for various long and short-term policy decisions to overcome coal movement constraints for power and non-power sector consumers and taking operational decisions for moving coal from various sources on contingent situations to meet critical requirements of consuming sectors, particularly power utilities etc.

- Periodic Meetings and follow ups with Power producers in addressing issues relating to coal movement.
- Source Rationalization of coal linkage for optimizing coal movement as per the requirement of the consumers and logistics.
- Logistics is one of the major hurdles in reaching coal to the consumers. Capacity constraints both in terms of track and rolling stock are coming in the way for achieving the requisite growth. In order to boost-up the rail transport system following initiatives have been taken:
  - o MoU signed for investment in procuring 2000 high capacity wagons for movement of coal in dedicated circuit.
  - o SPVs by the coal companies with the State Governments and Railways for creating rail infrastructure -- two SPVs have already been formed at Chhattisgarh for creating rail connectivity at Korba/Raigarh. Similarly, SPVs were also incorporated at Jharkhand and Odisha for similar initiatives on 31st August'2015.
  - o Three major last mile rail connectivity projects at Jharkhand, Odisha and Chhattisgarh have been brought under PMO monitoring mechanism to ensure commissioning as per the schedule.
  - o Special attention is given for improving coal distribution network for small and tiny consuming sectors. CIL organized meeting with State Governments to streamline the process of nominating distribution agencies by them.
  - o Coal companies started supplying 100 mm crushed coal to its consumers w.e.f January'2016.
- **Special E-Auction Schemes**

  Ministry of Coal introduced the Scheme of Special Forward E-Auction for Power Plants who were in stress or facing short supply of coal for not having coal blocks or linkages. 14.5 Million Tonnes (MT) of coal was offered under this 'Special Forward E-auction' against which booking was 13.8 MT.

  A similar scheme for consumers in the non – power sector was also launched as Exclusive E-auction scheme for non-power. 1.5 MT coal was booked under this scheme as against 4 MT of coal offered.

- **Web Portal for MSME Sector-**

  The web portal "Coal Allocation Monitoring System" was launched on 17th March'2016 by Minister of State with Independent Charge for Power, Coal and New & Renewable Energy along with the officials from Ministry of Coal and Coal India Limited at New Delhi. The portal aims to ease the conduct of business for small and medium sector consumers having annual requirement of less than 4200 tonnes of coal. The portal will make the system of distribution of coal to such consumers through State Nominated Agencies, more transparent. It has the following advantages:

  a. Ease of doing business for consumers.

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

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

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

  e. Transparent coal distribution.

  f. State and consumer awareness.

  g. Peer audit among stakeholders.

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

In the year 2015-16, CIL dispatched 534.624 MT of Coal & Coal Products against the target of 548.938 MT i.e., an achievement of 97.4%. CIL has dispatched 44.642 MT of coal and coal products more than last year with a growth of 9.1%.

408.751 MT of coal and coal products was despatched to the power utilities against the target of 430.677MT i.e., an achievement of 94.9%. This is 23.356 MT more than last year's dispatch of 385.395 MT, resulting in a growth of 6.1%.

Sector-wise break-up of dispatch of coal & coal products for 2015-16 against the target and last year's actual is disclosed in **Annexure 7.**

3.2 Dispatches of coal and coal products by various modes:

Dispatches of coal and coal products during 2015-16 went upto 534.624 million tonnes from 489.982 million tonnes registering a growth of 9.1 %. Overall dispatch by Non-Rail mode had been 106.6% of the target. Growth in despatches via Rail mode was 8.5 % whereas in the overall Non-Rail mode it increased by 9.8 %. Road despatches increased by 14.5% compared to the previous year. Movement by MGR was 2.4% above last year. Despatches through other

modes, like belt & rope also increased by 17.2 % compared to the last year.Dispatch of coal and coal products by various modes for the years 2015-16 and 2014-15 is disclosed under **Annexure 8.**

3.3 Wagon Loading

Overall wagon loading materialization was 91.3 % of the target. This was achieved due to sustained efforts and regular coordination with railways at different levels. The increase in loading over last year was of 18.23 rakes per day. Company wise performance showed that WCL outperformed its target. All the subsidiaries except NEC exceeded last year's level of loading.

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

Wagon loading performance of 2015-16 vis-à-vis 2014-15 is disclosed under **Annexure 9.**

3.4 Consumer satisfaction

i. In order to ensure enhanced customer satisfaction, special emphasis is being given to quality management. Various steps are taken to monitor quality right at the coalface apart from bringing improvements in crushing, handling, loading and transport system.

ii. CIL has built up coal handling plant capacity of about 326 MT per annum so as to maximize dispatches of crushed/sized coal to the consumers. CIL is already supplying (-) 100mm sized crushed coal to all power plants w. e. f. 01.01.2016 except the pit head power plants.

iii. In addition, the Washeries at BCCL, CCL, WCL and NCL have adequate crushing / sizing facilities to the tune of about 36.8 million tonnes. CIL has also initiated action to establish 15 more coal washeries with combined capacity of 112.60 Mty.

iv. Measures like picking of shale/stone, selective mining by conventional mode as well as by surface miners, adopting proper blasting procedure/technique for reducing the possibility of admixture of coal with over-burden materials and improved fragmentation of coal etc. are being taken.

v. Surface Miners have been deployed by CIL for selective mining at some of the OCP mines to improve quality of coal. Action is being taken for deployment of more surface miners in other OCP mines where geo-mining condition permits their usage. Already 64 Surface Miners have been deployed in CIL opencast mines which are working satisfactorily.

vi. Joint/ Third Party sampling & analysis is in vogue for major consuming sectors e.g. power utilities, steel, cement, sponge iron covering more than 95% of total production of CIL. On overall basis, large consumers having annual quantity of 0.4 MT or more and having FSA have been covered under sampling. For the first time, sampling facility has been extended in special e-auction for power sector also.

vii. Subsidiary coal companies have already procured 121 Bomb Calorimeters for more accurate and transparent results of analysis of coal samples. Sampling and analysis at loading end for eligible customers availing such facility has been extended, based on which coal bills as per analyzed grades are being settled.

viii. Pursuant to the decision taken in the meeting with the Association of Power Producers during June 2014, on and above the existing system of coal sampling at the loading end, it was decided that power producers may also engage their Third Party Agency from a list of 25 empaneled agencies for taking part in drawing coal samples and analyzing the same. In view of above, PUs / IPPs have selected agencies w.e.f. Dec' 2014 onwards.

ix. MoC, vide letter no. 23011/48/2013-CPD dated 26.11.2015 has issued new guidelines on third party sampling at loading ends –Standard Operating Procedures (SOP); formulated in accordance with the decision taken in the meeting held on 28th October'2015 under the Chairmanship of Hon'ble MOS (I/C) for Power, Coal & NRE.

x. As per the new SOP, independent Third Party Agencies are to be appointed by the Central Institute of Mining and Fuel Research (CIMFR) by a transparent process for undertaking the work of sampling and analysis of coal at loading end on behalf of both the power (consumer) and the Coal Companies (supplier). CIMFR has already started the work of sampling and analysis of coal at loading end as per new guidelines of MoC at 13 (thirteen) loading points of CIL subsidiaries w.e.f. 01.01.2016 and in the process of starting the same at other loading points of all subsidiaries in phases for coal supply to Power sector.

xi. Electronic weighbridges with the facility of electronic printout have been installed at rail loading points to ensure that coal dispatches are made only after proper weighment. For this purpose, Coal Companies have installed 157 rail weighbridges in the Railway Sidings and 569 road weighbridges for weighment of trucks. Coal Companies have also taken action for installation of standby weighbridges to ensure 100% weighment.

xii. 24 Auto Mechanical Samplers(AMS) are also working in subsidiary coal companies for coal sampling for the bulk consumers eliminating chances of biasness in sampling process. Procurement of further AMSs is under process. The process has already been initiated to deploy Augur sampling for drawing more representative samples.

xiii. In order to ensure consumer satisfaction and resolve consumer complaints, special emphasis has been given to quality management and redressal of consumer complaint. On-line filing and redressal of complaints has been initiated Percentage of consumer complaints resolved is 99.68% [April 2015 to March 2016].

xiv. CIL has taken initiative to get NABL [National Accreditation Board for Testing and Calibration Laboratories] accreditation of main laboratories of different subsidiary coal companies. Eleven Laboratories of CIL (Two in CCL, Four in SECL, Two in BCCL and Three in MCL) has got NABL accreditation in addition to the earlier one existing at WCL.

3.5 Marketing of Coal:

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

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

(i) For power stations, commissioned on or before 31.03.2009, 306 Million Tonnes had been considered to be supplied through bilateral legally enforceable Fuel Supply Agreements (FSA) with a trigger level of 90%. The total quantity covered under FSA against the allocation as on March'16 was 305 Million Tonnes.

Apart from the above, 180 Letter of Assurances have been issued to power plants by subsidiary companies of CIL, as per the recommendations of various SLC (LT) Meetings about 433.80 Million tonnes. Further, as per Presidential Directives dated 16th April'2012 and revised directive dated 17 July' 2013, a list of Power Plants having an aggregate capacity of 78535 MW was notified for signing of FSA. A total 173 TPPs (149 cases having normal LOA and 24 cases having Tapering LOA), were listed with an aggregate capacity of 78535 MW. Till 31st March'2016, 164 FSAs have been signed. The balance FSAs could not be signed for the reasons not attributable to CIL.

However, MOC Office Memorandum dated 30th June'2015 directed CIL that the existing tapering linkage FSAs ceases to exist and coal would be supplied to them under separate MOUs route till 31.03.2016 or until a policy is formulated, whichever is earlier.

Out of the plants having normal linkage, FSAs have been signed for an Annual Contracted Quantity (ACQ) of about 219 Million tonnes for the aggregate capacity of about 56000 MW having long term Power Purchase Agreement (PPA) and qualify for commencement of coal supply subject to commissioning etc.

(ii) In addition, in terms of Presidential Directive dated 17 July' 2013, coal is being supplied to power houses of 4660 MW having no fuel linkage with CIL on best efforts MOU basis on the condition that such supplies do not adversely affect the availability of coal for the identified plants of 78000 MW capacity. MOC Office Memorandum dated 30th June'2015 limits supply to such categories of plants till 31st March'2016.

(iii) As on 1st April, 2016, 683 units other than power and steel plants have operative FSAs with subsidiaries of CIL for about 49 million tonnes.

(iv) For supply of coal to Small and Medium Sector Consumers, 8 million tonnes was earmarked by CIL for allocation to agencies nominated by the State Govt's/ UT's.18 States sent their nomination of 23 State Agencies for the year 2015-16 of which 10 State Agencies of 8 States have signed FSAs for 1.964 Million Tonnes and drawing coal accordingly.

(v) After implementation of NCDP, 417 LOAs were also issued to consumers of sponge iron, CPP and cement as per recommendations of various SLC (LT) meetings for a quantity of 63.95 Million tonnes per annum. Out of these, 337 FSAs have been concluded till date for quantity of about 45.70 Million tonnes per annum. Out of these, 170 FSAs are active as on date with a quantity to the tune of 20.63 Million tonnes per annum.

(vi) Under the provisions of FSA, CIL undertook import of coal for the power plants opted for taking the same through CIL for the year 2015-16. CIL received an order of about 3.5 LT of imported coal for the first half year (Apr 15-Sep15) from two power producers. The ordered quantity has been delivered through MMTC. There is no further order of imported coal. Against import order of about 5 LT for 2014-15, CIL has supplied 4.83 LT out of which 3.3 LT of imported coal was supplied within March 2015.

(vii) Under Forward E-Auction scheme during the year ended Mar'16, quantity allocated was 5.916 Million Tonnes as against 3.593 Million Tonnes allocated in the last year. The notional gain through Forward E-auction over & above the notified price was 29.44% during the year 2015-16. During the period under review, 57.405 Million Tonnes of coal was allocated under Spot E- auction to the successful bidders as against 45.211 Million Tonnes of coal allocated during the last year. The notional gain through Spot E-auction over & above the notified price was 33.74% during the year 2015-16.

3.6 Coal Beneficiation

Presently CIL is operating 15 Coal Washeries with a total coal washing capacity of 36.8 Million Tonnes per year, of which 12 are coking and the rest 3 are non-coking with capacity of 23.30 MTY and 13.5 MTY respectively. The total washed coal production from these existing washeries for the year 2015-16 has been 17.21 Million Tonnes.

In addition to the above, CIL has planned to set up 15 new Washeries with state-of-the-art technologies in the field of coal beneficiation with an aggregate throughput capacity of 112.6 MTY.

Out of the 15 new washeries, 6 are planned to wash coking coal with a cumulative capacity of 18.6 Mty, 4 of which are at different stages of construction and LOI has been issued for one.LOA/LOIs has been issued for 3 new non-coking coal washeries out of the balance 9 new non-coking coal washeries with a total capacity of 94.0 MTY.

The major bottlenecks for setting up of these washeries are mainly Forest, Environmental and other Statutory Clearances.

3.7 Stock of Coal

The Stock of coal (net of provisions) at the close of the year 2015-16 was ₹6162.54 crores, which was equivalent to 0.98 month value of net sales. The company-wise position of stocks held on 31st March'2016 and on 31st March'2015 are disclosed under **Annexure 10.**

3.8 Trade Receivables

Trade Receivables i.e. net coal sales dues outstanding as on 31.03.2016, after providing ₹ 2220.20 crores (previous year ₹2510.32 crores) for bad and doubtful debts, was ₹ 11463.70 crores (previous year ₹ 8521.88 crores) which is equivalent to 1.27 months gross sales of CIL as a whole (previous year 1.07 months). Subsidiary-wise break-up of trade receivables outstanding as on 31st March 2016 as against 31st March 2015 are shown in **Annexure 11.**

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

During the year 2015-16, CIL and its Subsidiaries paid/adjusted ₹ 29,084.11 crores (previous year ₹ 21,482.21 crores) towards Royalty, Cess, Sales Tax and other levies as detailed below:-

Figures in ₹ Crores

	2015-16	2014-15
Royalty	8,209.25	7,760.10
Additional Royalty (MMDR Act)	434.42	-
Cess on Coal	1,590.67	1,457.41
State Sales Tax / VAT	2,444.75	1,997.89
Central Sales Tax	1,144.79	996.11
Stowing Excise Duty	525.67	485.62
Central Excise Duty	3,647.00	3,853.58
Clean Energy Cess	9,980.13	4,198.93
Entry Tax	259.37	206.68
Others	848.06	525.89
Total	**29,084.11**	**21,482.21**

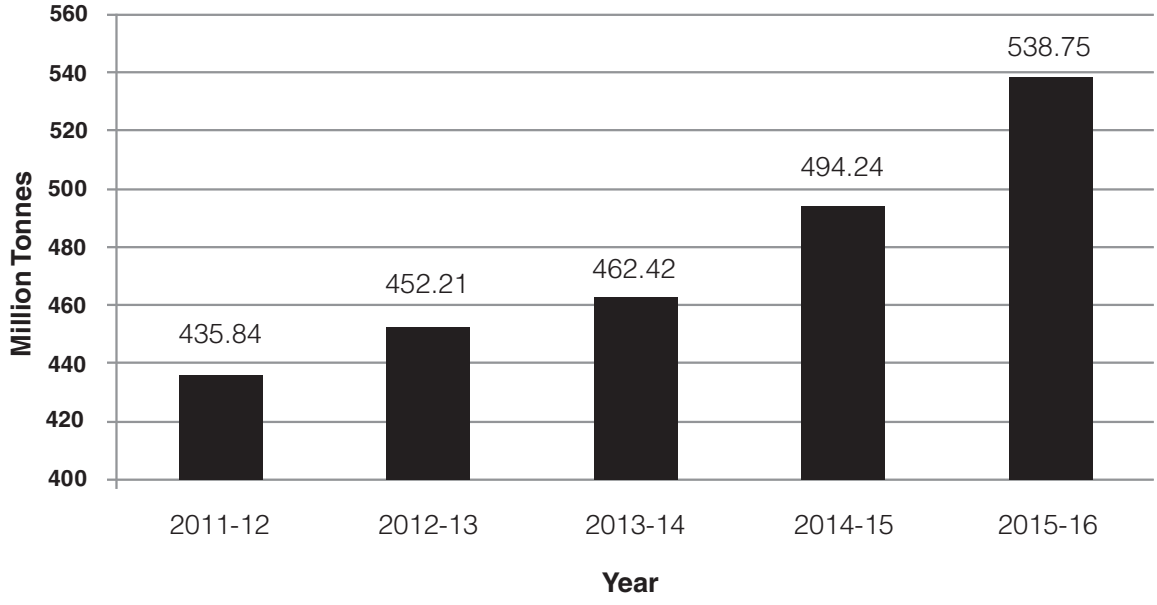
Subsidiary-wise, State wise details are given in **Annexure 12.**

4. COAL PRODUCTION

Raw coal production and production from underground and opencast mines.

Production of raw coal during 2015-16 was 538.754 million tonnes against 494.238 Million Tonnes produced in 2014-15. Coal production from underground mines in 2015-16 was 33.786 million tonnes compared to 35.042 million tonnes in 2014-15. Production from Opencast mines during 2015-16 was 93.73% of total raw coal production. Subsidiary-wise production, Production from underground and opencast mines and production of washed coal is disclosed under **Annexure 13.**

Raw coal production



Reasons for less production than the target 2015-16:

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

(i) In MCL, Bhubaneswari OCP, Belpahar OCP & Kanhia OCP had to restrict production due to EC capacity constraints. Lajkura OCP, MCL is on the verge of closure due to delay in securing Stage-II forest clearance.

(ii) In ECL, Rajmahal OCP was affected due to R&R issues as the demands of Lalmatia villagers are beyond CIL's policy and Coal stock has increased to 5.1 MTs against 3.45 MT last year due to non-lifting of coal by different power utilities.

(iii) In SECL, Saraipali OC could not start due to non-issuance of Stage-II FC. There was also delay in Kusmunda & Amera OCPs. There was restricted working space at Dhanpuri & Amlai OCs of Sohagpur Area due to non-issuance of Forestry Clearance.

Washed Coal (Coking) Production

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

Overburden Removal

Overburden Removal during 2015-16 was 1148.908 million cubic metres against 886.528 million cubic metres achieved in 2014-15 i.e. a substantial growth of 29.60%. The Company-wise overburden removal is disclosed under **Annexure 13 B.**

Future Outlook

CIL has envisaged a coal production of 908.10 MT in the year 2019-20 with a CAGR of 12.98% with respect to 2014-15. In the terminal year of XII Plan (2016-17), the target of coal production has been pegged at 598.61 MT with an annualized growth of about 11.6 %. In 2017-18, the envisaged coal production projection is to the tune of 660.7 MT with a growth of about 10.5 %.

The capital expenditure for the year 2016-17 has been set at ₹7765 crores. In addition, an ad-hoc provision of ₹2 Cr has been kept for its overseas activities. Further, Company has planned to invest ₹5069 crores in various other projects viz. Railway Infrastructure, Super Critical Thermal Power Plant (STPP), Solar Power, Revival of Fertilizer Plants, Procurement of Railway wagons, CBM etc. during 2016-17.

5. POPULATION OF EQUIPMENT

Population of Major Opencast Equipment (Heavy Earth Moving Machinery) as on 1.4.2016 and on 1.4.2015 along with their performance in terms of availability and utilisation expressed as percentage of CMPDIL norm is disclosed under **Annexure 14.**

6. SYSTEM CAPACITY UTILIZATION

The overall system capacity utilization for the year 2015-16 has worked out to be 99.87%. It was 84.36 % during 2014-15. Subsidiary-wise details for the year 2015-16 vis-à-vis 2014-15 are disclosed under **Annexure 15.**

7. PROJECT FORMULATION

7.1 Preparation of Reports:

As prioritized by subsidiary companies of Coal India Limited, preparation of Project Reports (PR) for new/expansion/re-organisation mines was carried out by CMPDI during the year 2015-16 for building an additional coal production capacity to the tune of 96 MTY. During the period, 260 reports were prepared including 17 Geological Reports, 26 Projects Reports, 167 Other Reports (included 3 Master Plans of Coalfields and 3 Operational Plans of Opencast mines) and 50 EMPs (including 16 Form-I).

7.2 Project Implementation:

a) Projects Completed During the year 2015-16:

8 coal projects each costing ₹20 Crores and above with an ultimate capacity of 48.23 MTY have been completed during the year 2015 -16. The subsidiary-wise details of project completed during 2015-16 is disclosed under **Annexure 16.**

b) Projects started Production during the Year 2015-16:

6 projects have started coal production during the year 2015-16.The subsidiary-wise details are disclosed under **Annexure 16.**

c) Status of Ongoing Projects:

123 coal projects and **33** non mining projects costing ₹ **20** Crores and above are in different stages of implementation. Out of **123** coal projects, **57** projects are running on schedule and **66** are delayed. Out of **33** non mining projects, **19** are on schedule and **14** are delayed.

Status of Ongoing Projects Costing ₹20 Crores and above

Projects	Total Projects	Projects on Schedule	Projects Delayed
Mining	123	57	66
Non Mining	33	19	14
Total	**156**	**76**	**80**

Reasons for the Delay:

Mining Projects:

34 coal mining projects are running behind the schedule due to delay in obtaining forestry clearances and 17 are due to delay in acquisition of land and associated R&R issues. In addition to the above, 7 projects are running behind the schedule due to delay or discontinuance of work or non-participation in tender by contractor, 5 projects due to law and order problem and 3 projects due to lack of Railway Infrastructure facilities for coal evacuation.

Non Mining Projects:

8 non mining projects are running behind the schedule due to discontinuance of work by contractor, law and order problem and miscellaneous issues. In addition to the above, 4 projects are delayed due to acquisition of land and associated problems of rehabilitation and 2 projects are delayed due to forestry clearances.

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

a) No Advance Action Proposal has been sanctioned by CIL Board during the year 2015-16.

b) Projects sanctioned by CIL Board

9 coal mining projects for an ultimate capacity of **159.25** Mty and a total capital investment of **₹ 26480.74** Crores have been sanctioned by CIL Board during the year 2015-16. The subsidiary-wise details of projects sanctioned by CIL Board in 2015-16 is disclosed under **Annexure 16.**

c) Non Mining Projects Sanctioned by CIL Board:

One Non mining project with a total capital investment of ₹3055.15 Crores has been sanctioned by CIL Board during the year 2015-16.

Project	Subsidiary	Date of Approval	Sanctioned Capital (₹ Crores)
East Corridor, Phase -I Rail Project, CERL, SECL	SECL	05.03.16	**3055.15**

d) Projects Sanctioned by Subsidiary Company Boards:

9 coal mining projects for an ultimate capacity of 17.90 MTY and a total capital investment of ₹ 2925.84 Crores have been sanctioned by Subsidiary Coal Companies during the year 2015-16. The subsidiary-wise details of projects sanctioned by Subsidiary Company Board in 2015-16 is disclosed under **Annexure 16**.

7.4 Revised Project/RCE Sanctioned by CIL Board:

a) No Revised Cost Estimates/Revised Project Report/ Updated Cost Estimates has been sanctioned by CIL Board during the year 2015-16.

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

7 coal mining projects for an ultimate capacity of 12.57 MTY and a total capital investment of ₹ 2027.35 Crores were sanctioned by Subsidiary Company Boards during the year 2015-16. The subsidiary-wise details of RCE/RPR/UCE sanctioned by Subsidiary Company Board in 2015-16 is disclosed under **Annexure 16.**

7.5 Key Strategies:

(i) Critical Railway Links:

There are few coalfields in the country which have huge production potential but are bereft of rail linkages for evacuation of the coal produced. Among these, 3 rail lines linked to CCL (Jharkhand), MCL (Odisha) and SECL (Chhattisgarh) are critical and expected to play a key role in evacuation of coal.

For speedy commissioning and implementation of these critical rail lines, Joint Venture Companies have been formed in tripartite partnership among Ministry of Railways, Ministry of Coal and the respective State Governments.

(ii) Acquisition and Possession of land:

In all subsidiaries of Coal India, the major portion of land is acquired under Coal Bearing Areas (Acquisition & Development) Act, 1957. During 2015-16, notification under Section 9 (1) has been issued for 7112.24 Ha and notification under Section 11 (1) has been issued for 7736.51 Ha. During 2015-16, 4542.54 Ha of land has been taken in possession in different subsidiaries of Coal India.

(iii) WEB Based Online Monitoring System:

Web based online monitoring of coal mining projects costing more than ₹100 Crores has been introduced in Coal India. Exercise for 30 projects costing more than ₹100 Crores have so far been completed during the year 2015-16. Additionally, monitoring of 47 coal mining projects costing more than ₹150 Crores with MS Project software have also been started in Coal India Limited during the year 2015-16.

7.6 Steps taken to Achieve One Billion Tonne Coal Production in 2019-20

Till 31st March'2016, a total of 32 Project Reports have been approved for an ultimate capacity of 168 Mty.

However, the realisation of the approved capacity will depend on timely acquisition of land, expeditious forest & environmental clearances and creation of evacuation facilities for which concerted efforts of CIL, Railways and State authorities are in place.

Major Challenges

Three critical railway lines, mechanization through latest technology, upgrading skills of employees, speedy acquisition of land, expeditious environmental and forest clearances and fast track state level clearances are crucial for realization of 1 BT coal production by CIL.

8. CONSERVATION OF ENERGY

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

- CMPDIL HQ has undertaken energy conservation studies in 2015-16 and carried out Diesel Audit & Benchmarking of specific diesel consumption as well as Electrical Audit & Benchmarking of specific electrical energy consumption in various opencast and underground mines situated in different subsidiaries of Coal India Limited by BEE accredited Energy Auditors. The study revealed that there is a scope for saving in diesel and electrical energy and action has accordingly been taken in line with the recommendation of the above study.
- Project-wise specific consumption of diesel is also monitored in comparison to benchmarking by CMPDIL for selected opencast projects (79 nos) of different subsidiaries of CIL.
- Apart from CMPDIL, some outside agencies, namely CIMFR (Central Institute of Mining & Fuel Research) was awarded for study of SDC (Specific Diesel Consumption) for Gevra and Kusmunda OCPs of SECL, PCRA (Petroleum Conservation Research Association) for SDC of Jambad and Rajmahal OCPs of ECL and SPC (State Productivity Council; a constituent of National Productivity Council, GoI) for Electrical Energy Audit of Sonepur-Bazari Area of ECL.
- Energy efficient LEDs are widely used for better conservation of energy.
- Auto-timer switches for street lights are in use in various mine premises, CHPs, residential areas etc. which avoid manual intervention for switching on / off the street lights and adds in saving power consumption.

- Various energy conservation measures like procurement of energy efficient illumination system, use of higher starred rating ACs, installation of energy meters / power factor meters / demand controllers for monitoring and control of energy, addition / replacement of power capacitors at suitable locations for improvement of power factor, extensive use of Arial Bunch Conductors, reduction in transmission & distribution losses, energy conservation measures in pumping system etc. have been taken and general awareness propagated among all concerned for efficient use of energy.
- Demand side management is done by improving load factor and limiting maximum demand wherever practicable by staggering avoidable load from peak hours to off-peak hours.

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

- Over and above one roof top grid-connective solar plant of capacity 140 kWp installed in the new Corporate Office Building of Coal India Limited at New Town, Rajarhat, Kolkata during 2014-15, another 20 kWp Grid Tied Solar Power Plant have been added one each of capacity 10 kWp on the roof-top of Club-Cum-Community Centre and Transit House during 2015-16.
- Apart from one roof top solar plant (grid-connective) of 200 kWp installed on 01.09.2014 in CMPDIL HQ Campus, Ranchi, initiatives have already been taken for another 3 such installations in the CMPDI RIs (Regional Institutes) with 80 kWp at RI-I, 30 kWp at RI-II and 50 kWp at RI-VI respectively.
- Initiatives for solar based street light fittings with LED Lamps have been taken at CMPDIL for 289 nos. with aggregate capacity of 8.60 kWp for its various RIs.
- In megawatt scale, one 2.016 MWp grid-connective solar power plant is in successful operation since it's commissioning at MCL HQ premises on 13.10.2014.
- 160 kWp Rooftop solar power plant installed in 3 subsidiaries of CIL, namely ECL (12 kWp), CCL (8 kWp) and WCL (140 kWp). Possible locations have been identified for installation of roof-top solar plants over service building, workshop, hospital, canteen, guest house etc. at different subsidiaries of CIL, which is expected to add about 10 MWp solar capacity in aggregate on commissioning.

9. CAPITAL EXPENDITURE

Overall Capital Expenditure during 2015-16 was ₹ 6,123.03 crores as against ₹ 5,173.49 crores in previous year.Capital Expenditure incurred during 2015-16 is102.21% of BE (99.01% in 2014-15).Subsidiary-wise details of which are given in **Annexure 17.**

10. CAPITAL STRUCTURE

The authorized share capital of the company as on 31.03.2016 was ₹ 8904.18 crores, distributed between Equity and Non-cumulative redeemable preference shares as under:

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

Listing of shares of Coal India Limited in Stock Exchanges:

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

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

Sl No	Financial Year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF

Hence, the number of shares held by Govt. of India as on 31.03.2016 stood at 5,03,09,70,582 i.e. 79.649% of the Total share capital.

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

	As on 31.03.2016		As on 31.03.2015	
	Shareholding Pattern (%)	Share Capital (₹Crore)	Shareholding Pattern (%)	Share Capital (₹Crore)
Government of India	79.649	5030.97	79.65	5031.05
CPSE - ETF	0.351	22.12	0.35	22.04
Other Investors	20.000	1263.27	20.00	1263.27
Total	**100.000**	**6316.36**	**100.00**	**6316.36**

11. BORROWINGS

Aggregate borrowings of CIL stood at ₹ 269.76 crores in 2015-16 from ₹ 208.21 crores in 2014-15, as detailed below.

Figures in ₹Crores

Particulars	2015-16	2014-15
Foreign Loans including deferred credits		
EDC Canada	174.14	170.21
Liebherr France SA., France	7.77	7.40
IRCON International Ltd.	63.92	30.60
Chhattisgarh State Infrastructure Development Corpn Ltd.	23.93	-
TOTAL	**269.76**	**208.21**

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

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

12. INTERNATIONAL CO-OPERATION

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

- Bring in proven and advanced technologies and management skills for exploiting UG and OC mines, coal preparation and related activities.
- Exploration and exploitation of Methane from Coal bed, abandoned mine, ventilation air, shale gas, coal gasification, etc.
- Locating overseas countries interested in Joint Venture in the field of coal mining with special thrust on coking coal mining.

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

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

  Following are the details of activities that took place with various countries during 2015-16.

FOREIGN COLLABORATION

Indo-US Collaboration:

Status of on-going projects under Indo-US CWG:

a) **Development of Coal Preparation Plant Simulator**

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

In the last CWG meet held in USA on 16th Sept, 2015, US DoE agreed 'to contact software developer and possibly assist in identifying an industry expert to replace the original expert who is unable to finish the project'. Alternatively, it was decided that CMPDI would take necessary action to conclude the project.

Meanwhile, Mr. Manoj Mohanty of Southern Illinois University vide email dated 8th Jan' 2016, expressed willingness to complete the project that SI could not complete,

In response to communication from CMPDI, Mr. Mohanty, vide email dated 19th March' 2016, communicated that detailed proposal would be submitted to DoE & MoC, shortly.

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

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

In the last CWG meet held in USA on 16th Sept 2015, Prof. Yoon of Virginia Tech University (VTU) informed that the technologies proposed earlier have been licensed to different companies and are available commercially. He also pointed out that VTU had developed a Hydrophobic-Hydrophylic process (HHS) for Fine Coal Cleaning and would be submitting a proposal on the same. The proposal is awaited. CMPDI requested Prof Yoon vide email dated 2nd March 2016 to send details of the technology of HHS for fine coal beneficiation and its commercial availability. The reply is awaited.

New Areas of Collaboration

a) **Underground Coal Gasification (UCG):** UCG is one of the key areas under Indo-US collaboration. A project brief for capacity building in the field of UCG development has been sent to MoC for consideration under India-US Coal Working Group, for the development of UCG in CIL command area.

Proposal related to UCG for capacity building was sent by MoC to Lead Coordinator – Indo-US working Group, USA on 3rd June, 2013.

In the Indo-US CWG meeting held on 16th Sep '15, DOE agreed to identify US experts and inform the Indian side for further course of direct action which is still awaited.

b) **Planning large capacity opencast mines:** The National Energy Technology Laboratory (NETL), USA has been entrusted with the responsibility for identifying suitable US agencies for cooperation in this area. As advised by US side, M/s Norwest Corporation and M/s Art Sullivan Mine Services were contacted by email on 8th September 2014 and response from both was received. Subsequently, the subject of "large capacity opencast mine planning, norms and standard, safe designs and dump optimization" was finalized with M/s Norwest Corporation. CMPDI received the proposal from M/s Norwest Corporation on 29th Sep.'15 that includes cost estimates. The proposal was routed for legal vetting and financial evaluation at CMPDI. Subsequently, the issue was also discussed during the visit of team from US consulate on 26th Feb' 2016 at CMPDI led by Consul General Mr. Craig. L. Hall, who assured for help in the matter.

It has now been proposed by CMPDI to route the proposal through Coal S&T Grant of Ministry of Coal, Government of India or R&D funding of CIL. Subsequently, M/s Norwest Corp was requested (March, 2016) to provide their view point on routing the proposal through S&T grant or R&D funding as the project parameters / conditionalities and cost might change. M/s Norwest Corp, vide email dated 21st March 2016, indicated willingness to prepare proposal in prescribed format under format of S&T/ R&D.

c) **Mine Rehabilitation & Reclamation of Indian Coal mines:** Projects on sustainable mine closure activities and mining wasteland to be utilized as a source of livelihood for local community were proposed to be carried out with the help of US agencies. For this purpose, a technical presentation was made by CMPDI on 10th March, 2014 in Delhi and possible areas of cooperation were discussed. It was advised by US Side to contact M/s Norwest Corporation & M/s Art Sullivan Mine Services for further assistance.

In the meantime, an Indo-US CWG meeting was held at Washington DC on 16th Sep.'15 for review of Indo-US collaborative projects. In the meeting, M/s Norwest and M/s Art Sullivan Mine Services with Mill Creek Engineering agreed to send detailed proposal for consideration by CMPDI by the end of October, 2015. The proposal has however not been received so far. Further, draft proposal, received from M/s Norwest Corporation on 15th December, 2015, was examined and sent for legal vetting and financial evaluation at CMPDI. Meanwhile, the issue was also discussed during the visit of team from US consulate on 26th Feb' 2016 at CMPDI led by Consul General Mr. Craig. L. Hall, who assured of help in the matter. It has now been proposed by CMPDI to route the proposal through Coal S&T Grant of Ministry of Coal, Government of India. Subsequently, Norwest Corp was requested (March, 2016) to provide their view point on routing the proposal through S&T grant as the project parameters/ conditionalities and cost might change. Norwest Corp, vide email (21st March '2016), indicated willingness to prepare proposal in prescribed format under Coal S&T Grant of MoC. As desired by Norwest, Format & link of site was e-mailed on 21st March' 2016.In the meanwhile, it is also proposed to discuss the issues with Indian counterpart of Norwest Corp for preparing the proposal.

d) **Advanced Dry Coal Beneficiation technology:** Dry Coal beneficiation is a priority area identified under the Indo-US CWG. Mr. Manoj Mohanty of Southern Illinois University Carbondale submitted a short proposal on Dry Jet Sorting Technologies through US DOE in Aug.14, which is based on X-Ray detection and pneumatic sorting technology, similar to ArdeeSort, CMPDI is already trying under R&D Project at Madhuband washery, BCCL. During the last CWG meet held in USA on 16th Sept. 2015 at Washington DC, Mr. Manoj Mohanty was contacted to submit a proposal on FGX Dry Coal separator, which he also confirmed through email dated 8th Jan' 2016. The proposal is awaited in spite of follow-up from CMPDI.

Indo-Australian Collaboration

Ventilation Air Methane (VAM): CMPDI on behalf of CIL has formulated a project jointly with CSIRO titled "Abatement and utilization of Ventilation Air Methane (VAM) from working underground degree – III coal mine in India". The implementing agencies for the project will be CSIRO

and CMPDI with BCCL as a sub-implementing agency. Identified project mine is Moonidih in Jharia Coalfield of BCCL. CIL R&D Board has approved the project in principle with 100% retroactive funding at present and in due course 40% should be reimbursed from National Clean Energy Fund (NCEF) with duration of project as 36 months with the consent of CSIRO. Revised proposal has been submitted for competent approval.

CMM Development: CMPDI has identified potential collaborative areas in the field of Clean Coal Technology in association with CSIRO under existing MoU between CMPDI and CSIRO. CSIRO & CMPDI joint research project under Coal S&T Grant titled "Capacity Building for Extraction of CMM Resource within CIL Command Areas" has been sanctioned in March'16.

New Areas of Collaboration

Underground Coal Gasification (UCG): In India – Australia Energy Security Dialogues held during 8th – 11th February, 2016 at Brisbane, for the development of Underground Coal Gasification (UCG) Australian companies like M/s Carbon Energy Limited was asked to look forward for the opportunities coming up in India in view of the recent UCG policy of Government of India. A meeting via Conferencing (Video/Tele) was organized by Austrade/Delhi on 31st May, 2016 where M/s Carbon Energy Ltd shared their accomplishment based on Blood Wood Creek UCG Pilot project in Australia. QLD Keyseam project further development is pending for their Govt. approval.

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

Indo-Japan Coal Working Group

Areas of co-operation discussed under this working group in Sept.15 through Video Conference and status till March, 16 are as follows:

Dry Coal Beneficiation: A communication was sent to Chairman, M/s Nagata Engg Co. Ltd vide email dated 19th March' 2016, requesting him to send the detail technology including specification and performance data, commercial availability of the separator and cost thereof with support of any kind, etc. The response is awaited from his side. The issue is being followed up from CMPDI's end continuously.

Slope Stability Monitoring: A communication was sent in March 16, to Dr. Hideki Shimanda of Kyushu University, Japan to share their technical expertise and valued opinion under Indian geo-mining condition. Reply is awaited.

Subsidence Measurement & monitoring using DINSAR Technology: Communication was sent to Mr. Tomoni Deguchi, NM Consultants, Tokyo, Japan, whose reference was given by Mr. Masafumi Uehara, Japan Coal Energy Centre for cooperation in the area of Remote sensing for subsidence measurement and monitoring using DINSAR technology.Accordingly, in response to copy of the email to Mr. Uehara, it has been communicated on 20th March' 2016 that they will send reply after discussion of the matter in the internal meeting from Japanese side. Further response is awaited. Further, an e-mail was received on 31st March' 2016 from Mr. Deguchi, NM Consultants, Tokyo, Japan, showing interest for Indo-Japan Collaborative project on the said technology.

Indo-Poland Collaboration

Secretary (Coal) met Polish delegation on 27th Oct' 2015. Keeping in view of the technical expertise in coal mining in Poland, the following areas for cooperation were proposed:

1) Capacity Building Programme for training of India Mining Engineers at KRAKOW Mining University,

2) Mechanised shaft sinking/deepening/ drift drivage, and

3) Dealing with mine fires in Jharia Coalfield.

The views of CMPDI/CIL on the proposed areas of cooperation are:

1) Short term or medium term intensive training programme may be organised at KRAKOW Mining University, Poland for planning for deep underground mining projects, Hard Roof/Strata Management in coal mines and faster extraction of coal from underground mines using high speed stowing techniques.

2) For mechanised shaft sinking/deepening/drift drivage, production subsidiaries of CIL may be requested to intimate their Polish counterpart whenever such tenders are being floated.

3) Mapping of fire area in Jharia Coalfield is being

done by CMPDI since 2012 using Thermal Infrared Satellite data. Any advance method which could be used to identify the fire areas more precisely using satellite data or any geo-spatial technique which can be applied may be tried for such studies and implementation under assistance from Poland.

Indo-EU Collaboration

The 9th meeting of Indo-EU Working Group on Coal and Clean-Coal technologies meeting was held on 10th to 11th September, 2014 at Potsdam, Germany. One of the key areas for cooperation is the development and deployment of advanced coal mining. The aim of advanced coal technologies is to increase the efficiency and safety in coal production and to mitigate environmental & social impacts. Co-operation of EU was sought for various aspects related to coal mining like steeply dipping deep-seated coal seams as under:

- Innovative mining technologies and environmental friendly solutions.
- Development of technology for deep coal mines and possible solutions for Indian conditions.
- Technological improvements to manage these risks, especially on the prevention, and include rock stress monitoring system, mine atmosphere control, and methane drainage technique, personnel tracking system and staff training for emergency situations.
- The need to modernize, develop and adopt technologies for high capacity and productive underground coal mining from deep and thick coal seams.
- Underground coal mining technologies for mass production for steep and gassy coal seams.
- Results of feasibility study to design a mining methodology for NEC coalfields.

A proposal titled "Introduction of a new underground mining technology at North-East Coalfields in Assam, India" was placed before the Indo-EU Working Group on clean coal technology for consideration in 2012. The feasibility study to design a suitable mining technology and operation was awarded by the European Commission to a Spanish Consortium led by M/s AITEMIN. The members from the Spanish Consortium visited the North-East Coalfields in Assam, India from 10-14 Feb. 2014 for preliminary discussions and data collection. The feasibility study report was submitted to the European Commission in Oct. 2014. Recently, in Dec. 2015, soft copy of the report has been received through M/s AITEMIN. However, the feasibility study report is yet to be made available to CIL/ CMPDI by the European Commission.

New Area of Collaboration:

During 8th India-EU CWG meeting held in Chennai from 28th – 29th Nov.'13, a presentation was made by CMPDI on reclamation practices, land management and utilization of mine voids for storage of mine water which is generally of good quality. Technical knowhow from EU was sought to bring back the post-mining land use pattern as existing before the mining and utilization of the same for income generation for the local community. A presentation on the requirement of the technical assistance was made by CMD, CMPDI during 9th India-EU CWG meeting held in Germany from 10th – 11th Sept.'14. However, offer of assistance is still awaited from the EU side. Also, a meeting was scheduled on 8th July, 2016 under Indo-German which could not be held. A similar project "Design and development of post-closure land reclamation plan for sustainable use of mined out area in Indian Coal Mines" is now proposed to be taken through M/s Norwest Corporation under Indo-US CWG.

Other activities through international cooperation:

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

b) **CMM/CBM Clearinghouse:** US Environmental Protection Agency (USEPA) representative Ms Felicia A Ruiz, Climate Change Division, US Environmental Protection Agency, Washington DC along with Mr Jonathan Kelafant visited CMPDI (HQ) on 9th – 11th February, 2016. During the visit, activities of India CMM/CBM Clearinghouse was also reviewed and appreciated by USEPA. Under GMI initiative a Pre-feasibility study on pre-mine methane drainage feasibility for (a) Sawang UG mine, East Bokaro Coalfield in 2014 and (b) Chinakuri UG mine, Raniganj Coalfield in 2016 has been undertaken by the USEPA Consultant under the Coalbed Methane Outreach Program (CMOP) and during the visit Pre-feasibility study on CMM drainage at Chinakuri Mine (ECL) was also deliberated along with mine officials. Mr Craig L Hall, Consul General, US Consulate, Kolkata also visited India CMM/CBM Clearinghouse on 26th February'2016 and appreciated the accomplishments.

c) Research & Development Activities

R&D Project on "Green House Gas Recovery from coal mines and coal beds for conversion to Energy":

A multi-organisation, multi-nation international collaborative project with 12 participating organisations and 5 countries (India, China, UK, Slovenia, Slovakia) and funded by European Union Research Commission (EURC) was pursued at Moonidih mine of CIL by CMPDI. The project was completed in July'15.

13. COAL VIDESH DIVISION

I. INITIATIVES FOR ACQUISITION OF COAL ASSETS ABROAD

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

The prospecting licenses no. 3450L & 3451L, covering a total area of 224 sq. km were awarded to CIAL, a wholly owned subsidiary of CIL, with validity from August 2009 to August 2014, and subsequently extended upto August 2019. The following activities pertaining to the above license areas have been undertaken in 2015-16:

Out of 224 sq.km. of the total license areas, 170 sq.km area having no occurrence of coaly horizons till a depth of 500 m, as revealed in the Geological Report, has been surrendered to the Government of Mozambique. The remaining 54 sq.km area has been retained for which the Government of Mozambique has issued new licenses valid till August 2019.

Based on the results of various exploration activities in the license areas 3450L and 3451L, the Geological Report has been prepared. A Mineability Study has been undertaken based on the findings of the Geological Report.The findings of the Mineability Study revealed that it is technically not feasible to do mining in the license areas of CIAL. Accordingly, CIL Board accorded its approval for surrender of prospecting license nos. 3450L and 3451L of CIAL to the Government of Mozambique. Pursuant to this decision, applications for complete surrender of prospecting license nos. 3450L and 3451L, have been submitted to the National Institute of Mines (Instituto Nacional de Minas), Ministry of Mineral Resources and Energy, Government of Mozambique. The response of the Government of Mozambique is awaited.

(B) Acquisition of coal assets in South Africa through G2G route:

The CIL Board has accorded approval to the proposal for execution of MOU between CIL and African Exploration Mining & Finance Corporation, SOC Ltd., (AEMFC) an entity owned by the Government of South Africa for identification, acquisition, exploration, development and operation of coal assets in South Africa. The decision of the CIL Board has been communicated to AEMFC requesting them to finalize the date and venue for signing the MoU.

(C) Setting up of Apex Planning Organization (APO) & Apex Training Organisation (ATO):

Government of India has sanctioned ₹ 385 Crores for setting up of APO & ATO and its running for the period 2015-20 at Mozambique with CIL as the implementing agency for setting up of these Institutes.

II. REVIVAL OF FERTILIZER PROJECT(S)

Revival of Talcher Unit of FCIL, through Joint Venture Company

A Joint Venture Company comprising RCF, FCIL, GAIL and CIL has been registered for setting up a coal based Ammonia-Urea Complex at the premises of the defunct fertilizer plant at Talcher.

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

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

High Powered Central Committee meetings were conducted under the Chairmanship of Secretary (Coal), MoC to review the activities of implementation of Master Plan. Twelve meetings were conducted so far, last meeting was held on 29th Feb' 2016.

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

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

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

Demographic Survey work has been completed for all 126 locations out of 141 identified locations as 10 locations having no habitation and 3 locations have only ECL population. In 2 locations survey work could not be completed due to public agitation. The final list has already been published which contains 44598 households. Photo Identity Card (PIC) has been distributed to 43087 persons out of total of 44598 persons. Most of the employees residing in 3 locations have been shifted and remaining persons were allotted quarters and are in the process of shifting.

According to the approved Master plan, about 896.29 ha. (2214 Acres) land would be required for resettlement of non-ECL families. ADDA has submitted a list of vested lands in different patches to ECL authority with a total area of 929.62 Acres requiring NOC for construction of Rehabilitation Township. Out of this for 929.62 acres of land, NOC has been issued by ECL authorities for a total of 401.96 acres of land. ECL requested ADDA to supply Mouza Maps and a plan showing the position of all vested lands with latitude/ longitude to examine the mineable coal reserves in the balance portion of the land. ADDA informed that Detailed Project Report (DPR) to be prepared for 1st phase of rehabilitation within 209 acres of land where about 16,700 dwelling units with other infrastructures and amenities can be provided.

i) Diversion of National Highway-(NH-2) and District Board (DB) Roads.

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

ADDA informed that DPR of the 3 roads, 2 in Salanpur Area at Mohanpur and Gourangdih-Begunia and 1 at Satgram Area at Ratibati has been sent by ADDA to Additional. Chief Secretary, C&I Dept., Govt. of W.B. duly vetted by Chief Engineer, Western Zone, P.W.D. for approval. ECL also informed that it has given acceptance of estimate of ₹ 15.42 Crores for diversion of DB Roads from subsidence prone area of Raniganj Coalfields.

ii) Diversion of Railway line:

Andal-Sitarampur Railway line: RITES submitted FSR on 29th Sep' 2015 with an approximate estimated cost of ₹ 58515.10 Lakh for total diversion length of 20 Km .After detail discussion with M/S RITES and ECL authority, it was proposed to review the diversion route to reduce the estimated cost.

RITES has submitted revised FSR on 10th March' 2016. The original FSR with revised part examined in detail and was found in order. RITES submitted the original FSR to Railway Authorities in advance for their approval.

iii) Diversion of Indian Oil Corporation Limited (IOCL) pipeline:

IOCL informed that second tier survey report has been submitted by National Institute of Rock Mechanics (NIRM), Bangalore which is under examination.

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

Reduction in Fire area: The coal mine fire survey/ study was instituted by BCCL through National Remote Sensing Centre (NRSC), ISRO, Deptt. of Space, Hyderabad for delineation of surface coal fires in Jharia Coalfield. NRSC has submitted their report in which they have concluded that the present fire area in the coalfield is only 2.18 sq.km. which includes both over burden dump fire and active fire. In the Master Plan, total surface area affected by fire described as 8.9 sq.km. NRSC has deduced these findings from the State of Art, Satellite based technology. Action is being taken by BCCL for dealing with fire as stipulated in the Approved Master Plan. NRSC has been requested to repeat the satellite TIR survey. NRSC has confirmed for survey in June 2016.Once the finding of NRSC are submitted after the survey is completed, BCCL would improvise the fire action plan for speedier liquidation of fire area.

As per Master Plan, total 54159 families' in 595 sites were to be surveyed. CIMFR, ISM, whiz Mantra and JRDA has completed survey of 595 sites for 91879 families of encroachers, survey of private houses is yet to be done (as reported by JRDA). Issue of Photo Identity Cards (PICs) are completed for 52826 families.

3360 houses have been constructed in Belgoria Rehabilitation Township "Jharia Vihar" in which1528 houses are allotted to affected non-BCCL families and 1374 families are shifted. Construction of 4000 units are in progress out of which 1008 units are completed. Letter of acceptance has been issued by JRDA for construction of 4000 units more. For further 10,000 units, JRDA is processing tendering

procedure.

In order to shift BCCL employees residing in fire affected areas, 1496 houses have been built by BCCL in non-coal bearing zone and Families from fire & subsidence places have been shifted to these houses and are occupied. Further construction of 14356 units by BCCL is under progress and in different stages of completion.

Status of land acquisition by JRDA for rehabilitation sites

About 1105 ha land (say 2730 Acres) would be required for resettlement of non-BCCL families as per the provision of Master plan.

- Proposal for acquisition of 352.27 acres of Raiyati land have been sent to DLAO, Dhanbad, but now the process has to start afresh under the new LARR Act 2013. Request has been made by JRDA to Joint Secretary, Ministry of Coal to accord permission to initiate proceeding for land acquisition.
- JRDA has taken ownership of 140.92 acres of land from DLAO.
- NOC of 86.44 acres of vacant land in Bhuli Township and 849.68 acres of non-coal bearing land in and around Belghoria Township belonging to BCCL has been accorded by MoC which has been communicated to JRDA along with all the required mouza plans, for developing new Township by JRDA.

  Coal India Ltd has infused ₹160.79 crores to ECL and ₹824.80 Crores to BCCL till March 2016 for implementation of Master Plan.

15 ENVIRONMENTAL MANAGEMENT

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

EIA/EMPs for all the new and expansion projects as per EIA Notification SO 1533 dated 14th September, 2006 of MoEF are prepared for peak and normative capacities and environmental clearance is obtained. During the year 2015-16, CMPDI has prepared a total of 16 Form-I and formulated 34 Draft EIA/EMPs. 23 environmental clearances were also obtained from MoEF for different Projects/Group of Mines, Washeries and Sand Mine Project of CIL during the year 2015-16.

15.2 Pollution Control Measures and their Efficacy

Coal India has been playing a proactive role in environment protection so as to ensure that its mining operations are carried out in an environmentally compatible manner. Pollution control measures are taken concurrently with mining operations for maintaining acceptable levels of major physical attributes of environment namely air, water, hydrogeology, noise, land & nearby population.

(A) Air Pollution Control Measures:

Dust being generated during drilling, blasting, loading, transportation of coal for which Coal India Ltd. takes various initiatives to mitigate the same based on the Environmental Management Plans (EMP) already prepared before commencement /enhancement of production from coal mines. This EMP is prepared after assessing the impact on existing environment and forest due to coal mining projects through Environment Impact Assessment (EIA) study of each project. The air pollution control measures are as follows:

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

a) Mobile sprinklers have been deployed along haul roads so as to control dust generated by truck movement and dumpers.

b) Optimum loading of coal trucks to avoid spillage on roads.

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

d) Blacktopping, strengthening of coal transportation roads are regularly and scientifically done.

e) Plantation in the mining activity areas along roads to create green belts in and around the mines. Plantation along avenues and around mines are also being carried out.

f) Switching to eco-friendly mode of transport: In order to reduce the dust pollution due to road transportation,

eco-friendly measures are being adopted. Coal to thermal power stations who consume more than 80% of thermal coal, is transported by rail / series of belt conveyors to thermal power stations & rail heads are constructed to make rail head available nearer to mine to reduce road transportation. CIL have constructed / are constructing integrated CHP for rapid loading wagon and trucks.

g) Covered conveyors are also adopted for transportation of coal to thermal power plant in an environment friendly way in some of the mines. The sides of CHPs are also covered by side cladding with GI Sheet to control pollution at source.

h) In order to prevent dust at source itself, use of dust extractors / wet drilling systems are being undertaken.

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

j) Adoption of modern technologies like Surface Miners at different subsidiaries of CIL, which generates lesser air borne pollution for carrying out mining activities as compared to conventional methods as drilling, blasting & use of explosives are eliminated. During the year 2015-16, CIL has produced about 44% (234.652 M Tes) of its production from open cast mines through Surface miners. Continuous miners contributed about 3.333 M Tes of production from underground mines.

k) Ambient air quality in and around the mine site is being monitored fortnightly. There are required numbers of ambient air quality monitoring stations, as stipulated in environmental rules and regulations which are being monitored on fortnightly basis as per Environment (Protection) Act, 2006, and reports are regularly submitted to SPCBs and MOEF.

l) Continuous Ambient Air Quality Monitoring Stations (CAAQMS) are installed / being installed in large mines of CIL.Continuous Ambient Air Quality Monitoring Stations have been installed at 4 locations in SECL. CAAQMSs are under process of installation at locations 3 in BCCL, 1 in WCL & 10 in NCL. CIL has agreed to install 16 CAAQMS in the different cities of country as decided by CPCB.

(B) Mine Water Management:

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

(C) Noise Pollution Control Measures:

For control of noise pollution, following measures are adopted:

i) Proper maintenance of equipment to minimize vibration.

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

iii) Controlled Blasting & blasting in only day time.

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

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

(D) Land Reclamation:

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

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

- **Eco-park in Reclaimed land:** Eco Parks have been developed in many of the mined out areas of CIL (Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi

of NCL, Sauner of WCL etc.).

- **Monitoring of Reclamation:** CIL introduced state-of-the-art Satellite Surveillance to monitor land reclamation and restoration for all opencast projects. The land reclamation and rehabilitation operations are being monitored by Satellite Surveillance. 50 major OCPs excavating more than 5 MM^3 (Coal+OB) per annum are being monitored every year while remaining OCPs excavating less than 5 MM^3 (Coal+OB) per annum are being monitored every 3rd year. This gives a clear picture of reclamation, which otherwise is difficult to accurately estimate.

- **Mine Closer Plan:** Mine closure plan is an integral part of the project report prepared by CMPDIL for Coal mines after exhaustion of reserves of a mine. This progressive mine closure plan also forms a part of the EIA/EMP prepared and submitted to MOEF for Environmental Clearance. The progressive reclamation of mined out areas are inbuilt in the project cost and is implemented accordingly. After exhaustion of reserves, statutory obligations in respect of closure are also followed. CIL is practicing mine closure very effectively .CIL is committed for restoration of abandoned / mined out areas in a socially acceptable & environment friendly manner.

(E) Strive for continual improvement in environmental performance by setting targets, measuring progress and taking corrective action.

CIL has engaged Indian Council of Forestry Research & Education (ICFRE), Dehradun for Environmental Audit of 20 OC Mines of CIL which is intended for third party inspection, verification of the existing levels of pollution vis-a-vis the laid down standards and to delineate the compliance status of major projects in addition to the inspection carried out by the statutory authorities like CPCB/SPCB etc. ICFRE will recommend, if considered necessary for supplementary actions to be taken in order to further improvement of environmental performance of identified CIL mines

CIL has signed an MoU with National Environmental Research Institute(NEERI), Nagpur on 3rd Dec. 2015 to carry out studies, monitoring and collaborative research work for "Sustainable Coal Mining in CIL".CIL is in the process of finalization of Carbon assessment study in SECL and NCL through NEERI. NEERI is also studying on the effectiveness of supplying de-shaled/dry-beneficiated / washed coal (reduction in ash content by 5-6%) to power plants following all pollution control measures.NEERI will submit environment management plan for mitigation of impact on regional environmental quality due to supply of deshaled / dry –beneficiated coal to power plants in context of prevailing pollution control practices.

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

CIL has signed an MoU with Energy Efficiency Services Limited (EESL) to promote energy efficiency provisions in CIL and its subsidiary companies.

To promote, Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing 1000 MW Solar Power Projects during 2014-19. For implementation of these projects, CIL has signed an MoU with Solar Energy Corporation of India (SECI).

In the 1st phase, CIL is going to set up 2x100 MW Solar Power Plants in the state of Madhya Pradesh. In the 2nd Phase CIL is going to develop a capacity of 600 MW in the Solar Parks of Madhya Pradesh, Chhattisgarh, West Bengal and Maharashtra for which NIT has already been floated by SECI.

CIL's initiatives has resulted in installation of 2.0 MW capacity , 0.19 MW capacity and 0.14MW Solar PV power plants in MCL, Burla ; CMPDIL, Ranchi and CIL HQ at Kolkata respectively.

15.3 ISO 14001 System

The implementation, certification and re-certification of different units of CIL against ISO: 14001 (Environmental Management System) is continuing. As on 31st March'2016, a total of 29 units and two companies (MCL & NCL) are certified as per ISO: 14001 standards.

With the success of a companywide Integrated Management System (IMS) in MCL & NCL, the transition from unit wise certification to the companywide Integrated Management System has begun in ECL, CCL & BCCL during 2015-16. It is expected that by April, 2017 ECL, CCL & BCCL would be able to get certifications for companywide IMS which includes ISO: 14001.

15.4 Assessment of Impact of Coal Mining in different coalfields

Vegetation cover mapping of six coalfields viz. Karanpura, East Bokaro, West Bokaro, Korba, Bander and Singrauli coalfields based on satellite data have been completed during the year 2015-16 for assessing the regional impact of coal mining on land use / vegetation cover in the span of 3 years to take remedial measures required, if any.

15.5 Resettlement & Rehabilitation Policy of CIL

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

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

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

15.6 Mine Closure Plans

In terms of the revised guidelines issued by Ministry of Coal (MoC) in 2013, CMPDI has prepared 37 mine closure plans for CIL mines during the year. Quick comments on 28 mine closure plans for coal blocks sent by MOC were also prepared and sent to MoC during the year.

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

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

The Govt. has allotted two CBM blocks in 2002 namely Raniganj North CBM block in Raniganj Coalfield and Jharia CBM block in Jharia coalfield to the consortium of ONGC & CIL on nomination basis for commercial development of CBM. CMPDI is implementing the projects on behalf of CIL. ONGC is the Operator for both CBM blocks and carrying out the project works as per the provisions of contractual agreement with the Govt. of India and Operating Agreement entered into between ONGC & CIL. On completion of CIL part of Minimum Work Programme by CMPDI and Pilot Appraisal activity by ONGC, Field Development Plan (FDP) was formulated by the Operator i.e. ONGC for both the CBM Blocks.

The FDP for both the CBM Blocks were approved by Govt. of India in July 2013. Petroleum Mining Lease (PML) for Jharia CBM Block has been granted by State Government of Jharkhand in July, 2015. However, works of Field Development Phase in Jharia CBM Block could not be started due to non-availability of Environmental Clearance (EC). In Raniganj North CBM Block also, the work of Field Development Phase could not be started due to non-availability of PML & EC. Further, there are certain issues of overlap of Bengal Aerotropolis Project Ltd. (BAPL) infrastructure development & few Coal Blocks in assessed area of Raniganj CBM Block. Matter has been taken up at appropriate level for resolving the issues.

16.2. CBM related studies:

CMPDI and GSI are carrying out studies related to "Assessment of Coalbed Methane Gas-in-Place Resource of Indian Coalfields/Lignite fields" in selected boreholes being drilled under Promotional Regional exploration since X Plan period under Promotional Regional Exploration (PRE) funding.

A total of 60 boreholes (40 by CMPDI and 20 by GSI) will be taken up for CBM specific data generation during XII Plan. So far, studies have been completed by CMPDI in thirty two (32) boreholes and in eighteen (18) boreholes by GSI during the XII Plan period. During the year 2015-16, studies has been done in eight (8) boreholes by CMPDI and seven (7) boreholes by GSI. CMPDI & GSI have completed CBM specific studies in 121 boreholes (83 by CMPDI &38 by GSI) since commencement of the work.

A total of twenty one reports have been submitted by CMPDI since April, 2007. During the year 2015-16, following three reports based on CBM related studies have been submitted:

a) Subhadra West block, Talcher Coalfield,

b) Dolesara block, Mand-Raigarh Coalfield.

c) Brahmanbill block, Talcher Coalfield.

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

S&T project on "CBM Reserve estimation for Indian coalfields" has been approved under EoI of Coal S&T project. The project is of 3 years duration with effect from 24th March, 2014. IIEST (BESU), Shibpur is the main implementing agency and NGRI, Hyderabad; TCE, Kolkata &CMPDI are co-implementing agencies for this project. An area in South Karanpura Coalfield has been finalized for taking up 2D/3D Seismic survey by NGRI.

16.3 Shale gas related studies:

CMPDI is carrying out studies related to "Assessment of Shale Gas-in-Place Resource of Indian Coalfields/ Lignite fields" through boreholes being drilled under promotional exploration since XII Plan period under PRE funding of Ministry of Coal. This study will create the data

for assessment of shale gas potentiality and facilitate delineation of more blocks for shale gas development.

Shale gas specific data generation has been planned in 25 boreholes during XII Plan period. Out of these, so far, shale gas studies have been completed in twenty (20) boreholes including five (5) boreholes taken up for study during 2015-16.

16.3.1 S&T Project titled "Shale gas potentiality of Damodar Valley basin of India"

S&T project on "Shale gas potentiality of Damodar basin of India" is under implementation by NGRI, Hyderabad as the principal implementing agency and CMPDI & CIMFR as sub implementing agencies. The project completion schedule has been revised to May, 2017 with total project cost of ₹20.38 crore. The project objective is to evaluate potentiality of Shale gas in Damodar basin through integrated geophysical, geological, geo-chemical and petro-physical investigations. Initial studies are being done in Rangamati B block (Tumni & Kanchanpur Sector) of Raniganj Coalfield where NGRI will take-up the 3D seismic survey and 2D Seismic survey. NGRI has taken-up preliminary activities to start the studies. On the findings of Seismic survey, CMPDI will take up drilling of boreholes for generation of data.

16.4 Commercial development of Coal Mine Methane (CMM)

Commercial development of CMM is a priority area both at the Govt. and Coal Industry level. MoC has made CMPDI the Nodal Agency for development of CMM in India. Successful implementation of the Demonstration Project at Moonidih mine of BCCL, Jharia Coalfield has already proved the efficacy of the process in Indian Geo-mining condition and five suitable areas within CIL mining leasehold areas were identified. To expand the scope of development of CBM in CIL areas, further studies for "Assessment of CMM Potentiality in CIL Command Area" has been undertaken. Presently detailed exercise has been initiated for recovery of CMM in ECL command area for which an area of 57 Sq. Km has been delineated.

Ministry of Coal vide Office Memorandum dated 29th July, 2015 has permitted CIL for exploration and exploitation of CMM from its coal mining lease hold areas. MoP&NG vide notification dated 3rd November, 2015 has issued mechanism of operationalization/grant of PML in Coal mining leasehold areas of CIL. However, some issues pertaining to grant of lease still needs clarification for which the matter has been taken up by CIL at appropriate level.

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

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

16.5 Project on VAM

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

16.6 CMM/CBM Clearing house in India

A CMM/CBM clearinghouse established at CMPDI, under the aegis of Ministry of Coal and US Environmental Protection Agency (USEPA), is functioning as the nodal agency for collection and sharing of information on CMM/CBM related data of the country and help in the commercial development of CMM Projects in India by public/private participation, technological collaboration and bringing financial investment opportunities. The website of India Clearinghouse, http://www.cmmclearinghouse.cmpdi.co.in, encompasses all the important information viz. EOI notifications, newsletters in addition to information regarding opportunities existing for development of CMM, VAM, etc.

Under GMI initiative, a Pre-feasibility study on pre-mine methane drainage feasibility for (a) Sawang UG mine, East Bokaro Coalfield in 2014 and (b) Chinakuri UG mine, Raniganj Coalfield in 2016 has been undertaken by the USEPA Consultant under the Coalbed Methane Outreach Program (CMOP) and during the visit of USEPA officials on 9th February, 2016 the Pre-feasibility study on CMM drainage at Chinakuri Mine (ECL) was deliberated along with mine officials. Mr. Craig L Hall, Consul General, US Consulate, Kolkata also visited India CMM/CBM Clearinghouse on 26th February'2016 and appreciated the accomplishments.

17 SAARC Workshop Program "Experience Sharing on CBM, UCG & Coal Extraction Methodology

SAARC Training Workshop on "Experience sharing on CBM, UCG and Coal Extraction Methodology" was organized at Delhi during 26th– 27th November, 2015. It was organized in collaboration with SAARC Energy Centre, Islamabad and CMPDI where representatives from six member countries of SAARC participated in the program. It was highly appreciated by the participating countries.

18 COMMERCIAL DEVELOPMENT OF UNDERGROUND COAL GASIFICATION (UCG) WITHIN CIL COMMAND AREA

MoC has constituted Inter Ministerial Committee (IMC) for identification of areas for UCG on the lines similar to the existing policy of CBM development. Two meetings of IMC were held under the Chairmanship of Special Secretary (Coal). In the 2nd IMC meeting, potential blocks in coal and lignite were identified for the commercial development of UCG.

19 GEOLOGICAL EXPLORATION & DRILLING

CMPDI has substantially improved the capacity of drilling during XI & XII plan period. 39 new Mechanical drills & 12 Hi-Tech Hydrostatic drills have been procured since 2008-09, out of which 12 have been deployed as additional drills and 39 as replacement drills. In addition to this, supply orders for 7 Hi-tech Hydrostatic drills have been placed in 2015-16, which will be received in 2016-17.

19.1 Drilling Performance in 2015-16

CMPDI deployed its departmental resources for detailed exploration of CIL/Non-CIL blocks whereas State Govts. of MP and Odisha carried out exploration in CIL blocks only. Besides, eight other contractual agencies have also been engaged for detailed drilling/exploration in CIL/Non-CIL blocks. A total of 140 to 160 drills were deployed in 2015-16, out of which, 62 were departmental drills.

As against the achievement of 2.09 lakh metre in 2007-08, CMPDI has achieved 8.28 lakh meter in 2014-15 and 9.94 lakh meter in 2015-16 through departmental resources and outsourcing, registering a growth of 20% over previous year.

Apart from it, CMPDI continued the technical supervision of Promotional Exploration work undertaken by MECL in coal sector on behalf of MoC. A total of 1.12 lakh meter of promotional drilling has been carried out in Coal (0.52 lakh meter) & Lignite (0.60 lakh meter) during 2015-16.

In 2015-16, CMPDI and its contractual agencies took up exploratory drilling in 113 blocks/mines of 22 coalfields situated in 6 States. Out of 113 blocks/mines, 35 were Non-CIL/Captive blocks and 78 CIL blocks/mines. Departmental drills of CMPDI took up exploratory drilling in 50 blocks/mines whereas contractual agencies drilled in 63 blocks/mines.

Due to non-availability of forest clearance, work was stopped in 49 blocks. Due to lack of forest clearance and adverse law & order, about 4.85 lakh meter of drilling could not be carried out in departmental and outsourced blocks in 2015-16.

19.2 Geological Reports

In 2015-16, 17 Geological Reports were prepared on the basis of detailed exploration conducted in previous years. In addition, 5 IGRs/Geological Notes were also prepared. The prepared Geological Reports have brought about 6.1 billion tonnes of additional coal resources under 'Proved' category.

Under Promotional Exploration Programme, GSI and MECL have submitted 3 Geological Reports on coal blocks estimating about 1.03 billion tonnes of coal resources, in 'Indicated' & 'Inferred' categories, above the specified thickness.

19.3 Hydrogeology

Hydro geological studies of a number of mining projects/mines were taken up for preparation of 'Groundwater Clearance Application' for CGWA approval and EMP clearance. Hydro geological studies for 29 mining projects/mines/cluster of mines in BCCL, CCL, WCL, SECL and MCL were completed during 2015-16.

CMPDI is carrying out groundwater monitoring of MOEF cleared projects viz. 77 nos. of mines of WCL area and 15 nos. Cluster of mines in BCCL area. Water level monitoring in other areas of ECL, CCL, SECL, NCL and MCL are also in progress.

Hydrogeological studies in 10 projects of WCL, SECL and MCL have been carried out for water supply arrangement to mines, colony and villages. Assessment of impact of coal mining on groundwater system in coalfields of CIL using CGWB and CMPDI data have also been considered.

19.4 Geophysical survey

Geophysical Logging: Boreholes drilled for exploratory drilling were geophysically logged to get the in-situ information of different strata encountered in the boreholes. During the year 2015-16, a total of 1, 75,503 depth metre of geophysical logging has been carried out in CIL and Non-CIL projects with multi-parametric geophysical logging equipment. Out of this, 81,035 depth metre of logging was done by five departmental geophysical logging units and 94,468 metre of logging was carried out by contractual agencies.

Surface Geophysical Surveys: CMPDI has also undertaken Electrical Resistivity & Magnetic Survey in CIL and Non-CIL blocks for delineation of In-crop of coal seams, delineation of dykes and ground water investigation. A total of 329 line km of Resistivity profiling, 238 Vertical Electrical

Sounding (VES) and 7565 stations of Magnetic survey have been carried out in 2015-16. With the 48-Channel signal enhancement Seismograph, a total of 57.8 line kms of High Resolution Shallow Seismic (HRSS) survey has been carried out in part of Mohanpur south& adjoining blocks, Raniganj coalfield; Patratu ABC blocks, South Karanpura Coalfield; Chandrabila block, Talcher Coalfield and part of Makri-Barka (E) block, Singrauli Coalfield.

20 OUTSIDE-CIL CONSULTANCY SERVICES

During the year 2015-16, 18 consultancy jobs were done by CMPDI for 13 organizations outside CIL. Some of the major clients/organizations are Tata Steel, MOIL Ltd., NMDC, Punjab State Power Corporation Ltd., etc.

Presently, 19 outside consultancy jobs are being executed by CMPDI for 15 organisations like SAIL, MOIL, Tata Steel, IDCO, NTPC, Odisha Coal and Power Ltd., Gujarat State Electricity Corporation Ltd., MP Power Generating Co. Ltd., UCIL, NMDC etc.

During the year 2015-16, 33 outside consultancy jobs worth ₹ 39.37 crores from 28 organizations were procured by CMPDI. This is the highest ever value of jobs obtained in a year by CMPDI.

21 RESEARCH & DEVELOPMENT PROJECTS

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

The R&D activity in Coal sector is administered through an apex body namely, Standing Scientific Research Committee (SSRC) with Secretary (Coal) as its Chairman. The other members of this apex body include Chairman CIL, CMDs of CMPDI, SCCL and NLC, Directors of concerned CSIR laboratories, representatives of Department of S&T, Planning Commission and educational institutions, amongst others.

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

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

Total no. of S&T projects taken up (till 31.3.2016)	-	390
Total no. of S&T projects completed (till 31.3.2016)	-	314

21.2 Physical performance

The status of Coal S&T projects during 2015-16is as under:

i)	Projects on-going as on 1.4.2015	12
ii)	Projects approved during 2015-16	07
iii)	Projects completed during 2015-16	01
iv)	Projects on-going as on 01.4.2016	18

Following new S&T projects were approved during 2015-16:

1. Constructing structures on backfilled opencast coal mines : An attempt to suggest viable methodologies - ISM, Dhanbad & CMPDI, Ranchi
2. Optimization of various parameters of lab scale Coal Winnowing System (Phase-II) - CIMFR, Nagpur and CMPDI, Ranchi
3. Techno-economic Evaluation and performance behaviour of Self Advancing (mobile) Goaf Edge Supports (SAGES) (Phase–II) - ISM, Dhanbad &JBEPL, Hyderabad
4. On-line coal dust suppression system for opencast mines - C-DAC, Thiruvananthapuram & CMPDI, Ranchi
5. Possible implications of bioavailable iron in coal mine dust on coal workers' lung disease - National Institute of Miner's Health (NIMH), Nagpur; Priyadarshini Institute of Engineering & Technology (PIET), Nagpur; Central India Institute of Medical Science (CIIMS), Nagpur & WCL, Nagpur
6. Investigation pertaining to geotechnical & hydrogeological aspects to stabilize the non-cohesive granular soil/sand in the opencast mines adjacent to the major perennial river - CMPDI, Nagpur; IIT, Mumbai and WCL, Nagpur
7. Capacity building for extraction of CMM resource within CIL command areas - CMPDI, Ranchi & Commonwealth Scientific and Industrial Research Organization (CSIRO), Australia

Following Coal S&T project was completed during 2015-16:

Modelling of airborne dust in opencast mines - National Institute of Technology, Karnataka, Surathkal.

21.3 Financial Status

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

(₹in Crores)

2014 -15		2015 -16	
RE	**Actual**	**BE**	**Actual**
17.95	16.16	18.0	17.59

21.4 CIL R&D Projects

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

So far, 73 projects have been taken up under the funds of CIL R&D Board, out of which 58 projects have been completed till March, 2016.

The status of CIL R&D Board Projects during 2015-16 is as follows:

(i)	Projects on-going as on 1.4.2015	15
(ii)	Projects approved in principle by CIL R&D Board during 2015-16	03*
(iii)	Projects completed during 2015-16	05
(iv)	Projects on-going as on 1.4.2016	10

*Note: 3 (Three) Projects were approved, in principle, subject to certain conditions imposed by CIL R&D Board. Revised proposals for these projects were not submitted till 31.03.2016 for examination and approval and hence not considered as on-going projects as on 1.4.2016.

Following three new R&D projects were approved in principle by CIL R&D Board during 2015-16:

1. Development of guideline for prevention & mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol - ISM, Dhanbad; CIMFR, Dhanbad; CIL and SIMTARS, Australia
2. Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations - CMPDI, Ranchi and NRSC, Hyderabad
3. Abatement and utilization of ventilation air methane from a working underground degree-III coal mine in India - CMPDI, Ranchi and Commonwealth Scientific and Industrial Research Organization (CSIRO), Australia

Following R&D projects were completed during 2015-16:

1. Construction of quick setting stopping in case of fire in underground mines using expansion foam agent.
2. Green House Gas Recovery from Coal Mines and Coal Beds for Conversion to Energy (GHG2E)
3. Development of Rubber Compound and Repair Techniques for Trailing Cables of Underground Mining Machines
4. Development of Dynamic GIS enabled Forward Cost Modelling (FCM) of land reclamation, control and monitoring of acid mine drainage problems in the context of continuation and expansion of the coal mining in Assam – an ICT based Environment Management Approach.
5. Design, Develop and Demonstrate a Micro-Grid system for optimization and control of Multiple source of power

22. TELECOMMUNICATION SYSTEM AND INFORMATION TECHNOLOGY

CIL and its subsidiaries are striving for introduction and betterment of IT solutions to increase transparency and optimal utilization of resources for the satisfaction of its stakeholders. The following key initiatives have been undertaken:

1. GPS based Operator Independent Truck Dispatch (OITDS) with high speed Data and Voice communications is implemented in all eleven opencast projects to optimize HEMM to enhance production and productivity of the mine.
2. An ambitious plan to commission GPS/GPRS based Vehicle Tracking System across all major mines of Coal India was taken up and till date more than 8000 such installation is operational in various subsidiaries of CIL.
3. In order to improve coal dispatch, actions have been taken to connect all weighbridges with Central Server of respective subsidiaries.
4. Electronic Surveillance through CCTV at Weighbridges has been taken up and more than 800 such installation at various subsidiaries are in operation.
5. Digitization of Old documents at CIL HQ was undertaken and successfully completed under the Project DDMA (Document Digitization and Archival Management) to create a knowledge base. More

than 80 Lakhs of document have been digitized and with introduction of Electronic file movement, CIL HQ is likely to become paperless and make its contribution for Greener India.

6. E-auction of coal, e-procurement of goods and services are operational through service provider of CIL, e-payment to employees and vendors, e-filing of grievances is in operation to embark upon the business process through IT initiatives.

7. Corporate Mail Messaging System is in place and provision for corporate Email id to all Coal India Officers including its subsidiaries has been made.

8. The subsidiaries have Coal Net and other Information systems in place for accounting, finance, payroll, material management, Sales& Marketing and other business functions.

9. Biometric Attendance at New Office of CIL Hqs as well as in a few mines and subsidiaries has been introduced to regulate efficient attendance monitoring.

10. Performance evaluation, Vigilance Information and annual Property Return of all executives is recorded through web enabled systems.

11. The Web Portal of Coal India has been established in English and Hindi with enhanced look and feel encompassing the features like Employee Portal, Tender publication, On-line grievances management, Investor centre, Customer corner, Vigilance etc. The portal also facilitates for receiving on-line applications FMTs, link to E-procurement and E-auction.

12. Coal India has taken initiative for implementation of ERP at Pilot subsidiaries. Study of existing business process and preparation of detailed project report is under progress.

23. MINES SAFETY

23.1: Statutory Frame-work for safety in coal mines:

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

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

23.2: Safety Policy of CIL:

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

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

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

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

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

5) Deploy safety personnel wholly for accident prevention work;

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

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

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

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

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

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

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

To implement CIL Safety Policy, the following are provided:

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

23.3: Accident Statistics

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

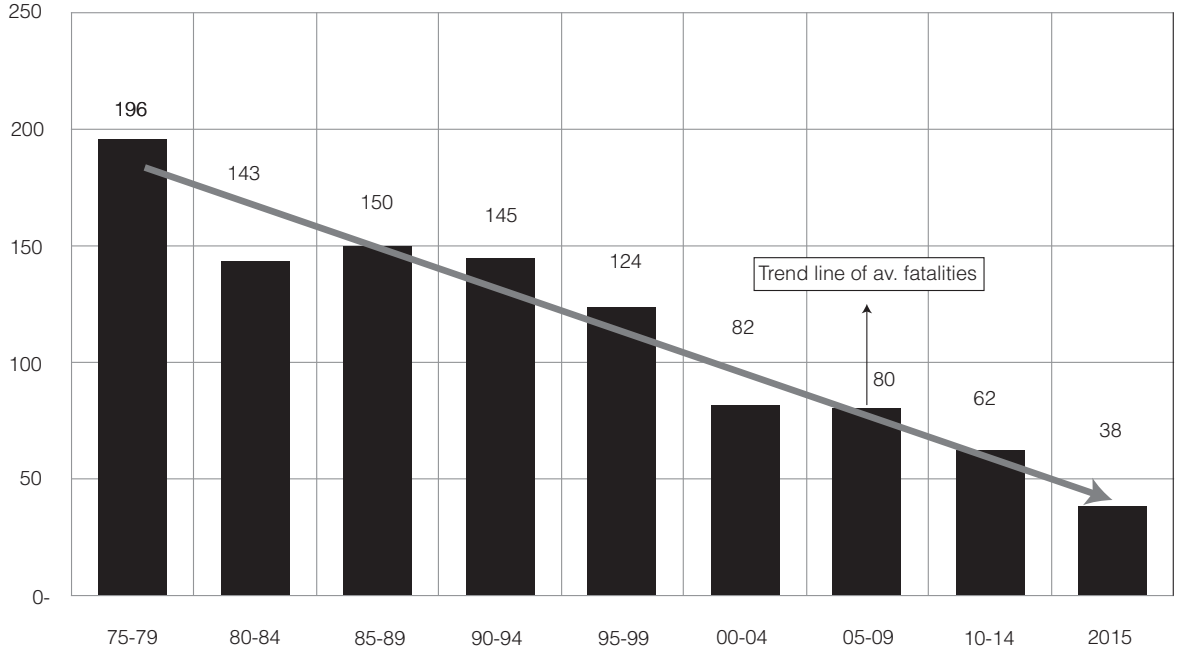
This improvement in safety is attributed to the following factors:

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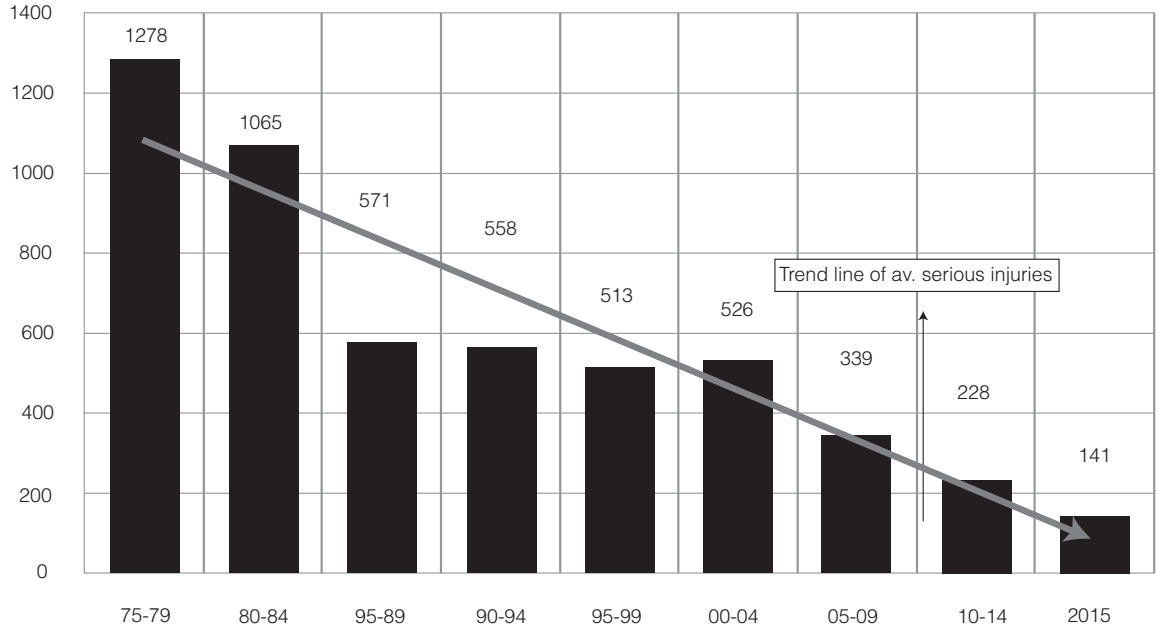
- Collective commitment and synergetic collaboration of the management and employees.
- Use of state-of-the-art technology in the field of mining methods, machineries and safety monitoring mechanism.
- Continuous improvement in knowledge and skill of workforce through imparting quality training to employees and relentless safety awareness drives.
- Constant vigil, round the clock supervision and assistances from various quarters.

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

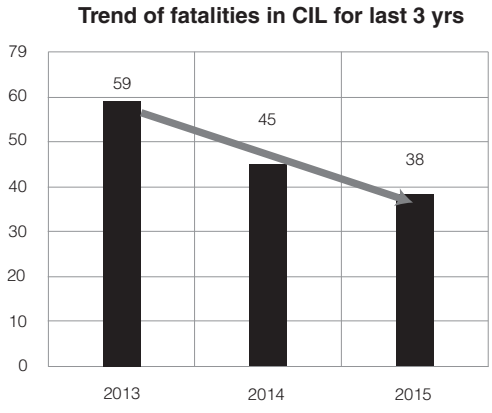
Graph -1 – Trend of 5 Yearly Average of fatalities in CIL since 1975

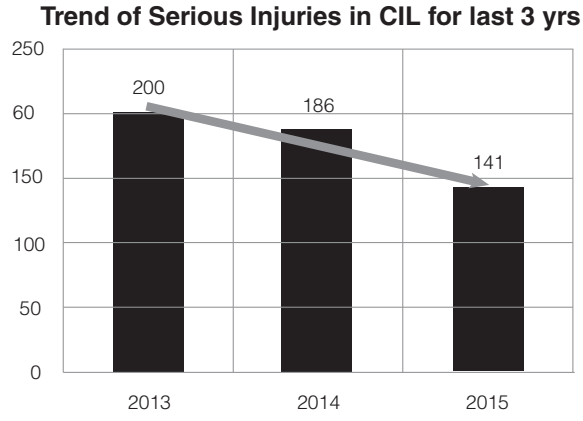


Graph: 2 – Trend of 5 Yearly Average of Serious Injuries since 1975



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





23.4: Actions taken for further improvement in Safety in Mines undertaken in 2015

- **For improving safety in mining operations: Adoption of the state-of-the art technology in suitable geo-mining locales.**

  1. Adoption of Mass Production Technology in more number of UG mines.
  2. Deployment of more number of surface miners to eliminate blasting operation in OCPs.
  3. Deployment of relatively higher capacity HEMM in more number of OCPs.
  4. Mechanisation of UG drilling.
  5. Phasing out manual loading in UG mines.

- **Steps taken for better Strata Management:** Thrust on prevention of roof & side fall accidents.

  1. Design of strata support and reinforcement systems.
  2. Roof bolting adopted as an integral part of support system in UG mines.
  3. Switching over to use of resin capsules from cement capsules in a phased manner.

4. Monitoring of strata by strata monitoring devices.

5. Detailed site-specific geological and geo-technical characterization of immediate strata is being done using standard strata classification system of Rock Mass Rating (RMR).

- **Steps being taken to prevent spontaneous heating & mine fire:**

1. Expedite construction of sectionalisation stoppings.

2. Conducting Pressure-Quantity (P-Q) Survey for checking efficacy of ventilation standards at regular intervals.

3. Use of more number of Gas Chromatographs for accurate mine air sampling.

4. Use of Local Methane Detector (LMD) for early detection of methane.

5. Installation of Environmental Tele-Monitoring System (ETMS) in degree III & fiery UG mines for real time assessment of UG mine eco-system.

- **Safety Training:**

1. Advanced special Training is being imparted by SIMTARS accredited Trainers for preparation of risk assessment based Safety Management Plan (SMP).

2. All employees are given training as per Mine Vocational Training Rules- 1966 (MVTR-1966).

3. All front-line supervisors are being provided updation training.

4. Training to Dumper operators is being imparted on Simulators. Company-wise status is disclosed under **Annexure 18.**

- **Mine Safety Inspection:** The following important inspections are being made in each mine to ensure that all mining operations are carried out in the mine as per the provisions of the relevant statute and safety norms:-

1. Round the clock supervision of all mining operations by adequate number of competent & statutory supervisors and officers.

2. Periodic mine inspections by Head Quarter and Area level senior officials.

3. Surprise back shift mine inspections by Mine and Area level officials.

4. Regular Inspection by Workmen Inspectors appointed in each mine.

5. Monthly mine inspection and meeting of Safety Committee for each mine.

6. Regular mine inspection by officials of Internal Safety Organization.

7. Periodic mine inspection by High Powered Task Force, Area and Subsidiary level Tri-partite Safety Committee members etc.

- **Special drive for accident prevention in OCPs:**

1. Formulation of Mine-specific Traffic Rule.

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

3. Preparation and implementation of Risk Assessment based Safety Management Plan (SMP).

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

5. Introduction of Safe Operating Procedures (SOP) for safe mining operations.

6. Procurement of advanced surveying / slope monitoring devices.

- **Safety Awareness Programme:**

1. **Special Safety Drives are** being conducted periodically to assess the level of compliance of safety norms in each mine.

2. **Annual safety fortnight/ week** is also conducted once in every year for dissemination of knowledge relating to safety among a broad spectrum of mine employees.

3. **Constant safety awareness programme** is conducted in every mine for increasing safety awareness amongst grass root level workmen for ensuring compliance of safety norms. This is done with the help of :

o Safety talks at the beginning of the shift.

o Safety slogans and signages at conspicuous places.

o Circulation of code of safe operating practices to all concerned employees for every mining & allied operation.

o Display of Animation films on safety issues.

- **Emergency Response System :**

1. Emergency Action Plans of each mine is being reviewed from time to time

2. Mock Rehearsals are being adopted for examining the preparedness / efficacy of Emergency Action Plan.

3. Demarcating Escape Routes: An exercise for demarcating Escape Routes in underground mines, on plans as well as belowground by fluorescent paint, display of the same at the entry to the mine has been done.

4. A Check list for dealing with emergency has been prepared.

5. CIL has prepared a Flow Chart for sending information regarding crisis / disaster in mines from site of accident to the Ministry of Coal, New Delhi. This is prepared in line with guidelines of Crisis Management Plan of Ministry of Coal so that quick communication can be sent to all concerned and rescue & recovery & corrective actions are being initiated at the earliest.

24. Rescue Services for Emergency Response System in CIL:

- CIL is maintaining a well establishment rescue organization comprising of 6 Mine Rescue Stations, 14 Rescue Rooms-with-Refresher Training facilities (RRRT) and 17 Rescue Rooms.
- All Rescue Stations / Rescue Rooms are fully equipped with adequate numbers of rescue apparatus as per the Mine Rescue Rules (MRR) - 1985.
- This rescue organization is staffed by adequate number of Rescue Trained Personnel (RTP)s as per MRR-1985.
- All RTPs are being periodically retrained to conduct rescue operations in hot, humid and irrespirable atmospheres in modern training galleries as well as in the mines.
- Permanent Brigade Members and RTPs who are on call 24x7 for rescue & recovery operation.

The Mine Rescue Station and Rescue Rooms are established at strategic locations spreading across different subsidiaries to cater to the emergencies in their command Area. The details are disclosed under **Annexure 18.**

25. SafetyMonitoring Agencies in CIL:

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

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

26. HUMAN RESOURCE DEVELOPMENT

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

26.1 Overall Performance

In CIL and its subsidiaries 166659 employees have been trained during 2015-16. Out of which 19968 were Executives and 146691 Non-Executives. These trainings include in-house training (training at subsidiary training centers, VTCs and also at IICM), training in other reputed institutes outside the company and training abroad.

26.2 Trainings

i) In-house Training

The In-house trainings were organized at subsidiary HQs, 27 Training Centres and also 102 VT Centres across Coal India and also at IICM. Respective HRD Divisions organized these trainings after assessing the training need in the respective category of employees within the subsidiary.

Special attention was given for improving the skill of the employees keeping in mind the need of Industry. Details of in-house Training imparted during 2015-16 are listed below:-

	Training	Short Training	Workshop/ Seminar	Total
Executive	6659	6883	1963	15505
Non-executive	131984	9521	4354	145859
Total	138643	16404	6317	161364

ii) Training Outside Company (Within the Country)

Besides in-house training at our Training Institutes, VT centers and IICM, employees were trained within the country at reputed training institutes, in their respective field of operations and also for supplementing our in-house training efforts. Employees from eight subsidiary companies and from CIL (HQ) have been trained in those reputed institutes. The break-up is given below:-

	Training	Short Training	Workshop/ Seminar	Total
Executive	1232	2389	765	4386
Non-executive	683	82	67	832
Total	**1915**	**2471**	**832**	**5218**

iii) Training Abroad

Coal India has sent 77 employees to different countries from all the subsidiary companies and CIL (HQ) during the year 2015-16.

	Training	W/Shop/Seminar/ Conference	Total
Executive	54	23	77
Non-executive	0	0	0
Total	54	23	77

iv) Initiatives

- CIL has been recruiting fresh and dynamic young bloods in different disciplines for the last few years. A special attention has been given in grooming these young and energetic persons in their respective fields throughout the year. In addition to the introductory concept on Coal Industry, they have been trained on basic Management Techniques (MAP) and also in their respective Technical fields (TAP) through regular courses organized by IICM with the reputed faculties. Special attention has also been given in tuning them in their respective specialized working areas by on-the-job training throughout the year.
- As MTs of Excavation and E&M disciplines are posted in different Coal Mines in order to provide them proper exposure to Mining Operations as well as Mining Equipment (both surface and underground) and to make them conversant with the Mining activities, 5 weeks intensive training for 40 AMs/MTs was organized at Indian School of Mines, Dhanbad, the premier Mining Institute of our country during the year 2015-16.
- 30 General Managers (E8) of different disciplines were trained through IIM, Calcutta on Advance Management for three weeks including Overseas learning in Frankfurt School of Finance and Management, St. Gallen, Switzerland and Essec Paris, France.
- 27 Executives (E4 & E5) of Coal India Limited were trained on Executive Development Program for two weeks in Indian Institute of Management, Lucknow.
- 109 MTs of CD discipline were trained for one month program at IICA, Manesar, Gurgaon.
- 48 executives of CP discipline were trained on Coal Preparation, Plant and Practices at ISM, Dhanbad.

26.3 Recruitment

During FY 2015 - 2016, Coal India recruited 281 medical executives comprising of Medical Specialists and Medical Officers through open advertisement, 128 medical officers joined during the financial year. The rest of the medical officers would join in 2016-17.

CIL also inducted fresh talent into the organization at entry level 448 Management Trainees in different disciplines selected through campuses.

These Management Trainees have undergone induction training at IICM and then assigned to different subsidiary companies based on our manpower requirements.

During the financial year, CIL continued with the campus recruitment of Management Trainees in various disciplines for 610 vacancies, selected 420 candidates until March 2016, selection process is underway to fill up the remaining vacancies. The selected candidates from campuses would be offered appointment to join the company in July-August 2016 on passing their final course.

Further, CIL has also inducted 44 non-executive level employees into Executive cadre through departmental selection/promotion process.

27. Manpower

27.1 The total manpower of the Company including its subsidiaries as on 31.03.2016 is 3,22,404 against 3,33,097 as on 31.03.2015. Subsidiary company wise position of manpower is disclosed as **Annexure 19.**

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

The representation of SC/ST employees in the total manpower of CIL and its Subsidiary Companies as on 01.01.2014, 01.01.2015 and 01.01.2016 is given below:-

As on	Total Manpower	Scheduled Caste		Scheduled Tribe	
		Nos.	Percentage	Nos.	Percentage
1.1.2014	350188	72957	20.83	42049	12.01
1.1.2015	336675	72856	21.64	42219	12.54
1.1.2016	**326032**	**70502**	**21.62**	**39669**	**12.17**

28. INDUSTRIAL RELATIONS AND EMPLOYEES' PARTICIPATION IN MANAGEMENT

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

Strikes and Bandhs

During 2015-16, a one day Nation-wide General Strike was called by eleven Central Trade Unions on 2nd September, 2015 due to which company lost 131568 mandays and 302685 tonnes of production. There were no bandhs during 2015-16.

Subsidiary-wise details of strikes, man-days lost and production lost and other incidents for the year 2014-15 and 2015-16 are furnished in **Annexure 19.**

29. EMPLOYEES' WELFARE AND SOCIAL SECURITY SCHEMES

1) HOUSING:

At the time of Nationalisation, there were only 1, 18,366 houses including sub-standard houses. The availability of these houses has increased to 3, 98,350 (upto 31.03.2016). The percentage of housing satisfaction has now reached 100%.

2) WATER SUPPLY:

As against 2.27 Lakhs population having access to potable water at the time of Nationalisation in 1973, presently a populace of 19, 73,887 Lakhs (upto 31.03.2016) has been covered under water supply scheme.

3) MEDICAL FACILITIES:

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

There are 80 Hospitals with 5,431 Beds, 399 Dispensaries, 557 Ambulance and 1220 Doctors including Specialists in CIL and its subsidiaries to provide medical services to the employees. Besides 5 Ayurvedic Dispensaries are also being run in the Subsidiaries of Coal India Limited to provide indigenous system of treatment to workers.

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

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

4) EDUCATIONAL FACILITIES:

The subsidiary companies of CIL have been providing deficit grant and infrastructure facilities to certain renowned schools like 44 DAV Public Schools, 14 Kendriya Vidyalaya, 1 Delhi Public School to impart quality education.

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

Coal India Scholarship Scheme (Revised – 2013)

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

In total 8596 scholarships were awarded and tuition fees & hostel charges were reimbursed to 847 students. The details of Scholarship and Reimbursement of tuition fees and Hostel charges for studying in Government Engg. & Medical Colleges, IITs & NITs as well as the details of Grant sanctioned for Schools including privately managed school are disclosed under **Annexure 20.**

5) Statutory Welfare Measures:-

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

6) Non-statutory Welfare Measures:-Co-operative Stores and Credit Societies:

In order to supply essential commodities and Consumer goods at a cheaper rate in the Collieries, 16 Central Co-operatives and 99 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 158 Co-operative Credit Societies are also functioning in the Coal Companies.

7) Banking Facilities:-

The Management of Coal Companies are providing infrastructure facilities to various Nationalised Banks for opening their Branches and Extension Counters in the Coalfields for the benefit of their workers. Workers are educated to draw their salaries through 480 Bank/ Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

8) Sports:-

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

CISPA has undertaken following sports activities at National Level and International Level:-

a. Sports Academy and Sports University at Ranchi:-

An MoU has been signed on 17th June 2015 between the Govt. of Jharkhand and Central Coalfields Limited for establishing fifteen Sports Academies and Sports University at the existing World class stadium/infrastructure in Hotwar, Ranchi where National Games 2011 was organized.

b. CIL Football Academy at Sanctoria Eastern Coalfields Limited, West Bengal :-

The Academy will cater entire Eastern region of Country for development of potential Football players at the early age. The academy will provide State of Art facilities to the budding players for their development to the national / International level.

c. Coal India -SAI National Table Tennis Academy at Kolkata:-

Table Tennis Academy will be established in collaboration with Sport Authority of India at Kolkata. The academy will be a standard residential Table Tennis Academy with all modern training facilities.

To generate corporate goodwill of company, CISPA sponsored following sports events of the country:-

i. Title Sponsorship of Hockey India League 2016 held from 18th Jan. 2016 to 21st Jan.2016. Matches were played at six venues - Ranchi, Bhubaneswar, Chandigarh, Lucknow, Delhi and Mumbai.

ii. Coal India was the Title sponsor of the 'National Senior Ranking Badminton Tournament 2015' held at Bangalore from 14th April' 2015 to 18th April' 2015.

iii. Sponsorship of World Hockey League Tournament held at Raipur, Chhattisgarh from 26th Nov. to 5th Dec.2015.

iv. Sponsorship of World Bridge Team Championship 2015. The tournament held at Chennai from 26th Sep. to 10th Oct. 2015.

v. Sponsorship of National Open Athletic Championship, 2015 held at SAI Complex, Kolkata from 16th to 19th Sep.2015.

9) Welfare, Development and Empowerment of Women

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

Coal India Ltd and its subsidiary companies are extending full support and patronage to National Conference of Forum of WIPS held every year in the month of February at predetermined locations by sponsorship of the event, nomination of maximum number of delegates and also by competing for the BEST ENTERPRISE Award. In the recent years, WIPS cell have done commendable work in reaching out to grass root level women employees, empowering them by suggesting gainful redeployment, training and uplifting their morale by recognizing outstanding achievement, recognizing and honouring the exceptional talent.

10) Special Cash Award:-

During 2014-15, an amount of ₹1,00,000/- has been provided as Special Cash Award to 18 meritorious Sons and Daughters of employees of CIL(Hqrs.), Kolkata Desk Offices of subsidiary companies @₹7,000/- for 05 (Five) students who have secured 90% or above marks in the Class-XII Board level examination and @₹5,000/- for 13(Thirteen) students who have secured 90% or above marks in the Class-X Board level examination.

11) Recreational facilities:-

At present, there are eight Holiday homes in the following places.

(a) Puri

(b) Digha

(c) Goa

(d) Manali

(e) Katra

(f) Ajmer

(g) Darjeeling

(h) Haridwar

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

12) CIL Welfare Board Meeting:-

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

The members of CIL welfare Board comprising of Central Trade Union representatives and representatives of Management meet regularly to discuss on the welfare measures and review the implementation of different welfare scheme. The meeting of the Welfare board is being conducted regularly.

30. TREE PLANTATION/ AFFORESTATION.

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

The subsidiaries of CIL have planted around 92.35 million trees covering an area over 36896.26 Ha till March 2016 which includes 1.68 million over 719 Ha. in 2015-16.

31. PROGRESSIVE USE OF HINDI.

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

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

With a view to create conducive atmosphere for working in Hindi and accelerating the use of Hindi as Official Language among officials, 'Hindi Fortnight' was observed in all offices of Coal India Ltd. starting from 14 September'2015. During the Hindi Fortnight various Hindi Competitions such as Hindi noting and drafting, Hindi Self writing, Hindi Dictation, Hindi Translation, Hindi typing and Lectures were organized where a large numbers of employees participated enthusiastically. The winners were honoured with Cash Awards & Certificates. This create a consciousness among employees to use Rajbhasha in official Work. It is notable that Regional Sales Offices situated at different cities were granted sufficient fund as per their sizes to celebrate Hindi Diwas & Hindi week/fortnight as per their practice.

In order to promote Hindi as Official Language a grand Hasya Kavi Sammelan was organized on 24-11-2015 at the auditorium of New Office Building situated at New town where a large number of audience were present.

With the aim to promote Official language and to foster interest in Official Language among officers and employees, first time Hindi Magazine namely "Koyala Darpan" has been published from Coal India headquarters. Its first issue was released by Shri Keshrinath Tripathi, Honourable Governor of West Bengal on 29.8.2015.The purpose of publishing the magazine is to provide a platform of the Creative potential of employees and to inform all about the activities of Coal India.

With a view to promote Hindi knowledge of the employees, 10 sets of 9 selected Hindi magazines are being distributed among different departments/sections. Help literature and dictionaries were provided to the departments on their demand. "Today's Word' and 'Today's Thought' are displayed on all the signage at the New Office Complex, Rajarhat.

Different organizations of Govt. of India recognize the best performers by awarding prizes. During the year Coal India Ltd. was awarded the following Prizes:-

CIL bags 1st Prize of TOLIC (PSUs), Kolkata: Under the Rajbhasha Award Scheme of Govt. of India, Honourable Governor of West Bengal Shri Kesharinath Tripathi awarded TOLIC (PSUs) Kolkata shield - 1st Prize to Coal India Ltd. in the Corporate Offices category for the best implementation of Official Language Policy of the Union on 29.8.2015.

On 1st May, 2015 Coal India Ltd. was awarded with 'Karyalaya Deep Samman' by Rajbhasha Sanshthan, Delhi at Solan, Himachal Pradesh for the best implementation of Official Language Policy of the Union.

General Manager Rajbhasha Shri Bhagwan Pandey is honoured with 'Rajbhasha Implementation Ratna Sammanon 16 September, 2015 at the National Museum Auditorium, during the Twelfth Hindi Day Ceremony, 2015 held at New Delhi.

Coal India also received 'Karyalaya Smriti Chinha Samman' by Rajbhasha Sanshthan, Delhi at Jim Corbett Park, Nainital on 16-10-2015 for the best implementation of Official Language Policy of the Union.

Inspection of offices is a part of the implementation. Officials of Rajbhasha department, CIL (HQ.) reviewed the status of implementation of the Official Language in some of its subordinate offices during the year under review. Suggestions have been given to correct the short-comings seen during the inspection. Some Participants were also nominated in Hindi Workshop/Training camps organized by certain prestigious institutions to promote Hindi.

32. VIGILANCE SET UP

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

During the year 2015-16, 115 Intensive Examination of Works/ Contracts (Major works) were undertaken by CIL (HQ) and its subsidiary companies. In addition, 244 Surprise checks were carried out. Besides, 66 Departmental Inquiries were disposed of which resulted in punitive action against 310 officials. Such examinations/investigations have resulted in initiation of various system improvement measures.

As per the directives of Central Vigilance Commission, Vigilance Awareness Week – 2015 has been observed in Coal India Limited, IICM- Ranchi, and North Eastern Coalfields-Margherita & Regional Sales Offices across the country w.e.f. 26.10.2015 TO 31.10.2015 emphasizing the theme of "Preventive Vigilance as a tool of Good Governance". As part of the function, following major activities were organised:

(i) The pledge was taken during the Board Meeting as well as different Departments.

(ii) Publicity was done through Banners, Posters, Vigilance Related slogans, Message through SMS mass messaging system etc.

(iii) For the employees of CIL, Speech Competition, Quiz Competition, Essay writing competition on "Youth can change the corruption scenario of society" was held on 28.10.15 (11 AM - 12.30 PM), feedback from employee on transparency and governance in organizational activities were sought and suggestions for System improvement taken.

(iv) A one day orientation program for Junior Level Managers was organized in two batches.

(v) All Departments and offices under CIL organised a Group discussion on ''ICT implementation in CIL & Subsidiaries need of the hour for effective Preventive Vigilance" on 27.10.15 at CIL HQ".

(vi) Stake Holders meet was organized and their suggestion for measures to promote good governance and enhance the level of transparency in commercial activities of the organization were taken. Feedback related to transparency, fairness and customer satisfaction were obtained.

(vii) A Seminar on "Preventive Vigilance as a tool of Good Governance" was held on 03.11.15 at CIL auditorium. Chief Guest Sri Pradeep Kumar, Ex. CVC, CVC and Guest of Honour as Sri R Srikumar, Ex. VC, CVC and Sri K S Ramasubban, Ex Sect. CVC & Shri GD,Gautama, Ex-State Information Commissioner, Chairman, CIL, CVO CIL and Directors of CIL and executives attended the function.

Preventive Vigilance/ System Improvement

i) Improvements in Online Grievance Management System:

CIL was listed in online PG Portal. Grievance redressal committee has been formed both at CIL and subsidiary Hq. The grievances received in hard copy is scanned and put in the system. The action taken by the Department is reviewed by the committee. Unresolved grievances are placed to the meeting of Functional directors.

ii) Online Bill Tracking System Implementation at CIL

Bill tracking system has been implemented in coal net system. The status of the bill can be seen by the vendors. Senior officers can monitor delay in processing the bills. The first in and first out principle can be monitored.

iii) Implementation of E-procurement Reverse Auction

E-procurement has been made compulsory for all tenders above ₹ 2 lakhs. Reverse Auction has been taken up for tenders above ₹ 1 cr at CIL and subsidiary Hq level. The business process Reverse Auction has been standardized.

iv) System improvement suggestions:

System improvement suggestions were made in many areas:

a. Implementation of E-procurement & reverse auction

b. DPC for promotion

c. Procurement of explosives

d. Use of 3D TLS for survey of OB & Coal with phasing out of Theodolite.

e. Purchase Manual

v) System Improvement Studies - Studies were taken in following areas

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

33. PARTICULARS OF EMPLOYEES

No employee received remuneration either equal to or in excess of the limits prescribed under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during 2015-16. Details of Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on disclosure in the Board Report with reference to remuneration of managerial personnel is annexed to the Report. **(Annexure 21).**

34. BOARD OF DIRECTORS

Shri S. Bhattacharya continued as Chairman cum Managing Director throughout the year. Shri R. Mohan Das, Director (P&IR), Shri N. Kumar, Director (Technical) and Shri C.K. Dey, Director (Finance) were on the Board throughout the year. Shri S N Prasad has assumed the charge of Director (Marketing) from 01.02.2016 on superannuation of Shri B K Saxena from 31.01.2016.

Dr A K Dubey, Special Secretary, MoC and Smt Sujata Prasad, Joint Secretary & Financial Advisor, MoC continued as part-time official Director on the Board throughout the year.

Ms. Loretta M Vas, Dr S. B. Agnihotri, Shri Vinod Jain, Dr D. C. Panigrahi and Dr. Khanindra Pathak were appointed as Independent Directors on the Board of the company w.e.f 17th November 2015 and continued during the year.

Shri R. R. Mishra, CMD, WCL has been appointed as Permanent Invitee w.e.f. 6th November 2015. Shri S Saran, CMD, CMPDIL has been appointed as permanent invitee on CIL Board w.e.f 1st January'2016 on superannuation of Shri A K. Debnath with effect from 1st January 2016. Shri A. N. Sahay, CMD, MCL was on the Board till 31stOctober' 2015. Shri Kundan Sinha Addl. Member (Traffic transportation) has been appointed as permanent invitee on CIL board from 6th April' 2015 and continued till 31st January 2016.

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

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

The Board of Directors held 12 meetings during the year 2015-16.

35. Composition of Audit Committee

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

36. Composition of CSR Committee

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

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

The following independent directors have given their consent during 2015-16 that they meet the criteria of independence as stipulated in sub-section (6) of Section 149 of the Companies Act 2013.

i. Ms. Loretta M Vas

ii. Dr. S.B.Agnihotri

iii. Dr. D.C.Panigarhi

iv. Dr. Khanindra Pathak

v. Shri Vinod Jain

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

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

39. Recommendation of Audit Committee by the Board.

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

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

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

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

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

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

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

43. Contracts or Arrangements with Related Parties

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

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

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

45. Familiarization programme of Board Members.

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

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

(b) Business model of the listed entity;

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

(d) Any other relevant information.

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

46. Sexual Harassment of Women at the Workplace

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

No sexual harassment complaint was received during the year.

47. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

It is confirmed that:

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

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

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

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

e) Internal Financial Controls have been laid down and such controls are adequate and were operating effectively during the year ended 31st March'2016.

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

48. ACCOUNTS OF THE SUBSIDIARIES

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

49. COST AUDIT

The Cost Audit of your company for the year 2014-15 was conducted by M/s Musib & Co and the Cost Audit Report was approved by the Board of directors in their 319th meeting held on 12th August 2015. The Cost Audit Report did not contain any adverse observation/comment or qualification from the Cost Auditor. The above report was filed in XBRL mode with MCA on 28/09/2015.

50. SECRETARIAL AUDIT

In pursuance to Section 204 of Companies Act 2013, company had conducted Secretarial Audit for the year 2015-16 by a practicing Company Secretary M/s Vinod Kothari & Co, Practising Company Secretaries. Their appointment was approved by the Board. The report of Secretarial Auditor is included in the Corporate Governance Report. The observations of Secretarial Auditor and Management Explanation are enclosed as **Annexure 25**.

51. RISK MANAGEMENT POLICY

A Risk Management Charter has been approved by the CIL Board. It is being implemented in CIL HQ and its Subsidiaries. Risk Management Policy and its Mitigation Measures are under preparation.

52. WEBLINK

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

1. Corporate Social Responsibility Policy:

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

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

3. Policy for determining Material Subsidiary:

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

4. Related Party Transaction Policy: https://www.coalindia.in/DesktopModules/DocumentList/documents/Related_Party_Transaction_Policy'_01122014(1).PDF

53. COMPANY CONFIRMS THE FOLLOWING:-

1. None of the Directors are disqualified from appointment as per Section 164 of the Companies Act'2013.
2. Company has not issued any Equity shares with differential voting rights, Sweat Equity shares and ESOP.
3. Since shares of CIL were issued in IPO in October'2010 and unclaimed dividend amount is less than seven years, no amount has been transferred to IEPF.
4. No Secretarial, Statutory Auditor resigned during the year 2015-16
5. No relative of director was appointed to place of profit.
6. As per Regulation 32(4) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 deviation of Proceeds of Public issue is not applicable to the company.
7. There is no deposit covered under Chapter V of Companies Act 2013.
8. There is no deposit which is not under compliance of Chapter V of Companies Act 2013.
9. There is no change in the nature of business.
10. No Director is in receipt of any commission from the subsidiary companies in which he is a director.

54. ADDITIONAL INFORMATION

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

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

   In case of consolidated accounts, the following has been reported by Statutory Auditor under 'Matter of Emphasis':

   "Note 34(7) (c), in financial statements in one of the subsidiary company, alleged fraudulent payments of ₹ 0.81 Crores were detected against fake bills of two parties and some more fake unpaid bills of these parties and also of another party have also been detected. The matter is under investigation by the vigilance department and FIR has been filed with the police. Any adjustment in Financial Statements will be made on completion of the investigation. Further, there is over payment of ₹1.85 Crores in Kargali Washery and Bokaro Project due to wrong fixation of basic pay on conversion of Piece Rated workers to Time Rated payments. A committee formed in this regard has submitted their report. Pending decision no adjustment has been made in the accounts".

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

   The Competition Commission of India (CCI), on the basis of complaints by few coal customers against conducts of Coal India Limited, Western Coalfields Limited, South Eastern Coalfields Limited and Mahanadi Coalfields Limited, heard the case and vide its order dated 09.12.2013, had interalia imposed a penalty of ₹1773.05 Crores against which appeal was filed in the Competition Appellate Tribunal which directed to deposit ₹50 Crores.

   Subsequently vide Order dated 17.05.2016, i.e., after the end of the financial year, the Tribunal has set aside the order of CCI and directed to hear the case afresh and as a result, the penalty of ₹1773.05 Crores stands cancelled and therefore the contingent liability existing on 31.03.2016 was withdrawn.

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

   During the Financial Year 2015-16 a Joint Venture, Rashtriya Coal Gas Fertilizers Limited was formed. The details of the subsidiaries, Joint Ventures or associates have been furnished in form AOC-1.During the financial year no subsidiaries, Joint Ventures or associates have ceased to be subsidiaries/Joint Ventures or associates

55. ACKNOWLEDGEMENT:

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

56. ADDENDA

The following are annexed.

i) Pre-tax Profit of CIL & subsidiaries for 2015-16 vis-à-vis 2014-15 **(Annexure 1).**

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

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

iv) Auditors Report on the Standalone Financial Statements for the year ended 31st March, 2016 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") **[Annexure 3(A)].**

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

vi) Auditors Report on the Consolidated Financial Statements for the year ended 31st March, 2016 including Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") **[Annexure 4(A)].**

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

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

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

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

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

xii) Wagon Loading in 2015-16. **(Annexure 9)**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

xxix) Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts)

Rules, 2014) as at 31st March, 2016. **(Annexure 24).**

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

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

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

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

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

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

For and on behalf of the Board of Directors

Sd/-
S. Bhattacharya
Chairman

9th August, 2016
Kolkata,

ANNEXURE 1

Pre-tax Profit of CIL & subsidiaries for 2015-16 vis-à-vis 2014-15

(₹ in crore)

Company	2015-16	2014-15	Increase/ (Decrease)
ECL	1300.04	1782.41	(482.37)
BCCL	783.76	1154.22	(370.46)
CCL	3118.74	2740.34	378.40
NCL	4065.51	3713.47	352.04
WCL	431.46	544.79	(113.33)
SECL (consolidated)	5173.32	5659.46	(486.14)
MCL (consolidated)	6260.41	5314.24	946.17
CMPDIL	42.54	39.33	3.21
CIL (Standalone)	16513.53	13651.89	2861.64
Sub-Total	37689.31	34600.15	3089.16
Less: Dividend from Subsidiaries	16140.09	13011.72	3128.37
Total	21549.22	21588.43	(39.21)
Adjustment for exchange rate variation on Current Account of overseas subsidiary	(12.60)	(4.51)	(8.09)
Share in loss of Joint Venture	(0.03)	-	(0.03)
Adjustment for Provision on Advance to CIAL	52.50	-	52.50
Overall Profit as per Consolidation of Accounts	21589.09	21583.92	5.17

ANNEXURE 2

Subsidiary wise details of Dividend income of CIL Standalone

₹ in crore

Company (paying subsidiaries)	Dividend Income of CIL Standalone	
	2015-16	2014-15
CCL	1711.74	530.05
NCL	3659.92	4563.99
WCL	769.66	134.29
SECL	6390.32	3941.57
MCL	3608.45	3841.82
Total	**16140.09**	**13011.72**

ANNEXURE 3

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

No. 86 /CA/UA-I/Accounts/CILSt. Alone/2015-16

सत्यमेव जयते

CONFIDENTIAL

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य लेखापरीक्षा
बोर्ड - II कोलकाता
पुराना निजाम महल, आचार्य जगदीश चन्द्र बोस रोड,
कोलकाता - 700 020

OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER
AUDIT BOARD - II, KOLKATA
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road,
Kolkata-700 020

Date 22 JUN 2016

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

Sub: Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Coal India Limited (Standalone) for the year ended 31 March 2016.

Sir,

I forward herewith the Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Accounts of Coal India Limited (Standalone)for the year ended 31 March 2016.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

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

Place: Kolkata,
Dated: 22 .06.2016

दू० भा० / Phone : 91-33-22875380/7165/2360/8838, 22810043/5654 फैक्स / Fax : 91-33-2280-0062
इ०मेल / E-mail : mabkolkata2@cag.gov.in तार : "कोयलेखा"/ Telegram : "COLADIT"

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF COAL INDIA LIMITED (STANDALONE) FOR THE YEAR ENDED 31 MARCH 2016

The preparation of financial statements of Coal India Limited (Standalone) for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28.05.2016

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Coal India Limited (Standalone)for the year ended 31 March 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Praveer Kumar

(Praveer Kumar)
Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Place: Kolkata
Dated: 22.06.2016

ANNEXURE 3 (A)

AUDITORS REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 INCLUDING REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Independent Auditor's Report

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

We have audited the accompanying standalone financial statements of Coal India Limited (hereinafter referred to as 'the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following notes:-

a) Note 10A (Para-1) which refers to title deeds for freehold land amounting ₹6.38 Crores and for leasehold land amounting ₹1.34 Crores have been verified by us and the same are held in the name of the company. Title deeds for freehold land for ₹5.43 Crores are not available for our verification. Further, as per the details made available to us, title deeds for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available.

b) Note 10A (Para-2) regarding non-provision for impairment against fixed assets written down value of which is ₹11.76 Crores of Dankuni Coal Complex let out to South Eastern Coalfields Limited (SECL) for nominal lease rent of Re.1per annum under cancellable operating lease agreement. In the opinion of the management, the actual worth of the assets including land is much higher than the book value and hence no provision is called for.

c) Note No.11 dealing with an aggregate investment of ₹ 8926.42 Crores in its 100% subsidiary companies namely Bharat Coking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) have come out of Board for Industrial & Financial Reconstruction (BIFR). These subsidiaries are turning around and have started earning profits. In the view of changing circumstances, the management is of the opinion that no provisioning is required against the erosion of ₹2614.85 Crores (PY: 4243.30 Crores) in the value of Investment as the same is of temporary nature.

d) Note 34(1) (c) Contingent Liability of the accompanying financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities.

e) Pending write off action of certain old account balances against which full provision has been made in the books of accounts.

f) Balances under Long-term loans and advances of ₹157.04 Crores, Short-term loans and advances ₹0.39 Crores, Trade receivables of ₹0.39Crores, Trade payables of ₹1.51 Croresand Other current liabilities of ₹207.48 Crores, have not been confirmed. Consequential impact on confirmation/ reconciliation/adjustment of such balances (which will not be material as per management), if any is not ascertainable.

g) Required number of Independent Directors has not been appointed in the Board of the Company as per the provisions of Section 149(1) of the Companies Act, 2013.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

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

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

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

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

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34(1)(c) to the standalone financial statements;

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

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

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

"ANNEXURE-A"TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) In respect of Fixed Assets:

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

(b) The fixed assets located at Head quarter, North Eastern Coalfields, various Regional sales offices and other offices have been physically verified periodically as certified by the management. Discrepancies noticed on such verification were not material as per the management, pending for reconciliation and adjustment in the books of accounts. The process should be further improved by having well defined programme of physical verification to cover all the assets in phased manner.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds for freehold land amounting ₹6.38 Crores and for leasehold land amounting ₹1.34 Crores have been verified by us and the same are held in the name of the Company. Title deeds for freehold land for ₹5.43 Crores are not available for our verification. Further, as per the details made available to us, title deeds for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available.

(ii) In respect of Inventories:

(a) The physical verification of inventories at North Eastern Coalfields has been conducted at reasonable intervals during the year by the management.

(b) The inventories have been measured on the basis of volumetric system.

(c) In our opinion, the procedures and frequency of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(iii) According to the information and explanation given to us, the Company has 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 Companies Act, 2013 as such paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public.

(vi) The maintenance of Cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Mining activities of the Company. We have broadly reviewed the records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sale tax, wealth Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except few cases of delay noticed in deposit of service tax. As informed to us, Employee's state insurance is not applicable to the company.

According to the information and explanations given to us, except dues of additional royalty of ₹28,51,836/-as on March 31,2016 which have not been deposited for reason stated in Note- 34(17) of the accompanying financial statements , no other undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, duty

of excise, service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and as per the records of the Company examined by us, there are no dues of income tax, duty of customs, duty of excise, cess and other statutory dues except following sales tax, which have not been deposited on account of any dispute are as under:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Provincial Sales Tax Act	Sales Tax	3,86,234.13	FY:1989-90	Assessing officer
Provincial Sales Tax Act	Sales Tax	1,79,762.00	FY:1990-91	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Sales Tax	48,441.00	FY:1990-91	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Sales Tax	2,75,819.00	FY:1991-92	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Trade Tax	9040.00	FY:1993-94	Assessing officer

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

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company as such paragraph 3(xii) of the Order is not applicable.

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

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as such paragraph 3(xv) of the Order is not applicable.

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

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

"ANNEXURE-B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Part-I

Sl. No.	Details/ Directions	Auditor's Reply	Action Taken and Impact on Accounts & Financial Statements
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?	According to the information and explanations given to us and on the basis of our examination of the records of the Company, Title deeds for freehold land amounting ₹6.38 Crores and for leasehold land amounting ₹1.34 Crores have been verified by us and the same are held in the name of the company. Title deeds for freehold land for ₹5.43 Crores are not available for our verification. Further, as per the details made available to us, title deeds for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available.	Financial impact cannot be ascertainable.
2.	Whether there are any cases of waiver/ write-off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved.	In view of critically weak financial position of ECL which was under BIFR till December, 2014, expenditure incurred by CMPDIL on exploratory drilling work falling under command area of ECL was funded by CIL and shown as advance against which provisions were also made simultaneously. As per the resolution passed in the meeting of the CIL Board dated 20th July, 2001, such advances, if remains unadjusted for five years from the date the same were accounted for are to be written off. Thus the amount written off during the year in the above context amounts to ₹29.75 Crores which were fully provided for. Further, development expenditure of ₹1.75 crore has been written off which was kept under capital work in progress for more than two " five years" plan period for formulation of project, as per significant accounting policy of the company, which was fully provided for. In addition, ₹10.16 crore has been written off against old advances/ receivables which were fully provided for.	There is no financial impact.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	As stated by the management, no inventories are lying with third parties. Further no assets were received as gift from Government or authorities.	No impact on the financial Statements.

Additional – Directions:-

Part-II

Sl. No.	Details/ Directions	Auditor's Reply	Action Taken and Impact on Accounts & Financial Statements
a)	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	The stock measurement was done along with contour map and the same is available with the reports of stock measurement. The new heaps have been created with the approval of the competent authority.	No impact on Accounts and Financial Statements.
b)	Whether the company conducted the physical verification exercise of asset and properties at the time of merger/split/restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	There is no such merger/ split / restructure of an area during the year as informed to us.	No impact on Accounts and Financial Statements.
c)	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of annual accounts for the year 2015-2016.	As explained to us by the company management, there is no such payment of compensation to PAPs at NEC, the production unit of the company, during the year.	No impact on the Financial Statements.
d)	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined.	According to the information and explanation given to us, there is no dispute with regard to GCV ranges at NEC.	No impact on the Financial Statements.
e)	If the audittee has computerized its operation or any part of it, you should assess and report, how much of the data in the company is in electronic format. Which of the major areas such as Financial accounting, Sales accounting, Personal information, Pay-roll materials, Inventory Management etc. have been computerized, and its impact on your work in auditing the accounts.	Financial accounting, sales accounting, payroll materials, personal information, inventory management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end copies of certain required documents are kept in hard form. However comprehensive ERP system needs to be introduced to integrate all offices and units of the company for better controls.	No impact on the Financial Statements

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

"ANNEXURE-C" TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Coal India Limited (hereinafter referred to as 'the Company') as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us, and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

ANNEXURE 4

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

No. 130 /CA/LA-I/Accounts/CIL CFS/2015-16

सत्यमेव जयते

CONFIDENTIAL

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य लेखापरीक्षा
बोर्ड - II कोलकाता
पुराना निजाम महल, आचार्य जगदीश चन्द्र बोस रोड,
कोलकाता - 700 020

OFFICE OF THE PRINCIPAL DIRECTOR OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER
AUDIT BOARD - II, KOLKATA
Old Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road,
Kolkata-700 020

Date 18 JUL 2016

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

Sub: Comments of the Comptroller & Auditor General of India under Section 143(6)(b) read with section 129(4) of the Companies Act 2013 on the Accounts of Coal India Limited (CFS) for the year ended 31 March 2016.

Sir,

I forward herewith the Comments of the Comptroller & Auditor General of India under Section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Accounts of Coal India Limited(Consolidated Financial Statement) for the year ended 31 March 2016.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encl: As stated.

Praveer Kumar

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

Place: Kolkata,
Dated: 18.07.2016

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

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2016 ,

The preparation of consolidated financial statements of Coal India Limited for the year ended 31 March 2016 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) read with section 129 (4) of the Act are responsible for expressing opinion of the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 28.05.2016

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129 (4) of the Act of the consolidated financial statements of Coal India Limited for the year ended 31 March 2016. We conducted a supplementary audit of the financial statements of Coal India Limited and its subsidieries- Central Coalfields Limited, Bharat Coking Coal Limited, Central Mine Planning & Design Institute Limited, Eastern Coalfields Limited, Mahanadi Coalfields Limited, Northern Coalfields Limited, South Eastern Coalfields Limited and Western Coalfields Limited, but did not conduct supplementary audit of the financial statements of Coal India Africana Limitada(CIAL) an overseas subsidiary, International Coal Ventures Pvt. Limited- jointly controlled entities and CIL NTPC Urja Pvt. Ltd for the year ended on the date. Further, section 139(5) and 143(6) (b) of the Act are not applicable to Coal India Africana Limitada(CIAL)- an overseas company being incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which give rise to any comment upon or supplement to statutory auditors' report.

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

Praveer Kumar

(Praveer Kumar)
Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Place: Kolkata
Dated: 18 .07.2016

ANNEXURE 4(A)

AUDITORS REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 INCLUDING REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Independent Auditor's Report

To
The Board of Directors of
Coal India Limited

Report on the Consolidated Financial Statement

We have audited the accompanying consolidated financial statements of Coal India Limited (hereinafter referred to as 'the Holding Company'), it's nine subsidiaries and three jointly controlled entities (collectively referred as "the Group) which comprise of the consolidated balance sheet as at 31st March, 2016, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the followings;-

a) Note 34(1)(iii), Contingent Liability of the accompanying consolidated financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Group by various parties and Government authorities;

b) Note 34(7) (c), in financial statements in one of the subsidiary company, alleged fraudulent payments of ₹ 0.81 Crores were detected against fake bills of two parties and some more fake unpaid bills of these parties and also of another party have also been detected. The matter is under investigation by the vigilance department and FIR has been filed with the police. Any adjustment in Financial Statements will be made on completion of the investigation. Further, there is over payment of ₹1.85 Crores in Kargali Washery and Bokaro Project due to wrong fixation of basic pay on conversion of Piece Rated workers to Time Rated payments. A committee formed in this regard has submitted their report. Pending decision no adjustment has been made in the accounts;

c) Non availability of title deeds for some freehold lands and leasehold lands, rights, interest in Land and Mines for verification;

d) Pending write off action of certain account balances against which full provision has been made in the books of accounts.

e) Balances under Long-term loans and advances, Non-current assets, Trade receivables, Other current assets, Trade payables and Other current Liabilities have not been confirmed in most of the cases. Consequential impact on confirmation/ reconciliation/ adjustment of such balances (which will not be material as per Group), if any is not ascertainable;

f) The Independent Directors have not been appointed on the Boards of the Holding Company as per the provisions of Section 149(1) of the Companies Act, 2013. Women director have not been appointed in the board of two Group companies;

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of above matters.

Other Matters

a) We did not audit the financial statements of nine subsidiaries whose financial statements reflect total assets of ₹102918.95 Crores as at March 31, 2016, total revenues of ₹83578.42 Crores and net cash flows amounting to ₹ (-) 4.74 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the financial statements of three jointly controlled entities whose financial statements reflect total assets of ₹ 3.34 Crores as at March 31, 2016 and net cash flows amounting to ₹ (-)0.14 Crores for the year then ended on that date, as considered in the consolidated financial statements. These financial statements are un-audited and have been furnished to us duly certified by the management and our opinion on the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as, it relates to the aforesaid jointly controlled entities, is based solely on such un-audited financial statements as certified by the management. In the view of management the impact of un-audited accounts on the consolidated financial statements is insignificant and which have been relied upon by us.

c) The consolidated financial statements include the financial statements of one foreign subsidiary i.e. Coal India Africana Limitada, the accounts of which have been prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and audited by the auditor of Mozambique. No adjustment have been made for the differences between such financial statements prepared as per General Accounting Plan for small entities in Mozambique (PGC-PE) and Indian Generally Accepted Accounting Principles (GAAP) being insignificant as per the management and which have been relied upon by us. Our opinion is based solely on the report of other auditor. [Refer Note 34 (2) (xiii)].

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1) Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable on Consolidated Financial Statements as referred in proviso to Para 2 of the said order.

2) As required under Section 143(5) of the Companies Act, 2013, we give in the "Annexure-A", a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Group. This statement has been prepared incorporating the comments of the Auditors' of the subsidiary companies mentioned in their Auditors' Reports and issued at the instance of the audit of Comptroller and Auditor General of India.

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) the reports on the accounts of the Holding Company audited by us and its subsidiaries incorporated in India audited under Section 143 (8) of the Act by other auditors and certificate of the management on the accounts of the jointly controlled companies incorporated in India, have been properly dealt with in preparing this report.

   d) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   e) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and other Group companies and the operating effectiveness of such controls, we are enclosing herewith "Annexure-B" for our opinion considering the opinion of other Group companies audited by other auditors and ;

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

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements. [Refer Note 34(1)(iii)]

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled companies incorporated in India.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 1 of "Other Legal and Regulatory requirements" of our Audit Report on the Statement of Directions & Additional directions under Section 143(5) of Companies Act, 2013 issued by Comptroller & Auditor General of India for the year 2015-16 as reported in Auditor's report of Holding Company and Auditors' Report of Subsidiary companies]

Part-I

Sl. No.	Details/ Directions	Auditor's Reply	Action Taken and Impact on Accounts & Financial Statements
1.	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?	Title deeds are available in case of freehold and leasehold lands in some cases only. In other cases title deeds for lease hold and freehold lands are not available/not made available during the course of the audit. In absence of proper information, quantification is not possible. In certain cases, value of land not recorded in the books and in some other cases reconciliation is under progress.	Financial impact cannot be ascertainable.
2.	Whether there are any cases of waiver/ write-off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved.	During the year the Group has written-off ₹ 1049.31 Crores against doubtful debts, doubtful advances etc excluding the amount involved within the Group.	Out of the total balances written off of ₹ 1049.31 Crores, ₹ 921.95 Crores was provided in earlier years; hence the impact on consolidated financial statements is ₹ 127.36 Crores.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	No inventories are lying with third parties and no assets were received as gift from Govt. or other authorities. However proper records wherever necessary are maintained for inventories lying with third parties.	There is no impact on the consolidated financial statements.

Additional – Directions:-

Part-II

Sl. No.	Details/ Directions	Auditor's Reply	Action Taken and Impact on Accounts & Financial Statements
a)	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	The stock measurement was done along with contour map and the same is available with the reports of stock measurement. The new heaps have been created with the approval of the competent authority.	Yes. There is no impact on the consolidated financial statements.

Sl. No.	Details/ Directions	Auditor's Reply	Action Taken and Impact on Accounts & Financial Statements
b)	Whether the company conducted the physical verification exercise of asset and properties at the time of merger/ split/restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	There is no such merger/ split / restructure of an area during the year at Holding Company and at its Subsidiary companies.	No impact on Accounts and consolidated financial statements.
c)	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of annual accounts for the year 2015-2016.	As per the information and explanations given to us, uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries and at NEC, the production units of the Holding Company, have been considered during the preparation of annual accounts for the year 2015-2016.	No impact on the consolidated financial statements.
d)	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined.	There is no dispute with regard to GCV ranges at Holding Company and at its subsidiary companies.	No impact on the consolidated financial statements.
e)	If the audittee has computerized its operation or any part of it, you should assess and report, how much of the data in the company is in electronic format. Which of the major areas such as Financial accounting, Sales accounting, Personal information, Pay-roll materials, Inventory Management etc. have been computerized, and its impact on your work in auditing the accounts.	In case of Coal India Limited, Financial Accounting, Sales Accounting, Payroll Materials, Personal Information, Inventory Management have been computerized which have facilitated better audit environment and day to day transactions data are kept in electronic form. At the year-end hard copies of certain required documents are kept in hard form. However comprehensive ERP system needs to be introduced to integrate all offices and units of the Company for better controls. Auditors of the subsidiary companies have not commented on the matter in their respective audit reports.	No impact on the consolidated financial statements.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

"ANNEXURE-B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Coal India Limited (hereinafter referred as "the Holding Company"), and its subsidiary companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us, and based on our audit, in our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement like introduction of Integrated ERP system of accounting so that financial reporting process can be improved especially in case of compilation of information or data for financial reporting process at Holding company and Subsidiary companies and its jointly controlled companies.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to eight subsidiary companies, and three jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **CHATURVEDI & CO.**
Chartered Accountants
Firm Regn. No.302137E
S.C.Chaturvedi
Partner
Mem.No.012705

Place:Kolkata
Dated:May 28, 2016

ANNEXURE 5

OBSERVATIONS OF AUDITOR ON STANDALONE FINANCIAL STATEMENTS AND MANAGEMENT EXPLANATION

	Observation of Auditor	Management Explanation
	Emphasis of Matters in audit report	
1.	Note 10A (Para-1) which refers to title deeds for freehold land amounting ₹6.38 Crores and for leasehold land amounting ₹1.34 Crores have been verified by us and the same are held in the name of the company. Title deeds for freehold land for ₹5.43 Crores are not available for our verification. Further, as per the details made available to us, title deeds for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available.	For the land inherited free of cost at the time of nationalization no value has been recorded in the books and title deeds are also not available in many cases. For certain freehold land also acquired long back title deeds are not available. On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the Central Government, which on transfer is exercised by the Company.
2.	Note 10A (Para-2) regarding non-provision for impairment against fixed assets written down value of which is ₹11.76 Crores of Dankuni Coal Complex let out to South Eastern Coalfields Limited (SECL) for nominal lease rent of Re.1per annum under cancellable operating lease agreement. In the opinion of the management, the actual worth of the assets including land is much higher than the book value and hence no provision is called for.	This issue has been adequately explained in the notes referred to by the Auditors.
3.	Note No.11 dealing with an aggregate investment of ₹ 8926.42 Crores in its 100% subsidiary companies namely Bharat Coking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) have come out of Board for Industrial & Financial Reconstruction (BIFR). These subsidiaries are turning around and have started earning profits. In the view of changing circumstances, the management is of the opinion that no provisioning is required against the erosion of ₹2614.85 Crores (PY: 4243.30 Crores) in the value of Investment as the same is of temporary nature.	This issue has been adequately explained in the notes referred to by the Auditors.
4.	Note 34(1) (c) Contingent Liability of the accompanying financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities.	This being a statement of fact calls for no comment separately.
5.	Pending write off action of certain old account balances against which full provision has been made in the books of accounts.	During 2015-16 most of the old account balances aggregating to ₹ 41.66 crore has been written off against which full provision had been made earlier. The remaining old account balances will be dealt with in 2016-17.
6.	Balances under Long-term loans and advances of ₹157.04 Crores, Short-term loans and advances ₹0.39 Crores, Trade receivables of ₹0.39Crores, Trade payables of ₹1.51 Crores and Other current liabilities of ₹207.48 Crores, have not been confirmed. Consequential impact on confirmation/ reconciliation/ adjustment of such balances (which will not be material as per management), if any is not ascertainable.	Trade receivables are periodically reconciled on regular basis. In respect of trade payables & other current liabilities, system for obtaining confirmation is there, although in number of the cases response from the creditors are not received. However, efforts will be taken to increase the balance confirmations.

	Observation of Auditor	Management Explanation
7.	Required number of Independent Directors has not been appointed in the Board of the Company as per the provisions of Section 149(1) of the Companies Act, 2013.	The matter has been taken up with Ministry of Coal, Govt. of India which is appointing authority of Independent Directors.
	"Annexure-A" to the Independent Auditor's Report – As required by the Companies (Auditor's Report) Order, 2016 ("the Order")	
8.	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for assets at Regional sales offices. Further certain details as regards to purchase orders reference, date of commissioning, location, identification and codifications etc. of some movable tangible assets needs to be updated. Location details and area of freehold and leasehold land also needs to be updated in the fixed asset register and need to be reconciled with the revenue records maintained by the local authority.	In respect of fixed assets situated at Regional Sales offices (RSOs), the details are being maintained at the respective RSO. However, process of updation will be completed in 2016-17. In respect of land, detailed reconciliation is under process.
9.	The fixed assets located at Head quarter, North Eastern Coalfields, various Regional sales offices and other offices have been physically verified periodically as certified by the management. Discrepancies noticed on such verification were not material as per the management, pending for reconciliation and adjustment in the books of accounts. The process should be further improved by having well defined programme of physical verification to cover all the assets in phased manner.	This being a statement of fact calls for no comments separately. Necessary adjustments for discrepancies, if any required after reconciliation, will be made in the accounts. Action will be taken to increase the coverage of physical verification in phased manner.
10.	According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds for freehold land amounting ₹6.38 Crores and for leasehold land amounting ₹1.34 Crores have been verified by us and the same are held in the name of the Company. Title deeds for freehold land for ₹5.43 Crores are not available for our verification. Further, as per the details made available to us, title deeds for freehold land measuring 1072.97 hectares and leasehold land measuring 5558.23 hectares, for which no value is recorded in the books of accounts, are not available	For the land inherited free of cost at the time of nationalization no value has been recorded in the books and title deeds are also not available in many cases. For certain freehold land also acquired long back title deeds are not available. On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the central government, which on transfer is exercised by the company.
11.	(a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sale tax, wealth Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except few cases of delay noticed in deposit of service tax. As informed to us, Employee's state insurance is not applicable to the company. According to the information and explanations given to us, except dues of additional royalty of ₹28,51,836/-as on March 31,2016 which have not been deposited for reason stated in Note-34(17) of the accompanying financial statements , no other undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, duty of excise, service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016, for a period of more than six months from the date they became payable.	This being a statement of fact calls for no comments separately

	Observation of Auditor	Management Explanation
	(b) According to the information and explanations given to us, and as per the records of the Company examined by us, there are no dues of income tax, duty of customs, duty of excise, cess and other statutory dues except following sales tax, which have not been deposited on account of any dispute are as under:	These cases are very old and pending before assessing officer/sales tax departmental appellate authority. However, these have been disclosed as contingent liability.

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Provincial Sales Tax Act	Sales Tax	3,86,234.13	FY:1989-90	Assessing officer
Provincial Sales Tax Act	Sales Tax	1,79,762.00	FY:1990-91	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Sales Tax	48,441.00	FY:1990-91	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Sales Tax	2,75,819.00	FY:1991-92	Additional Commissioner (Appeals)-3
Provincial Sales Tax Act	Trade Tax	9040.00	FY:1993-94	Assessing officer

	"Annexure-C" to the Independent Auditor's Report – Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")	
12.	According to the information and explanations given to us, and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" by way of identifying the significant account balances including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level, related accounting records, supporting informations, procedure how the system is integrated to departments to capture the transactions that related to financial statements and events/conditions other than the transactions that are significant to the financial statements so as to fulfill objectives of control criteria established at Company, introduction of Integrated ERP system of accounting so that financial reporting process can be further improved especially in case of compilation of information or data for financial reporting process. However, our opinion is not qualified in above respect.	The management has already initiated actions for further improvement in designing the 'documentation of internal financial controls' incorporating the business process flow, including procedure of integrating the transactions for its proper translation in the financial records. The company has also initiated necessary action for introduction of an ERP system to integrate the entire business process including the system of accounting to ensure that the financial reporting process is comprehensive.

ANNEXURE 5(A)

OBSERVATIONS OF AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT EXPLANATION

	Observation of Auditor	Management Explanation
	Emphasis of Matters in audit report	
1.	Note 34(1)(iii), Contingent Liability of the accompanying consolidated financial statements, which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Group by various parties and Government authorities.	This being a statement of fact calls for no comments separately.
2.	Note 34(7) (c), in financial statements in one of the subsidiary company, alleged fraudulent payments of ₹ 0.81 Crores were detected against fake bills of two parties and some more fake unpaid bills of these parties and also of another party have also been detected. The matter is under investigation by the vigilance department and FIR has been filed with the police. Any adjustment in Financial Statements will be made on completion of the investigation.	Action has already been taken to recover the alleged fraudulent payment from the respective parties. As on 31.03.2016, Company has withhold ₹ 0.52 Crs. (approx.) payable to respective parties on account of Estimated Value of Work Done / EMD/Security Deposits money/ Bank Guarantee etc.
	Further, there is over payment of ₹1.85 Crores in Kargali Washery and Bokaro Project due to wrong fixation of basic pay on conversion of Piece Rated workers to Time Rated payments. A committee formed in this regard has submitted their report. Pending decision, no adjustment has been made in the accounts.	The matter is under review for necessary action.
3.	Non availability of title deeds for some freehold lands and leasehold lands, rights, interest in Land and Mines for verification.	On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the central government, which on transfer is exercised by the group company.
4.	Pending write off action of certain account balances against which full provision has been made in the books of accounts.	During 2015-16, certain account balances aggregating to ₹ 921.95 crore have been written off against which full provision had been made earlier. The remaining account balances will be dealt with in 2016-17 for which also full provision exists.
5.	Balances under Long-term loans and advances, Non-current assets, Trade receivables, Other current assets, Trade payables and Other current Liabilities have not been confirmed in most of the cases. Consequential impact on confirmation/ reconciliation/adjustment of such balances (which will not be material as per Group), if any is not ascertainable.	Trade receivables are periodically reconciled on regular basis. In respect of trade payables & other current liabilities, system for obtaining confirmation is there, although in number of the cases response from the creditors are not received. However, efforts will be taken to increase the balance confirmations.
6.	The Independent Directors have not been appointed on the Boards of the Holding Company as per the provisions of Section 149(1) of the Companies Act, 2013. Women director have not been appointed in the board of two Group companies.	The matter has been taken up with Ministry of Coal, Govt. of India which is appointing authority.

	Observation of Auditor	Management Explanation
	"Annexure-A" to the Independent Auditor's Report – Audit Report on the Statement of Directions & Additional directions under Section 143(5) of Companies Act, 2013 issued by Comptroller & Auditor General of India for the year 2015-16	
7.	Title deeds are available in case of freehold and leasehold lands in some cases only. In other cases, title deeds for lease hold and freehold lands are not available/ not made available during the course of the audit. In absence of proper information, quantification is not possible. In certain cases, value of land not recorded in the books and in some other cases reconciliation is under progress.	On nationalization, deed of conveyance is not required to be executed in terms of GSR/345E dated 09.07.1973. Rights, title and interest in land remains vested absolutely with the central government, which on transfer is exercised by the group company. In some cases, detailed reconciliation of land is under process.
	"Annexure-B" to the Independent Auditor's Report – Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")	
8.	According to the information and explanations given to us, and based on our audit, in our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement like introduction of Integrated ERP system of accounting so that financial reporting process can be improved especially in case of compilation of information or data for financial reporting process at Holding company and Subsidiary companies and its jointly controlled companies.	The management has already initiated actions for further improvement in designing the documentation of internal financial controls incorporating the business process flow, including procedure of integrating the transactions for its proper translation in the financial records. The company has also initiated necessary action for introduction of an ERP system to integrate the entire business process including the system of accounting, compilation of information or data, to ensure that the financial reporting process is comprehensive.

ANNEXURE 6

Subsidiary wise Coal Off-take

Fig in Mill.Tonnes

	2015-16			2014-15	Growth over last year	
Company	Target	Achieved	% Achieved	Achieved	Abs.	%
ECL	42.130	38.607	91.6%	38.470	0.137	0.4%
BCCL	35.850	36.141	100.8%	33.672	2.469	7.3%
CCL	60.600	59.582	98.3%	55.338	4.244	7.7%
NCL	78.100	78.532	100.6%	73.693	4.839	6.6%
WCL	45.100	42.310	93.8%	41.246	1.064	2.6%
SECL	137.000	138.748	101.3%	123.223	15.525	12.6%
MCL	150.000	140.234	93.5%	123.003	17.231	14.0%
NEC	1.220	0.342	28.0%	0.732	-0.390	-53.3%
CIL	550.000	534.496	97.2%	489.377	45.119	9.2%

ANNEXURE 7

Sector-wise dispatch of coal & coal products

(Figs. in million tonnes)

Year	2015-16			2014-15	Growth over Last Year	
Sector	Target	Despatch	% Satn.	Actual	Abs.	%
Power (Util)	430.677	408.751	94.9%	385.395	23.356	6.1%
Steel *	2.852	3.415	119.7%	3.771	-0.356	-9.4%
Cement **	6.650	4.671	70.2%	5.550	-0.879	-15.8%
Fertilizer	2.640	2.294	86.9%	2.292	0.002	0.1%
Export	0.000	0.014	-	0.007	0.007	100.0%
Others***	106.119	115.479	108.8%	92.967	22.512	24.2%
Despatch	548.938	534.624	97.4%	489.982	44.642	9.1%

*despatch of washed coking coal & raw coking coal for direct feed, blendablecoal to steel plants & to external washeries.

** despatch to cement plants excluding cement cpp.

***others include despatches under e-auction

ANNEXURE 8

Dispatches of coal and coal products by various modes

(Figs. In million tonnes)

Year	2015-16			2014-15	Growth over Last Year	
Mode	**Target**	**Despatch**	**% Satn.**	**Actual**	**Abs.**	**%**
Rail	318.671	289.254	90.8%	266.499	22.755	8.5%
Road	114.507	139.844	122.1%	122.099	17.745	14.5%
MGR	103.630	92.264	89.0%	90.073	2.191	2.4%
Other Modes	12.130	13.262	109.3%	11.311	1.951	17.2%
Overall	548.938	534.624	97.4%	489.982	44.642	9.1%
Non Rail Modes	230.267	245.370	106.6%	223.483	21.887	9.8%

ANNEXURE 9

Wagon Loading in 2015-16

(Figs. In Rake/day)

	2015-16			2014-15	Growth over last year	
Company	**Target**	**Achieved**	**% Achieved**	**Achieved**	**Abs.**	**%**
ECL	21.08	19.40	92.0%	18.24	1.16	6.4%
BCCL	24.25	23.71	97.8%	22.29	1.42	6.4%
CCL	29.02	28.28	97.5%	25.37	2.91	11.5%
NCL	23.03	22.33	97.0%	20.40	1.93	9.5%
WCL	17.91	19.39	108.3%	16.05	3.34	20.8%
SECL	39.01	34.02	87.2%	31.79	2.23	7.0%
MCL	77.73	65.44	84.2%	59.76	5.68	9.5%
NEC	0.94	0.21	22.3%	0.65	-0.44	-67.7%
CIL *	232.97	212.78	91.3%	194.55	18.23	9.4%

ANNEXURE 10

Subsidiary wise details of Stock of Coal

Company	Net Value of stock as on 31.03.2016 (₹ In Crores)	Net Value of stock as on 31.03.2015 (₹ In Crores)	Stock in terms of no. of months of Net Sales	
			As on 31.03.16	As on 31.03.15
ECL	568.98	384.24	0.71	0.46
BCCL	828.60	754.53	1.17	1.13
CCL	1313.62	1178.54	1.49	1.49
NCL	553.93	379.54	0.67	0.48
WCL	957.52	668.48	1.54	1.10
SECL	1442.15	903.67	1.03	0.67
MCL	346.82	386.79	0.33	0.42
NEC/CIL	150.92	56.37	11.10	1.77
Total	**6162.54**	**4712.16**	**0.98**	**0.79**

ANNEXURE 11

Subsidiary wise details of Trade Receivables

Figures in ₹ Crores

Company	Trade Receivables As on 31.03.2016		Trade Receivables As on 31.03.2015	
	Gross	Net of provisions	Gross	Net of provisions
ECL	2473.70	1955.53	1890.02	1426.88
BCCL	3060.36	2638.05	1988.71	1600.60
CCL	2094.76	1365.58	2028.72	1465.57
NCL	963.43	898.26	1328.95	621.14
WCL	934.64	832.13	756.73	672.92
SECL	2984.93	2650.61	2529.85	2277.71
MCL	1160.92	1123.16	488.68	447.30
NEC/CIL	11.16	0.38	20.54	9.76
Total	**13683.90**	**11463.70**	**11032.20**	**8521.88**

ANNEXURE 12

Subsidiary-wise break-up of Royalty, Cess, Sales Tax, Stowing Excise Duty, Central Excise Duty, Clean Energy Cess, Entry Tax and Others paid/adjusted during the year 2015-16

₹ Crores

Company	Particulars	State Exchequer								Central Exchequer	2015-16
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam		
ECL	Royalty			12.72	319.14						331.86
	Addnl Royalty under MMDR Act			-						2.96	2.96
	Cess on coal			1,544.31							1,544.31
	State Sales Tax / VAT			225.30	8.90						234.20
	Central Sales Tax									161.10	161.10
	Stowing Excise Duty									38.68	38.68
	Central Excise Duty									436.70	436.70
	Clean Energy Cess									720.91	720.91
	Entry Tax			5.59							5.59
	Others										-
	Total	**-**	**-**	**1,787.92**	**328.04**	**-**	**-**	**-**	**-**	**1,360.35**	**3,476.31**
BCCL	Royalty			0.56	758.28						758.84
	Addnl Royalty under MMDR Act									8.09	8.09
	Cess on coal			36.01							36.01
	State Sales Tax / VAT			24.72	105.52						130.24
	Central Sales Tax									163.86	163.86
	Stowing Excise Duty									35.42	35.42
	Central Excise Duty									258.85	258.85
	Clean Energy Cess									655.98	655.98
	Entry Tax										-
	Others										-
	Total	**-**	**-**	**61.29**	**863.80**	**-**	**-**	**-**	**-**	**1,122.20**	**2,047.29**
CCL	Royalty				1,078.71						1,078.71
	Addnl Royalty under MMDR Act				-					11.32	11.32

₹ Crores

Company	Particulars	State Exchequer								Central Exchequer	2015-16
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam		
	Cess on coal										-
	State Sales Tax / VAT				275.30						275.30
	Central Sales Tax									206.73	206.73
	Stowing Excise Duty									61.21	61.21
	Central Excise Duty									503.45	503.45
	Clean Energy Cess									1,135.78	1,135.78
	Entry Tax										-
	Others										-
	Total	**-**	**-**	**-**	**1,354.01**	**-**	**-**	**-**	**-**	**1,918.49**	**3,272.50**
NCL	Royalty	1,005.03					236.86				1,241.89
	Addnl Royalty under MMDR Act	4.98								11.44	16.42
	Cess on coal						10.35				10.35
	State Sales Tax / VAT	119.74					183.93				303.67
	Central Sales Tax									120.25	120.25
	Stowing Excise Duty									78.31	78.31
	Central Excise Duty									225.88	225.88
	Clean Energy Cess									1,578.21	1,578.21
	Entry Tax	7.38					44.03				51.41
	Others	303.79	-	-	-	-	370.30	-	-		674.09
	Total	**1,440.92**	**-**	**-**	**-**	**-**	**845.47**	**-**	**-**	**2,014.09**	**4,300.48**
WCL	Royalty	149.25				842.70					991.95
	Addnl Royalty under MMDR Act									10.27	10.27
	Cess on coal										-
	State Sales Tax / VAT	67.59				311.18					378.77
	Central Sales Tax									36.03	36.03
	Stowing Excise Duty									41.59	41.59
	Central Excise Duty									323.99	323.99
	Clean Energy Cess									766.61	766.61
	Entry Tax	10.05									10.05
	Others										-

₹ Crores

Company	Particulars	State Exchequer								Central Exchequer	2015-16
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam		
	Total	**226.89**	**-**	**-**	**-**	**1,153.88**	**-**	**-**	**-**	**1,178.49**	**2,559.26**
SECL	Royalty	409.00	1,794.20								2,203.20
	Addnl Royalty under MMDR Act	13.49	125.85							64.74	204.08
	Cess on coal										-
	State Sales Tax / VAT	83.61	531.65								615.26
	Central Sales Tax									250.85	250.85
	Stowing Excise Duty									136.28	136.28
	Central Excise Duty									837.10	837.10
	Clean Energy Cess									2,513.80	2,513.80
	Entry Tax	20.87	103.42								124.29
	Others	157.01	16.37	0.03							173.41
	Total	**683.98**	**2,571.49**	**0.03**	**-**	**-**	**-**	**-**	**-**	**3,802.77**	**7,058.27**
MCL	Royalty							1,581.24			1,581.24
	Addnl Royalty under MMDR Act							167.34		13.94	181.28
	Cess on coal										-
	State Sales Tax / VAT							503.61			503.61
	Central Sales Tax									203.15	203.15
	Stowing Excise Duty									133.84	133.84
	Central Excise Duty									1,049.40	1,049.40
	Clean Energy Cess									2,601.66	2,601.66
	Entry Tax							68.00			68.00
	Others										-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**2,320.19**	**-**	**4,001.99**	**6,322.18**
NEC	Royalty								21.56		21.56
	Addnl Royalty under MMDR Act										-
	Cess on coal										-
	State Sales Tax / VAT								3.70		3.70
	Central Sales Tax									2.82	2.82
	Stowing Excise Duty									0.34	0.34

₹ Crores

Company	Particulars	State Exchequer								Central Exchequer	2015-16
		MP	Chattisgarh	WB	Jharkhand	Maharashtra	UP	Orissa	Assam		
	Central Excise Duty									11.63	11.63
	Clean Energy Cess									7.18	7.18
	Entry Tax								0.03		0.03
	Others								0.56		0.56
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**25.85**	**21.97**	**47.82**
Overall	Royalty	1,563.28	1,794.20	13.28	2,156.13	842.70	236.86	1,581.24	21.56	-	8,209.25
	Addnl Royalty under MMDR Act	18.47	125.85	-	-	-	-	167.34	-	122.76	434.42
	Cess on coal	-	-	1,580.32	-	-	10.35	-	-	-	1,590.67
	State Sales Tax / VAT	270.94	531.65	250.02	389.72	311.18	183.93	503.61	3.70	-	2,444.75
	Central Sales Tax	-	-	-	-	-	-	-	-	1,144.79	1,144.79
	Stowing Excise Duty	-	-	-	-	-	-	-	-	525.67	525.67
	Central Excise Duty	-	-	-	-	-	-	-	-	3,647.00	3,647.00
	Clean Energy Cess	-	-	-	-	-	-	-	-	9,980.13	9,980.13
	Entry Tax	38.30	103.42	5.59	-	-	44.03	68.00	0.03	-	259.37
	Others	460.80	16.37	0.03	-	-	370.30	-	0.56	-	848.06
	Total	**2,351.79**	**2,571.49**	**1,849.24**	**2,545.85**	**1,153.88**	**845.47**	**2,320.19**	**25.85**	**15,420.35**	**29,084.11**

ANNEXURE 13

Subsidiary-wise Coal Production

(Figure in million tonnes)

Company	Coking		Non-Coking		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
ECL	0.012	0.034	40.197	39.974	40.209	40.008
BCCL	32.775	30.77	3.086	3.744	35.861	34.514
CCL	20.697	19.326	40.627	36.326	61.324	55.652
NCL	0.00	0	80.224	72.484	80.224	72.484
WCL	0.209	0.31	44.606	40.837	44.815	41.147
SECL	0.135	0.126	137.799*	128.149	137.934*	128.275
MCL	0.00	0	137.901	121.379	137.901	121.379
NEC	0.00	0	0.486	0.779	0.486	0.779
CIL	53.828	50.566	484.926*	443.672	538.754*	494.238

*It included 2.28 MT in respect of Gare Palma IV/2&3 Mine for which Coal India Ltd. was appointed akin to a designated custodian w.e.f 01.04.2015(through SECL)

Production from underground and opencast mines.

The company-wise production from Underground, Opencast mines is as under:

(Figures in million tonnes)

Company	Underground		Opencast		Total	
	Production		Production		Production	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
ECL	7.329	7.292	32.880	32.716	40.209	40.008
BCCL	1.807	2.029	34.054	32.485	35.861	34.514
CCL	0.848	0.841	60.476	54.811	61.324	55.652
NCL	0.00	0	80.224	72.484	80.224	72.484
WCL	7.180	7.565	37.635	33.582	44.815	41.147
SECL	15.507	16.036	122.427	112.239	137.934	128.275
MCL	1.112	1.276	136.789	120.103	137.901	121.379
NEC	0.003	0.003	0.483	0.776	0.486	0.779
CIL	33.786	35.042	504.968	459.196	538.754	494.238

ANNEXURE 13A

Washed Coal (Coking) Production

Company	Washed Coal (Coking)	
	2015-16	2014-15
ECL	0	0
BCCL	5.99	3.87
CCL	14.71	16.48
NCL	0	0
WCL	0.81	0.73
SECL	0	0
MCL	0	0
NEC	0	0
CIL	21.51	21.08

ANNEXURE 13B

Subsidiary wise Overburden Removal

(Figures in million cubic metres)

Company	2015-16	2014-15	% of growth
ECL	119.219	94.047	26.77
BCCL	148.591	103.901	43.01
CCL	106.778	97.378	9.65
NCL	338.089	210.614	60.53
WCL	155.146	122.914	26.22
SECL	175.367	158.268	10.80
MCL	98.414	89.221	10.30
NEC	7.304	10.185	-28.29
CIL	1148.908	886.528	29.60

ANNEXURE 14

Population of equipment

Equipment	No. of Equipment		Indicated as % of CMPDIL Norm			
	As on	As on	Availability		Utilisation	
	1.4.2016	1.4.2015	2015-16	2014-15	2015-16	2014-15
Dragline	40	37	94	95	78	81
Shovel	697	626	93	92	77	78
Dumper	2925	2901	111	107	73	73
Dozer	978	1005	95	94	56	56
Drill	720	700	105	104	60	62

ANNEXURE 15

Subsidiary wise System Capacity Utilization

(Unit %)

Company	2015-16	2014-15	Growth%
ECL	116.04	106.80	8.7
BCCL	141.53	98.04	44.4
CCL	114.71	105.94	8.3
NCL	103.96	75.84	37.1
WCL	99.05	108.21	-8.5
SECL	84.99	85.87	-1.0
MCL	77.00	56.63	36.0
NEC	65.31	110.57	-40.9
Total CIL	**99.87**	**84.36**	**18.4**

ANNEXURE 16

Project Implementation

a) Projects Completed During the year 2015-16:

Sl no	Subsidiary	Name of The Projects	Type	Sanctioned Capacity (MTY)	Sanctioned Capital (₹Crores)
1	ECL	Sarpi Augmentation	UG	0.76	120.35
2	CCL	Piparwar OCP	OC	10.00	1129.91
3	NCL	Block-B OCP	OC	3.50	535.10
4	NCL	Amlohri Expn OCP	OC	6.00	1143.54
5	WCL	Junakunada OCP	OC	1.20	23.76
6	SECL	Churcha RO	UG	1.35	462.35
7	SECL	Haldibari	UG	0.42	47.59
8	SECL	Dipka OCP	OC	25.00	1943.66
	TOTAL			**48.23**	**5406.26**

b) Projects started Production during the Year 2015-16:

Sl No	Sub	Name of The Projects	Type	Sanctioned Capacity (MTY)	Sanctioned Capital (₹Crores)	Production (2015-16)
1	CCL	Magadh	OC	20.0	706.40	0.48
2	WCL	New Majri Sector-I A & Sector-II A Extn.	OC	1.2	88.90	0.90
3	WCL	Bhanegaon	OC	1.00	187.94	0.26
4	WCL	Penganga	OC	4.00	441.82	1.05
5	WCL	Gokul	OC	1.50	267.66	0.51
6	WCL	New Majri UG to OC	OC	0.80	299.56	0.80
	TOTAL			**28.5**	**1992.28**	**4.00**

c) Projects sanctioned by CIL Board

Sl. No.	Project	Subs	Date of Approval	Sanctioned Capacity (MTPA)	Sanctioned Capital (₹ Crores)
1	Hura – C OC	ECL	23.09.15	3.00	359.69
2	Jhanjra Combined PR	ECL	13.11.15	3.50	1441.39
3	Amalgamated Yekona-I & Yekona-II	WCL	12.08.15	2.75	727.28
4	Integrated Lakhanpur Belpahar – Lilari OCP	MCL	12.08.15	30.00	3017.57
5	Gopalji – Kaniha Expn OCP	MCL	23.09.15	30.00	4384.41
6	Rampur Batura OCP	SECL	12.08.15	4.00	1186.64
7	Madannagar OCP		23.09.15	12.00	1875.32
8	Amadand OCP	SECL	05.03.16	4.00	869.44
9	Gevra Expn. OCP	SECL	05.03.16	70.00 (35 Incr)	12619.00 (9943.55 Incr)
	Total			**159.25**	**26480.74**

d) Projects Sanctioned by Subsidiary Company Boards:

Sl. No.	Project	Subs	Date of Approval	Sanctioned Capacity (MTPA)	Sanctioned Capital (₹ Crores)
1	Padmapur Extn deep	WCL	13.04.15	2.50	124.59
2	New Majri UG to OC	WCL	23.05.15	0.80	299.56
3	Singhori OC	WCL	20.06.15	0.85	205.49
4	Pauni II &III amalgamation	WCL	20.06.15	3.25	499.00
5	Adasa UG to OC	WCL	11.08.15	1.50	300.89
6	Kamptee deep	WCL	18.11.15	2.00	277.65
7	Mungoli Nirguda Deep OC	WCL	18.11.15	3.50	498.41
8	Batura HW	SECL	25.07.15	0.50	231.92
9	Malachua OC	SECL	28.10.15	3.00	488.33
	Total			**17.90**	**2925.84**

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

Sl. No.	Project	Subs	Date of Approval	Sanctioned Capacity (MTPA)	Sanctioned Capital (₹ Crores)
1	Nigahi Expansion OCP RCE	NCL	31.10.15	5.00	486.57
2	Ghonsa RPR	WCL	11.08.15	0.60	102.48
3	Bhatadi Expn OC UCE	WCL	03.02.16	0.97	327.40
4	Kolar-pimpri Extn. OC UCE	WCL	03.02.16	1.50	415.81
5	Amalgamated Gondegaon – Ghatrohana OC UCE	WCL	03.02.16	2.50	238.48
6	Amagaon OC RCE	SECL	25.07.15	1.00	316.10
7	Ambika OC RCE	SECL	30.11.15	1.00	140.51
	TOTAL			**12.57**	**2027.35**

ANNEXURE 17

Subsidiary wise details of Capital Expenditure

Figures in ₹ Crores

Company	2015-16		2014-15	
	BE	Actual	BE	Actual
ECL	1,030.50	754.70	970.00	686.69
BCCL	400.00	485.59	350.00	554.87
CCL	600.00	638.33	585.00	595.82
NCL	800.00	704.92	600.00	715.06
WCL	750.00	1,163.47	475.00	518.79
SECL	1,030.00	890.98	980.00	1,058.27
MCL*	800.00	1,202.82	700.00	836.50
CMPDIL	50.00	54.64	30.00	29.74
CIL & Others**	530.00	227.58	535.00	177.75
Total	**5,990.50**	**6,123.03**	**5,225.00**	**5,173.49**

* Includes ₹ 534 crores payment made for acquisition of land for Railway Project in 2015-16.

** Includes Master Action Plan and R&D.

ANNEXURE 18

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

Table: 1 – Comparative Accidents Statistics of CIL of 5 Yearly Average since 1975 vis-a-vis 2015

Time frame	Av. Fatal Accidents		Av. Serious Accidents		Av. Fatality Rate		Av. Serious Injury Rate	
	Accident	Fatalities	Accident	Injuries	Per Mill. Te	Per 3 Lac Manshifts	Per Mill. Te	Per 3 Lac Manshifts
1975-79	157	196	1224	1278	2.18	0.44	14.24	2.89
1980-84	122	143	1018	1065	1.29	0.30	9.75	2.26
1985-89	133	150	550	571	0.98	0.30	3.70	1.15
1990-94	120	145	525	558	0.694	0.30	2.70	1.19
1995-99	98	124	481	513	0.50	0.29	2.06	1.14
2000-04	68	82	499	526	0.28	0.22	1.80	1.47
2005-09	60	80	328	339	0.22	0.25	0.92	1.04
2010-14	56	62	219	228	0.138	0.23	0.49	0.80
2015	**38**	**38**	**134**	**141**	**0.07**	**0.15**	**0.27**	**0.56**

Table – 2:All safety parameters have shown on improvement in 2015 vis-a-vis 2014

SN.	Parameters	2015	2014	Reduction in absolute nos.	% of Reduction
1	Number of fatal accidents	38	43	5	11.6%
2	Number of fatalities	38	45	7	15.6%
3	Number of serious Accidents	134	183	49	26.8%
4	Number of serious injuries	141	186	45	24.2%
5	Fatality Rate per Mte. of coal production	0.07	0.09	0.02	22.2%
6	Fatality Rate per 3 lakhs manshift deployed	0.15	0.18	0.03	16.7%
7	Serious injury Rate per Mte.of coal production	0.27	0.38	0.11	28.9%
8	Serious injury Rate per 3 lakhs manshift deployed	0.56	0.72	0.16	22.2%

Note: Accident Statistics are maintained calendar year wise in conformity with DGMS and figures for the year 2015 are subject to reconciliation with DGMS

The details of Mine Rescue Station and Rescue Rooms established at strategic locations spreading across different subsidiaries are as under:-

Company	Rescue establishment presently operating		
	Mine Rescue Station (MRS)	Rescue room with Refreshers Training (RRRT)	Rescue Room (RR)
ECL	Sitarampur	Kenda	Jhanjra ,Kalidaspur Mugma
BCCL	Dhansar	Sudamdih	Moonidih, Murulidih Madhuband
CCL	Ramgarh	Kathara&Churi	Dhori, Kedla&Urimari
SECL	Manindragarh	Sohagpur, Kusmunda, Bisrampur, Baikunthpur, Johilla	Chirimiri, Raigarh, Bhatgaon, Jamuna&Kotma, Korba
WCL	Nagpur	Parasia, Pathakhera,Tadali	Damua , New Majri&Sasti
MCL	Brajraj Nagar	Talcher	-
NEC	-	Tipong	-
Total	6	14	17

Company-wise status of Simulation training imparted to dumper operators as on 31st March'2016 is as under:-

Company	Simulation training imparted to dumper operators as on 31st March'2016
ECL	145
BCCL	746
CCL	25
NCL	964
WCL	105
SECL	232
MCL	66
NEC	0
CIL (Total)	**2283**

ANNEXURE 19

Subsidiary wise position of manpower

Subsidiary company wise position of manpower is as below:-

Company	As on	Total
ECL	**31.03.2016**	**66238**
	31.03.2015	68681
BCCL	**31.03.2016**	**53670**
	31.03.2015	56051
CCL	**31.03.2016**	**43681**
	31.03.2015	45011
WCL	**31.03.2016**	**49062**
	31.03.2015	50071
SECL	**31.03.2016**	**64505**
	31.03.2015	67800
MCL	**31.03.2016**	**22397**
	31.03.2015	22259
NCL	**31.03.2016**	**16078**
	31.03.2015	16226
NEC	**31.03.2016**	**1877**
	31.03.2015	2027
CMPDIL	**31.03.2016**	**3622**
	31.03.2015	3629
DCC	**31.03.2016**	**417**
	31.03.2015	474
CIL(HQ)	**31.03.2016**	**857**
	31.03.2015	868
Total (CIL as a whole)	**31.03.2016**	**322404**
	31.03.2015	333097

Strikes and Bandhs

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

Company	No. of Strikes/Bandhs		No. of other incidents		Man-days Lost		Production Lost (in tonne)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
ECL	1+0	1+0	18	45	25297	15108	96968	37303
BCCL	1+0	1+0	03	11	77319	16562	175986	49516
CCL	1+0	1+0	70	75	33272	21528	125299	00
WCL	1+0	1+0	02	00	53716	19974	263900	68690
SECL	1+0	1+0	00	03	72740	39300	195074	53172
NCL	1+0	1+0	05	00	10075	5617	241000	58000
MCL	1+0	1+0	00	00	19575	11330	852966	34904
NEC	1+0	1+0	00	00	1472	762	2608	1100
CMPDI	1+0	1+0	00	00	1288	1387	0	00
CIL	1+0	1+0	00	00	278	00	0	00
Total	**1+0**	**1+0**	**98**	**134**	**295032**	**131568**	**1953801**	**302685**

Bandh – Nil

Strike – One day Nation-wide General Strike was called by eleven Central Trade Unions on 2nd September, 2015.

ANNEXURE 20

Scholarship and Reimbursement of tuition fees and Hostel Charge and Grants sanctions to schools

Company	No. of Scholarship Awardees	No. of students (whose tuition fees and Hostel Charge reimbursed).
ECL	1076	106
BCCL	68	87
CCL	919	25
WCL	2279	88
SECL	2367	268
MCL	1170	86
NCL	587	165
CMPDIL	130	22
Total	**8,596**	**847**

Grant sanctioned for Schools including privately managed school:-

Company	Amount (Figs. in Lakh Rupees)
ECL	891.53
BCCL	274.1
CCL	2212.38
WCL	1351.92
SECL	4916.84
MCL	2445.37
NCL	3251.58
CMPDIL	1.00
Total	**15,344.72**

ANNEXURE 21

DISCLOSURES UNDER RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

COAL INDIA LIMITED (STANDALONE)

Name	Designation	Remuneration for F.Y. 2015-16	Ratio of Remuneration to Median Remuneration of all employees	Increase in Remuneration over LY (%)
Shri Sutirtha Bhattacharya	Chairman	2952212	3.19	599.38*
Shri R. Mohan Das	Director(Personnel & IR)	4685629	5.06	35.12**
Shri Nagendra Kumar	Director(Technical)	3571279	3.86	18.99**
Shri Bipin Kumar Saxena	Ex-Director(Marketing)	4211195	5.13	40.46**
Shri C.K. Dey	Director(Finance)	2589556	2.80	1263.78***
Shri S.N. Prasad#	Director(Marketing)	--	--	--
Shri M Viswanathan	Company Secretary	2594019	2.80	17.67**

*Joined on 05/01/15, as compared with 2 months salary of last F.Y. 2014-15

** Increased mainly due to Leave Encashment and Performance Related Pay

***Joined on 01/03/15, as compared with only 1 month salary.

appointed on 01/02/16, but salary was paid through South Eastern Coalfields Limited (SECL), a Subsidiary of Coal India Limited.

Notes: (All figures are with reference to CIL Standalone, unless stated otherwise)

1. The number of employees as on 31st Mar 2016 was 2734.
2. Compared to the previous year 2014-15, figures for the current year 2015-16 shows that:
   - i. Gross Turnover has gone down by 56.10% but PBT and EPS increased by 20.96% and 22.09% respectively.
   - ii. Median Remuneration of all employees have decreased by 10.40% and Average Remuneration of all employees has increased by 27.80% respectively. During F.Y. 2015-16, PRP payment has been made to On-roll and retired executives, this has lead to increase in Mean and decrease in Median of Remuneration of all employees.
   - iii. Salaries paid to executives are as per Deptt of Public Enterprises, GOI guidelines and to non-executives as per National Coal Wage Agreement IX.

     Average remuneration of company increased by 27.80% during F.Y. 2015-16. Main factors that contributed to this increase in average remuneration are:

     - annual Increment at 3 % of Basic.
     - Quarterly DA increase, based on IDA pattern.
     - Performance Related Pay.

   - iv Average Remuneration of employees excluding KMPs has increased by 27.17%.Average Remuneration of KMPs has increased by 18.11%
3. No employee's remuneration for the year 2015-16 exceeded the remuneration of any of the directors.

4. It is hereby affirmed that company pays remuneration to wage board employees as per National Coal Wage Agreement IX and to executives as per Department of Public enterprises, GOI guidelines.

5. The market capitalization on 31st March, 2016 decreased by 19.54% when compared to that of 31st March, 2015. There is 18.44% decrease in the market quotation of CIL shares as on 31st March, 2016, compared to the rate at which the last public offer (through OFS) was carried out.

6. The PE ratio of the company (Based on Consolidated profits) as on 31st March, 2016 stood at 12.92 (as on 31st March,2015 was 16.70), which is a decrease by 22.63%.

7. During F.Y.2015-16, Directors availed variable components of remuneration i.e. PRP. Parameters are:

   i. Company Rating.

   ii. EER Rating.

   iii. Profit Component.

   iv. Ratio of required amount to available amount.

   v. Grade percentage.

ANNEXURE 22

THE EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92 IN FORM NO. MGT.9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31-03-2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L23109WB1973GOI028844
2.	Registration Date	14th June'1973
3.	Name of the Company	Coal India Limited (Coal Mines Authority Limited was incorporated on 14th Jun'1973 and name was subsequently changed on 1st Nov'1975)
4.	Category/Sub-category of the Company	Public Company Limited by Shares/Government Company
5.	Address of the Registered office & contact details	Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156 Contact No. – 033-2324-6526 Fax No.: – 033 – 2324-6510 Email Id.: – mviswanathan2.cil@coalindia.In
6.	Whether listed company	Yes (Listed in BSE and NSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 008 Contact No.: – 040 67161569 Toll Free No.: – 18003454001 Fax No. : – 040 23420814 Email Id.: – einward.ris@karvy.com From 1st May'2016 M/s Alankit Assignments Limited Alankit Height,1E/13,Jhandewalan Extension, New delhi-110 055, E-mail id: alankit_rta@alankit.com, Ph. no.: 011-4254-1234/2354-1234, Toll Free Number : 1860-121-2155 Fax: 011-4154-3474 Website:www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

[All the business activities contributing 10% or more of the total turnover of the company shall be stated]

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Coal Mining	051-05101 and 051-05102	100.0

III. PARTICULARS OF HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Share Held	Applicable Section
1.	Eastern Coalfields Limited, P.O. – Dishergarh, Sanctoria, Burdwan – 713333, West Bengal	U10101WB1975GOI030295	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
2.	Bharat Coking Coal Limited, Koyla Bhawan, Koyla Nagar, Dhanbad – 826005, Jharkhand	U10101JH1972GOI000918	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
3.	Central Coalfields Limited, Darbhanga House, Kutchery Road, Ranchi-834029, Jharkhand	U10200JH1956GOI000581	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
4.	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur – 768020, Orissa	U10102OR1992GOI003038	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
5.	Western Coalfields Limited, Coal Estate, Civil Lines, Nagpur – 440001, Maharashtra	U10100MH1975GOI018626	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
6.	Northern Coalfields Limited, P.O. – Singrauli Colliery, Singrauli, Dist. – Sidhi – 486889, Madhya Pradesh	U10102MP1985GOI003160	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
7.	South Eastern Coalfields Limited, Seepat Road, Bilaspur – 495006, Chhattisgarh	U10102CT1985GOI003161	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
8.	Central Mine Planning and Design Institute Limited, Gondwana Place, Kanke Road, Ranchi – 834008, Jharkhand	U14292JH1975GOI001223	Subsidiary	100.00	Section 2(87) of Companies Act' 2013
9.	Coal India Africana Limitada, Dentro De Riverside Uweis Extencao AV 25 Junho Bairro Francisco Manyanga Unidade Chingale Tete, Mozambique	-	Foreign Subsidiary	100.00	As per Mozambique Commercial Code
10.	CIL NTPC Urja Private Limited, NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110003	U14105DL2010PTC202053	Joint Venture	50.00	Section 2(6) of Companies Act' 2013
11.	International Coal Ventures Private Limited, 20th Floor, Scope Minar, (Core-2), North Tower, Laxmi Nagar, District Centre, Delhi – 110092	U10100DL2009PTC190448	Associate	0.26	Section 2(6) of Companies Act' 2013
12	Rashtriya Coal Gas Fertilizers Limited (new name Talcher Fertilizers Limited)	U24120OR2015PLC019575	Associate	30.00	Section 2(6) of Companies Act' 2013

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-04-2015]				No. of Shares held at the end of the year [as on 31-03-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian:									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	5031053686	0	5031053686	79.65	5030970582	0	5030970582	79.65	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1):	**5031053686**	**0**	**5031053686**	**79.65**	**5030970582**	**0**	**5030970582**	**79.65**	**0.00**
(2) Foreign:									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI.	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**5031053686**	**0**	**5031053686**	**79.65**	**5030970582**	**0**	**5030970582**	**79.65**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	44974742	0	44974742	0.71	87162236	0	87162236	1.38	0.67
b) Banks / FI	90085341	0	90085341	1.43	64355389	0	64355389	1.02	-0.41
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	421926065	0	421926065	6.68	393131503	0	393131503	6.22	-0.46
g) FIIs/FPI	567963123	0	567963123	8.99	537855762	0	537855762	8.52	-0.47
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others/Foreign National	0	0	0	0.00	850	0	850	0	0.00
Sub-total (B)(1):-	**1124949271**	**0**	**1124949271**	**17.81**	**1082505740**	**0**	**1082505740**	**17.14**	**-0.67**
(2) Non-Institutions									
a) Bodies Corporate:									
i) Indian	60524538	0	60524538	0.96	84875709	0	84875709	1.34	0.38
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-04-2015]				No. of Shares held at the end of the year [as on 31-03-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals:									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	83707726	6225	83713951	1.32	96924600	6621	96931221	1.54	0.22
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	8841124	0	8841124	0.14	7113818	0	7113818	0.11	-0.03
c) Others (specify):									
Non Resident Indians	2394129	0	2394129	0.04	3842472	0	3842472	0.06	0.02
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
NBFC registered with RBI	0	0	0	0.00	215397	0	215397	0.00	0.00
Clearing Members	1931576	0	1931576	0.03	2912846	0	2912846	0.05	0.02
Trusts	2956125	0	2956125	0.05	6996615	0	6996615	0.11	0.06
Foreign Bodies – D R	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	**160355218**	**6225**	**160361443**	**2.54**	**202881457**	**6621**	**202888078**	**3.21**	**0.67**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1285304489**	**6225**	**1285310714**	**20.35**	**1285387197**	**6621**	**1285393818**	**20.35**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**6316358175**	**6225**	**6316364400**	**100.00**	**6316357779**	**6621**	**6316364400**	**100.00**	**0**

ii) Shareholding of Promoter:

S. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 01-04-2015]			Shareholding at the end of the year [as on 31-03-2016]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	President of India through Ministry of Coal	5031053686	79.65	0.00	5030970582	79.649	0.00	0.001

iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No.	Particulars	Shareholding at the beginning of the year [as on 01-04-2015]		Cumulative Shareholding during the year [2015-2016]	
		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	5031053686	79.65	5031053686	79.65
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.):	On 17th April' 2015 – Government of India (GoI) divested 83104 shares in CPSE ETF as loyalty units.			
3.	At the end of the year	5030970582	79.649	5030970582	79.649

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [as on 01-04-2015]		Shareholding at the end of the Year [as on 31-03-2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Life Insurance Corporation of India	391442987	6.20	364317692	5.77
2.	The Income Fund of America	85000000	1.35	59400000	0.94
3.	LIC P & GS Fund	54112532	0.86	48955916	0.78
4.	Franklin Templeton Investment Funds	25699145	0.41	10485525	0.17
5.	Vanguard Emerging Markets Stock Index Fund, Aserie	24468630	0.39	20338777	0.32
6.	State Bank of India	22738172	0.35	4082404	0.06
7.	Government of Singapore	21319222	0.34	42536036	0.67
8.	Copthall Mauritius Investment Limited	19574283	0.31	7409481	0.12
9.	CPSE ETF	15872510	0.25	14981902	0.24
10.	Morgan Stanley Asia (Singapore) PTE.	18282757	0.29	4653236	0.07
11.	Monetary Authority of Singapore	0	0.00	15806985	0.25
12.	Fidelity Investment Trust Series Emerging	11564263	0.18	14553182	0.23
13.	Power Finance Corporation Limited	13964530	0.22	13964530	0.22
14.	The Master Trust Bank of Japan Limited	13812692	0.22	13812692	0.22

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2015]		Shareholding at the end of the year [as on 31-03-2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Sutirtha Bhattacharya, Chairman-cum-Managing Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil		Nil	Nil

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2015]		Shareholding at the end of the year [as on 31-03-2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Dr A K Dubey, Official Part – Time Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
3.	Smt. Sujata Prasad, Official Part – Time Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
4.	Shri R. Mohan Das, Director (Personnel & Industrial Relation)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-			
	At the end of the year	Nil	Nil	Nil	Nil
5.	Shri N. Kumar, Director (Technical)				
	At the beginning of the year	400	0.00	400	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	400	0.00	400	0.00
6.	Shri B.K. Saxena, Director (Marketing) (superannuated on 31st Jan'2016)				
	At the beginning of the year	300	0.00	300	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	300	0.00	300	0.00
7.	Shri C. K. Dey, Director (Finance)				
	At the beginning of the year	Nil	Nil	Nil	Nil

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2015]		Shareholding at the end of the year [as on 31-03-2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
8.	Ms. Loretta M Vas Independent Director (appointed as on 17th Nov'15)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
9.	Shri Vinod Jain Independent Director (appointed as on 17th Nov'15)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
10.	Dr. D.C. Panigrahi Independent Director (appointed as on 17th Nov'15)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
11.	Dr. Khanindra Pathak Independent Director (appointed as on 17th Nov'15)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
12.	Dr. Satish Balram Agnihotri Independent Director (appointed as on 17th Nov'15)				
	At the beginning of the year	75	0.00	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-75			
	At the end of the year	Nil	Nil	Nil	Nil

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2015]		Shareholding at the end of the year [as on 31-03-2016]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13.	Shri S.N. Prasad Director Marketing (appointed as on 17th Nov'15)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	Nil	Nil	Nil	Nil
14.	Shri M. Viswanathan, Company Secretary				
	At the beginning of the year	400	0.00	400	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	400	0.00	400	0.00

V) INDEBTEDNESS: [Indebtedness of the Company including interest outstanding/accrued but not due for payment]:

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year:				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

S.N	Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount
		Shri S. Bhattacharya	Shri R. Mohan Das	Shri N. Kumar	Shri B. K. Saxena (superannuated on 1st Feb' 2016)	Shri C. K. Dey	Shri S.N. Prasad (Appointed on 1st Feb' 2016)	
1.	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2554329	4160139	2975860	3703371	2320672	-	15714371
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	397883	525490	595419	507824	268884	-	2295500
	(c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961	–	-	-	-	-	-	
2.	Stock Option	–	-	-	-	-	-	
3.	Sweat Equity	-	-	-	-	-	-	
4.	Commission – as % of profit – others, specify	–	-	-	-	-	-	
5.	Others, please specify	-	-	-	-	-	-	
	Total (A)	2952212	4685629	3571279	4211195	2589556	-	18009871

B. Remuneration to Other Directors:

SN.	Particulars of Remuneration	Name of Directors					Total Amount (₹)
1.	Independent Directors:	Ms. Loretta M Vas (appointed on 17th Nov' 2015)	Shri Vinod Jain (appointed on 17th Nov' 2015)	Dr. D.C. Panigrahi (appointed on 17th Nov' 2015)	Dr. Khanindra Pathak (appointed on 17th Nov' 2015)	Dr. Satish Balram Agnihotri (appointed on 17th Nov' 2015)	
	Fee for attending board committee meetings	140000	180000	160000	140000	180000	800000
	Commission	-	-	-	-	-	-
	Others, please specify	–	-	-	-	-	-
	Total (1)	140000	180000	160000	140000	180000	800000
2.	Other Non-Executive Directors:	Dr. A. K. Dubey	Smt. Sujata Prasad	–	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	–	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	140000	180000	160000	140000	180000	800000

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹)
		(Shri C. K. Dey), CFO	(Shri M. Viswanathan), CS	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2320672	2594019	4914691
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	268884	-	268884
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	– as % of profit	-	-	-
5.	Others, please specify	-	-	-
	Total	2589556	2594019	5183575

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, Punishment, Compounding	None				
B. DIRECTORS: Penalty, Punishment, Compounding	None				
C. OTHER OFFICERS IN DEFAULT: Penalty, Punishment, Compounding	None				

ANNEXURE 23

LOAN AND ADVANCES, GUARANTEES, INVESTMENTS MADE BY THE COMPANY UNDER SECTION 186(4) OF THE COMPANIES ACT'2013

(₹ in crore)

	For CIL Standalone As at 31.03.16		For CIL Consolidated As at 31.03.16		Purpose
A. LONG TERM LOANS & ADVANCES:					
Advances					
For capital					For procurement of assets for the company
- Secured considered good	-		70.79		
- Unsecured considered good	85.10		1,469.85		
- Doubtful	-		9.32		
	85.10		1,549.96		
Less : Provision for doubtful Loans & Advances	-	85.10	9.32	1,540.64	
For revenue					For procurement of misc. items and other services etc.
- Secured considered good	-		-		
- Unsecured considered good	69.01		83.11		
- Doubtful	1.50		2.29		
	70.51		85.40		
Less :Provision for doubtful Loans & Advances	1.50	69.01	2.29	83.11	
Security deposits					Security Deposits for obtaining day to day services
- Secured considered good	-		-		
- Unsecured considered good	-		2.34		
- Doubtful	-		1.52		
	-		3.86		
Less : Provision for doubtful loans and advances	-	-	1.52	2.34	
Security Deposit for utilities					Security Deposit for P&T, Electricity etc.
- Secured considered good	-		-		
- Unsecured considered good	2.93		353.06		
- Doubtful	0.17		2.58		
	3.10		355.64		
Less :Provision for doubtful deposits	0.17	2.93	2.58	353.06	
Other Advances					
Loan to employees					As a part of employee benefit measure
For House Building					
- Secured considered good	0.79		32.91		
- Unsecured considered good	-		-		
- Doubtful	-		0.01		
	0.79		32.92		
Less : Provision for doubtful advances	-	0.79	0.01	32.91	
For Motor Car and other conveyance					As a part of employee benefit measure
- Secured considered good	-		0.35		
- Unsecured considered good	-		-		
- Doubtful	-		-		
	-		0.35		
Less : Provision for doubtful advances	-	-	-	0.35	
For Others					As a part of employee benefit measure
- Secured considered good	-		-		
- Unsecured considered good	-		19.49		
- Doubtful	-		0.34		
	-		19.83		
Less : Provision for doubtful advances	-	-	0.34	19.49	
TOTAL(A)		**157.83**		**2,031.90**	

(₹ in crore)

	For CIL Standalone As at 31.03.16		For CIL Consolidated As at 31.03.16		Purpose
B. SHORT TERM LOANS & ADVANCES:					
Advances					
Advance to suppliers					For procurement of stores, spares and other items
For Capital					
- Secured considered good	-		-		
- Unsecured considered good	0.38		0.38		
- Doubtful	-		-		
	0.38		0.38		
Less : Provision for Doubtful Advances	-	0.38	-	0.38	
For revenue					
- Secured considered good	-		-		
- Unsecured considered good	0.01		640.62		
- Doubtful	0.22		6.25		
	0.23		646.87		
Less : Provision for doubtful advances	0.22	0.01	6.25	640.62	
Advance payment of statutory dues					As per requirement of various Statutory Acts
Sales tax					
- Secured considered good	-		-		
- Unsecured considered good	0.32		260.23		
- Doubtful	0.02		0.02		
	0.34		260.25		
Less : Provision for doubtful advances	0.02	0.32	0.02	260.23	
Advance income tax / Tax deducted at source (Net of Provisions)		630.95		6321.79	As per requirement of Income Tax Act and TDS deducted on Apex Charges, Interest Income etc.
Others					Advance against various miscellaneous expenses
- Secured considered good	-		-		
- Unsecured considered good	6.18		178.78		
- Doubtful	-		0.42		
	6.18		179.20		
Less : Provision for doubtful advances	-	6.18	0.42	178.78	
Advance to employees					
- Secured considered good	-		-		Recoverable Advance against dues to employees
- Unsecured considered good	19.15		449.60		
- Doubtful	-		0.58		
	19.15		450.18		
Less : Provision for doubtful advances	-	19.15	0.58	449.60	
Current account with subsidiaries				-	For transactions with subsidiaries relating to Apex Charges, Rehab Charges and other transactions
- Secured considered good	-		-		
- Unsecured considered good	624.50		-		
- Doubtful	52.50		-		
	677.00				
Less : Provision for doubtful advances	52.50	624.50			
Advance for Research & Development		22.31		22.31	Advance given to CMPDIL for carrying out research activities
Claims receivables					
- Secured considered good	-		-		Claim receivable from various authorities
- Unsecured considered good	-		372.45		
- Doubtful	1.95		23.22		
	1.95		395.67		
Less : Provision for doubtful claims	1.95	-	23.22	372.45	
TOTAL(B)		**1303.80**		**8246.16**	
C. GUARANTEES:					
CIL has given guarantee for loans obtained by subsidiaries from Export Development Bank of Canada(EDC) and Liebherr France. The outstanding balance of which as on 31.03.2016 are:					
Export Development Bank of Canada(EDC)		174.14		-	
Liebherr France		7.77		-	
TOTAL(C)		**181.91**		**-**	

(₹ in crore)

	For CIL Standalone As at 31.03.16	For CIL Consolidated As at 31.03.16	Purpose
D. INVESTMENTS:			
Non Current Investments(Unquoted)			
Equity Shares in Joint Venture Companies			
International Coal Ventures Pvt. Ltd.	2.80	-	JV for acquisition of coking coal properties Abroad
CIL NTPC Urja Pvt. Ltd.	0.08	-	JV for setting up of Joint Integrated power plants along with mining of Coal
Rashtriya Coal Gas Fertilizers Ltd.	0.02	-	JV for revival of Talcher Unit of FCIL
Equity Shares in Subsidiary Companies			Strategic Investment in
Eastern Coalfields Ltd.	2,218.45	-	wholly owned subsidiary
Central Coalfields Ltd.	940.00	-	
Bharat Coking Coal Ltd.	2,118.00	-	
Western Coalfields Ltd.	297.10	-	
Central Mine Planning & Design Institute Ltd.	19.04	-	
Northern Coalfields Ltd.	177.67	-	
South Eastern Coalfields Ltd.	359.70	-	
Mahanadi Coalfields Ltd.	186.40	-	
Coal India Africana Limitada	0.01	-	
5% Redeemable Cumulative Preference Shares:		-	Conversion of Outstanding
In Bharat Coking Coal Ltd.	2,539.00		Loan and other Current Account balance as
6% Redeemable Cumulative Preference Shares:			
In Eastern Coalfields Ltd.	2,050.97	-	per BIFR Scheme for reconstruction
Trade (Unquoted)			
Investment in Co-op Shares			Management Participation
Investment in Coal Mines Officers Cooperative Credit Society Ltd.	-	0.05	
Investment in Dishegarh colly Worker's Central Cooperative Store Ltd.	-	0.01	
Investment in Mugma Coalfield Colly Workers Central Cooperative Store Ltd.	-	0.01	
Investment in Sodepur & Dhenomain Colly Employee's Cooperative Credit Society Ltd.	-	0.01	
Non -Trade (Quoted)			
7.55% secured Non Convertible IRFC Tax Free 2021 Series 79 Bonds	-	200.00	Investment of Surplus Fund in various securities
8% secured Non Convertible IRFC Bonds Tax Free	-	108.75	
7.22% secured Non Convertible IRFC Bonds Tax Free	-	499.95	
7.22% secured Redeemable REC Bonds Tax Free	-	150.00	
Joint Ventures			
ICVL Mauritius	-	3.20	Investment by Joint Ventue
Sub-Total	**10,909.24**	**961.98**	
Current Investments			
Non Trade(Unquoted)			
Mutual Fund Investment			Investment of Surplus Fund
UTI Mutual Fund	129.73	572.60	in various securities
SBI Mutual Fund	102.90	1,125.78	
Canara Robeca Mutual Fund	1.09	71.57	
Union KBC Mutual Fund	28.76	66.88	
BOI AXA Mutual Fund	50.50	103.13	
Sub-Total	**312.98**	**1939.96**	
Total Investment(D)	**11222.22**	**2901.94**	

ANNEXURE 24

FORM AOC.1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Figures in Crores except entry in Sl. No 9

Sl. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Proposed Dividend	% of Shareholding
1	Eastern Coalfields Limited	INR	4269.42	(1847.98)	10288.56	10288.56	0.00	0.08	13514.18	1300.04	432.02	-		868.02	-	100.00
2	Bharat Coking Coal Limited	INR	4657.00	(766.87)	9229.82	9229.82	71.90	-	11001.01	783.76	15.56	-		768.20	-	100.00
3	Central Coalfields Limited	INR	940.00	5033.47	13365.63	13365.63	0.00	-	13658.96	3118.74	1,204.04	-		1914.70	-	100.00
4	Northern Coalfields Limited	INR	177.67	4017.19	13605.60	13605.60	0.00	-	14683.99	4065.51	1,343.01	-		2722.50	-	100.00
5	Western Coalfields Limited	INR	297.10	2860.10	10872.42	10872.42	114.36	-	10349.54	431.46	134.85	(0.01)		296.60	-	100.00
6	South Eastern Coalfields Limited	INR	359.70	4740.72	20468.30	20468.30	95.72	-	24900.03	5173.32	1,925.56	-	0.04	3247.80	-	100.00
7	Mahanadi Coalfields Limited	INR	186.40	4131.30	24092.01	24092.01	1345.00	958.70	19829.58	6260.41	2,075.69	-		4184.72	-	100.00
8	Central Mine Planning & Design Institute Limited	INR	19.04	195.94	961.17	961.17	-	-	877.13	42.54	14.06	-		28.48	-	100.00
9	Coal India Africana Limitada (Mozambique) (MZN & INR in Lacs)	INR	0.49	(3460.47)	83.67	83.67	-	-	-	-	-	-		-	-	100.00
		MZN	0.25	(2630.70)	63.61	63.61	-	-	-	-	-	-		-	-	

Note

1 Coal India Africana Limitada (Mozambique) is yet to commence operations

2 As on 31.03.2016: 1 MZN = ₹ 1.3154

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

₹ in Crores

Sl. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Proposed Dividend	% of Shareholding
1	MNH Shakti Limited	INR	85.10	(0.52)	85.77	85.77	-	-	-	-	-	-	-	-	-	70.00
2	MJSJ Limited	INR	95.10	(1.01)	101.70	101.70	-	-	-	-	-	-	-	-	-	60.00
3	Mahanadi Basin Power Limited	INR	0.05	(0.02)	16.35	16.35	-	-	-	-	-	-	-	-	-	100.00
4	Mahanadi Coal Railway Limited	INR	0.05	(0.01)	2.13	2.13										64.00

Note

1 MNH Shakti Limited, MJSJ Limited , Mahanadi Basin Power Limited & Mahanadi Coal Railway Limited are yet to commence operations.

SECL, a subsidiary of CIL has further two Subsidiaries, details of which are given below

₹ in Crores

Sl. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Current Investments	Non-Current Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit/ (Loss) from discontinuing operations	Share of Minority	Profit After Taxation e.t.c.	Proposed Dividend	% of Shareholding
1	Chattisgarh East Railway Ltd	INR	139.06	(0.26)	379.56	379.56	-	-	-	(0.08)	-	-	-	(0.08)	-	71.11
2	Chattisgarh East-West Railway Ltd	INR	4.06	(0.23)	86.62	86.62	-	-	-	(0.06)	-	-	-	(0.06)	-	71.02

Note

1 Chattisgarh East Railway Limited & Chattisgarh East-West Railway Limited are yet to commence operations.

M.Viswanathan
Company Secretary

C.K.Dey
Director (Finance)
DIN - 03204505

S. Bhattacharya
Chairman- Cum-Managing Director
DIN - 00423572

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act,2013 related to Associate Companies and Joint Ventures

				₹ in Crore
	Name of Associates/Joint Ventures	**NTPC Urja Private Limited**	**International Coal Ventures Private Limited**	**Rashtriya Coal Gas Fertilizers Limited**
1.	Latest Unaudited Balance Sheet Date	31.03.2016	31.03.2016	31.03.2016
2.	Shares of Associate /Joint Ventures held by the company on the year end			
	No.	76900	2800000	15000
	Amount of Investment in Associates/Joint Venture	0.08	2.80	0.02
	Extent of Holding%	50	0.26	30
3.	Description of how there is significant influence	By virtue of Shareholding	By virtue of agreement	By virtue of agreement
4.	Reason why the associate /Joint venture is not consolidated	NA	NA	NA
5.	Networth attributable to Shareholding as per latest Unaudited Balance Sheet	0.03	2.73	0.02
6.	Profit/(Loss) for the year			
	i. Considered in Consolidation	-	(0.03)	-
	ii. Not Considered in Consolidation	NA	NA	NA

Note

1. International Coal Ventures Private Limited, NTPC Urja Private Limited & Rashtriya Coal Gas Fertilizers Limited are yet to commence operations.

2. A Joint Venture Company named as Jharkhand Central Railway Limited (JCRL) was incorporated on 31st August'2015 under the Companies Act,2013 among Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand. As on 31.03.2016 JCRL has not issued any equity in the name of CCL. The committed equity share holding percentage, as per MOA of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively.

M.Viswanathan	**C.K.Dey**	**S. Bhattacharya**
Company Secretary	Director (Finance)	Chairman- Cum-Managing Director
	DIN - 03204505	DIN - 00423572

ANNEXURE 25

VINOD KOTHARI & COMPANY
Practising Company Secretaries
1006-1009 Krishna Building, 224 A.J.C. Bose Road
Kolkata – 700 017, India
Phone: +91 – 33 – 2281 7715 | 1276 | 3742
email: vinod@vinodkothari.com
Web: www.vinodkothari.com
www.india-financing.com
Unique Code - P1996WB042300
PAN No - AAMFV6726E
Service Tax Registration No. - AAMFV6726ESD001
Udyog Aadhaar Number - WB10D0000448

SECRETARIAL AUDIT REPORT UNDER SECTION 204 OF COMPANIES ACT 2013 AND OBSERVATION OF SECRETARIAL AUDITOR & MANAGEMENT EXPLANATION.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE PERIOD FROM APRIL 1, 2015 TO MARCH 31, 2016

[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,
Coal India Limited
Coal Bhawan, Premises No-04 MAR,
Plot No-AF-III, Action Area-1A,
3rd Floor,
New Town Rajarhat,
Kolkata – 700156

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coal India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as per Annexure - I, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2015 to March 31, 2016 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct

Investment, Overseas Direct Investment and External Commercial Borrowings;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   d. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
6. Corporate Governance Guidelines issued by Department of Public Enterprises vide their OM. No. 18(8)/2005-GM dated 14th May, 2010.
7. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Mines Act, 1952;
2. Mines Concession Rules, 1960;
3. Coal Mines Regulations, 1957;
4. Coal Mines Conservation & Development Act,1974;
5. The Mines Rescue Rules,1985;
6. The Mines Vocational training Rules,1966;
7. The Indian Electricity Rules,1956;
8. The Explosive Act,1884;
9. The Explosive Rules,2008;
10. Coal Mines Pension Scheme,1998;
11. The Payment of Wages (Mines) Rules, 1956;
12. Coal Mines Provident (Miscellaneous Provisions) Act, 1948;
13. Mines and Minerals (Regulation and Development) Act, 1957;
14. Mines (Posting of Abstracts) Rules, 1954;
15. Payment of Undisbursed wages (Mines) Rules, 1959;
16. Indian Bureau of Mines, Sr. Technical Assistant (Survey), Jr. Technical Assistant (Survey) and Junior Survey Recruitment Rules, 1990;
17. The Coal Mines Pit Head Bath Rules, 1959;
18. Mines Creches Rules, 1966;
19. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990;
20. The Maternity Benefit (Mines) Rules, 1963;
21. Colliery Control Order, 2000;
22. Colliery Control Rules, 2004;

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the stock exchanges.

Management Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness

of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers;

4. We have not examined any other specific laws except as mentioned above.

5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.;

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

Our observations and recommendations:

Recommendation.

- The Company has not met with the requirement of disclosing the Policy for Determination of Materiality on the website of the Company, therefore, we recommend the Company to upload the policy in its website in compliance with Regulation 30 of the Listing Regulations, 2015.

Matter of Emphasis

In case of a CPSE listed on the Stock Exchanges and whose Board of Directors is headed by an Executive Chairman, the number of Independent Directors shall be at least 50% of Board Members; and in case of all other CpSEs (i.e, listed on Stock Exchange but without an Executive Chairman, of unlisted CPSEs), at least one-third of the Board Members should be Independent Directors.

Since, the Chairman of the Board is an Executive Director and the Company is a listed CPSE, atleast 50% of the Board members shall be independent directors.

As on 31st March. 2016, the Company has five Executive Directors including, Executive Chairman five Independent Directors and two Govemment Nominee Directors.

The Company requires 7 Independent Directors on its board but the Company is having 5(five) Independent Directors. Hence, the Company does not comply with the aforesaid provisions.

Except the above, the board is duly constituted.

We further report that the Company has one material non-listed Indian Subsidiary Company viz. South Eastern Coal fields Limited. In terms of Regulation 24(1) of the Listing Regulations, 2015, at least one independent director should be posted by the Holding Company on the Board of Directors of its unlisted material subsidiary incorporated in India.

During the Audit period the company is not complying with the above requirement of Listing Regulations, 2015, since none of the Company's independent director is on the board of its unlisted material subsidiary company.

However, the Company has taken up the matter with its Administrative ministry i.e. Ministry of Coal for appointment of two more Independent Directors and one Independent Director in its material Subsidiary.

We further report that the Company has not yet adopted Board Diversity Policy, though as per Part D (A) (3) of the Listing Regulations, 2015, it is obligatory to frame such Policy by the Nomination and Remuneration Committee. Further, Listing Regulations, 2015 has not granted any exemption to Government Companies from such Policy.

As per company's submission, being a Government Company, the directors on the Board of the Company are appointed by the Government of India; therefore the company has not adopted any Board Diversity Policy.

We further report that the Company is in the process of finalisation of risk management policy and its mitigation measures.

We further report that subject to above the company has complied with the conditions of Corporate Governance as stipulated in the listing agreement as well as Corporate Governance Guidelines issued by Department of Public Enterprises.

We further report that the Company is reportedly in the process, has laid down adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

All decisions of the board were taken with the requisite majority and recorded as part of the minutes.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Vinod Kothari & Company

Sd/-
Arun Kumar Maitra
(Partner)
Membership No.: A3010
C P No.: 14490

Place: Kolkata
Date: 19.05.2016

ANNEXURE- I

List of Documents

1. Corporate Matters

1.1 Minutes books of the following Meetings were provided:

1.1.1 Board Meeting

1.1.2 Audit Committee

1.1.3 Nomination and Remuneration Committee

1.1.4 Share Transfer Committee

1.1.5 Risk Management Committee

1.1.6 Corporate Social Responsibility Committee

1.1.7 General Meeting

1.1.8 Stakeholder Relationship Committee

1.2 Annual Report (2014-15)

1.3 Financial Results up to quarter ended December 31, 2015

1.4 Memorandum and Articles of Association

1.5 Disclosures under the Act, 2013

1.6 Policies framed under the Act, 2013 and the Listing Regulations, 2015

1.7 Forms and returns filed with the ROC

1.8 Registers maintained under Act, 2013

OBSERVATION OF SECRETARIAL AUDITOR & MANAGEMENT EXPLANATION.

S.No.	MATTER OF EMPHASIS	MANAGEMENT EXPLANATION
1	As per DPE guidelines and Regulation 17 of SEBI (LODR) Regulations 2015, the number of Independent Directors shall be atleast 50% of Board Members in case of listed CPSE with an Executive Chairman.	5 Independent Directors were appointed by Ministry of Coal (MoC) on 17th Nov'15. CIL has taken up with MoC, who is the appointment authority, for appointment of balance 2 Independent directors to comply with Listing Regulations and DPE guidelines.
2	Regulation 24 of SEBI (LODR) Regulations provides that atleast one Independent Director on the Board of CIL shall be a director in material non-listed Indian Subsidiary i.e. SECL whose turnover or networth is not less than 20% of the Holding Company in the immediately preceding accounting year.	SECL is the material subsidiary company of CIL as per the Audited Accounts 2014-15. We have advised Ministry of Coal, who is the appointment authority, to appoint an Independent Director of CIL in SECL.
3	The Company has not adopted Board Diversity Policy as required under PART D of Listing Regulations 2015.	Functional Directors of PSUs are appointed by GoI as per the recommendations of PESB. Govt. Nominee and Independent Directors are appointed by Administrative Ministry. Hence Company has not prepared Board Diversity Policy. Even if the policy is prepared and approved by the Board, it cannot be implemented in PSUs. PSUs have taken up with SEBI for exemption of this clause.
4	Company is yet to finalize Risk Management Policy and its Mitigation measures.	Coal India Limited undertook Enterprise Wide Risk Management Measures and prepared Enterprise Wide Risk Management (ERM) Manual through a consultant which consisted of ERM Charter, Risk Management Framework, Risk Universe & classification. In addition, detailed Risk Management Procedures and Risk Management Roles & Responsibilities have also been prepared which covers all the aspects of the policy. CIL had completed Risk Assessment and prioritization of the risks to derive at the 'Risk that Matters'. The Mitigation Measures for the identified risks are in the process of deliberation and finalization. Coal India is also setting up a Programme Management Office to ensure implementation and sustenance of the Risk Management Programme in an effective manner.
5	Company has not disclosed the Policy on Materiality on the website of the Company in compliance with Regulation 30 of SEBI(LODR) Regulation 2015.	Company has prepared the policy with the help of Consultant and placed the same in 324th Board meeting held on 11th Feb'16 for its consideration. Board advised to re-examine the same. It was re-examined and placed again in the 327th Board meeting held on 27th May'16. However, Board deferred consideration of the proposal. It will be placed in the subsequent Board Meeting for its consideration.

ANNEXURE 26

FOREIGN EXCHANGE EARNING AND OUTGO UNDER RULE 8 OF COMPANIES (ACCOUNTS) RULES 2014.

COAL INDIA LIMITED (STANDALONE)

Expenditure / Earnings in Foreign exchange – 2015-16

(₹ in crore)

		Current Year	Previous Year
(i)	Travelling / Training Expenses	0.28	0.11
(ii)	Earnings	NIL	NIL

COAL INDIA LIMITED (CONSOLIDATED)

Expenditure / Earnings in Foreign exchange – 2015-16

(₹ in crore)

	Expenditures	**Current Year**	**Previous Year**
(i)	Interest & commitment charges	0.09	0.08
(ii)	Travelling / Training Expenses	2.01	6.69
(iii)	Others	264.22	200.78
		266.32	**207.55**
	Earnings	**NIL**	**NIL**

ANNEXURE 27

DETAILS ABOUT RESEARCH AND DEVELOPMENT OF THE COMPANY

RESEARCH & DEVELOPMENT (R&D) and TECHNOLOGY ABSORPTION

1. Specific area in which R&D carried out

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

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

Notable advances have been made through R&D efforts in coal exploration techniques, introduction of mining methods like "blasting gallery and cable bolting" for recovery of coal in thick seams and shortwall mining at SECL with an output of more than 1000T per day being replicated in more panels. "Controlled blasting" has also been introduced through R&D and is being used now for removal of overburden rocks and coal in opencast mines as close as to 50m from surface structures successfully. More than 182 Mt of coal so far has been extracted in more than 162 mines by introduction of "Controlled Blasting" which otherwise would have been remained sterilized.

A quantified assessment of roof strata called Rock Mass Rating (RMR) developed under R&D is now being used for designing support in underground mines. So far, over 884 districts in about 310 underground coal mines have been covered.

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

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

Significant improvement has been achieved in both "coking and non-coking coal washing" and "recovery of fine coals". Encouraging results have also been obtained from research related to "combustion techniques" for effective utilization of high-ash coals. Major R&D projects on fine coal beneficiation are under implementation through CIL R&D funding.

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

A number of research projects has been taken up in the area of environment and ecology to integrate coal mining activities with ecological conservation and hazards due to mining. The findings of these research projects have made a significant impact on the industry resulting in the adoption of proper environment control. A study was carried on to determine the free silica (α-Quartz) content present in respirable air borne dust in coal mines and after subsequent analysis in the laboratory, a database software ALPHA-QUARTZ have been developed for various parameters including free silica content and other minerals present in respirable air borne dust as well as in coal.

To ensure the safety of human life and to protect loss of equipment due to collision of dumpers in opencast mines, Dumper Collision Avoidance System (DCAS) has been developed indigenously. The system is now in operation at KDH opencast mine of Central coalfields Limited (CCL). This three-layer system consists of proximity sensors mounted on dumpers on three sides to detect objects within 10m range, distance and direction information of dumpers present in the vicinity of 100m and also positional information of the dumper through GPRS.

Under the S&T grant of Ministry of Coal, Self-advancing goaf edge (mobile) chock type supports have been developed and were put into field trial at Bastacola mine of BCCL. These self-propelled mobile supports of medium duty (2 x 200 Te.) have closed and extended height range of 1.85 to 3.2 m and can offer support resistance of 71.4 T/ m^2.

Under an R&D project, the solar photovoltaic plant has been commissioned on the roof tops of CMPDI office buildings. The total installed capacity of the plant is around 191kW, which is at present generating 30% of total installed capacity. Two types of technologies, one with string inverter and another with micro inverter have been adopted in installing the plant. Under this project, conventional grid (utility supply) clubbed with solar PV system and DG sets through grid interactive inverters to feed to internal grid (CMPDI) whenever utility grid (JSEB) supply is not available.

New areas, like application of robotics, safe dragline dump profiles for varying geo-mining conditions, sustainable livelihood activities on reclaimed opencast coal mines, development of suitable and cost effective mine void aqua eco-system for promoting fish culture in abandoned coal quarries, constructing structures on backfilled opencast coal mines, possible implications of bioavailable iron in coal mine dust on coal workers' lung disease, On-line coal dust suppression system for opencast mines, to find a methodology of safe liquidation in thick seams of Raniganj Coalfields: Design & Development & show-casing demonstrative trials at Khottadih colliery, ECL, development of guidelines to predict distance between toe of the Shovel-Dumper dump and that of Dragline dump are now being executed in association with other organizations etc. are being addressed through on-going research projects with S&T / R&D funding.

3. Future Plan of Action:

For enhancing the quantum of research work needed to address the complexity of operations of the coal industry and wider involvement of research organizations / academic institutes, efforts are continued to invite research proposals in the areas related to mining methods, strata control, and mine safety, etc., for funding under S&T Grant of Ministry of Coal and R&D fund of Coal India Limited.

Future R&D efforts will address areas like liquidation of developed pillar in underground mines, pit and dump slope stability in opencast mines, indigenous development of early warning systems for prediction of dump & highwall failures, CBM from fugitive emissions from opencast mines, in-situ coal gasification, coal liquefaction, and development of predictive models for air quality and pollution etc.

An important research project, Shale gas potentiality evaluation of Damodar basin of India is under implementation with an objective to evaluate Damodar basins of India for their shale gas potentiality through integrated geophysical, geological, geochemical and petrophysical investigations.

An S&T project, constructing structures on backfilled opencast coal mines is under implementation with an objective to study feasibility of different ground improvement methods for construction of safe structures on mine reclaimed areas and a guidelines will be framed so that structures with adequate foundation can be constructed on backfilled opencast mines all over India.

Another research project titled "Coal Bed Methane (CBM) reserves estimation for Indian Coalfields" is under implementation with an objective to calculate CBM reserve estimate by volumetric method followed by uncertainty analysis by probabilistic method and generate an accurate geological model of a study area with associated coal Seams by 2D/3D seismic survey and acquisition of conventional surface / subsurface information and validation of the model by drilling core holes.

Another research project has started recently, in which main focus on post mining land use and livelihood generation to the community in and around the mine area. The proposed research study emphasis sustainable development on creation of permanent green cover and livelihood creation.

(iv) Expenditure on Research & Development:

Expenditure incurred from 2011-12 to 2015-16 on Research projects are as follows:

(₹in Crore)

Year	Total Expenditure
2011-12	26.29
2012-13	22.72
2013-14	22.73
2014-15	29.68
2015-16	22.47

Technology Absorption:

CIL has taken many technological initiatives in various fields across its total operational activities. In underground mining, Mass Production Technology has been introduced in a number of mines. Continuous Miner Technology has been introduced in three mines of SECL in the last fiscal apart from seven mines where the same is under operation. Long-wall mining has been started in Moonidih mine of BCCL. So far as absorption of this technology is concerned, it may be said that from operational point of view, Mass Production Technology is fully absorbed. However, from services and spares point of view, the company is still dependent on the service provider, since such equipment are not yet manufactured in the country and also sufficient number of skilled manpower trained in such category is not available for maintenance of such equipment. For the first time in India, Free Steered Vehicles for transportation of men and materials in underground have been introduced in Jhanjhra mine of ECL. Other mode of man-riding system has been commissioned to reduce arduous walking of the miners in several other extensive mines. Biometric Attendance System has been started in mines for eliminating the manual interventions as well as reducing the requirement of additional manpower. Quick setting stoppings have been constructed in case of fire in underground mines using expansion foam agent.

The latest version of Geo via Minex software for planning of opencast mines has been introduced. This provides best resource planning through pit design, pit optimization, scheduling of resources and dumps etc. Surface Miners in several opencast mines have been introduced to eliminate drilling and blasting and also for facilitating selective mining. GPRS based tracking of coal transporting vehicles have been introduced to prevent theft and pilferage of coal. RFID based In-Motion Road Weighbridges has ensured Real Time transmission of coal weighment data to the Central Server. This has reduced the chances of fudging of coal production figures on day to day basis. For monitoring of coal quality, quantity and loading time closely, CIL has introduced E-surveillance by installation of CCTV, IP-cameras and control rooms in most of the mines thereby avoiding demurrage charges to the company.

Coalnet system with different modules and integration of weighbridges through LAN/WAN connection have been introduced.

Electronic procurement by the use of ICT has not only facilitates procurement process for acquisition of goods, works and services in various activities but also enhance the goodwill of the company.

Through the adoption of E-procurement and Auto Refund of EMDs, CIL has achieved in reducing complaint regarding delay in refund of EMDs to unsuccessful Bidders. As a result, the Bidders participation has gone up in the tendering process.

Hydrostatic drills with PCD bits for enhancing the productivity of exploratory drills have been introduced. A project has been taken up in association with NGRI, Hyderabad on **"3-D Seismic survey for coal in Belpahar sector of IB valley CF"**. The primary objective is to have exposure in identifying lay and deposition of coal seams in the surveyed area.

A R&D project based on Radio-metric sorting technique which uses X-Ray for separation of impurities from coal, is currently under implementation in Madhuband washery, BCCL. The project aims at developing a demonstration plant for dry deshaling of coal based on modified radiometric detection and pneumatic removal technology. The project is likely to be commissioned in 2016.

(ii) Benefits derived out of technological initiatives undertaken:

With the introduction of Mass Production Technology in more number of mines of CIL, fully sized coal is available and safety standard has increased. Introduction of Free Steered Vehicles and other mode of Man riding Systems has definitely reduced the travelling time and comfort of the workmen, thereby improving the productivity. Introduction of Biometric Attendance System has eliminated the malpractices of marking false/proxy attendance and also ensured full time working hours of the workmen thereby improving the overall performance of the company. The system has also been integrated with Pay Roll System and as such, requirement of clerical staff has also been minimized. Quick setting stoppings using expansion of foam agent could be built comfortably with less man-hours.

(a) Over the years, most optimum sizes of HEMMs are being provisioned for opencast projects of India which are at par with the World technology. Due to use of latest software for planning in OC mines, deployment of Electric Rope(ER) shovels of 42 Cum and dump trucks of 240 T was made during the past years for opencast projects, which are the highest sizes proposed in India so far. Use of surface miners has eliminated drilling and blasting operations in the opencast projects and as such, the problem of working very near to inhabited areas has been sorted out due to elimination of blasting vibrations. Moreover, because of possible selective mining, the chances of contamination of produced coal with extraneous materials has also been minimised. GPRS based vehicle tracking system has facilitated to monitor the movement of all the coal transportations trucks and any deviation beyond the geo-fenced Area is detected online immediately. This has helped in curbing the pilferage of coal to a large extent.

(b) Billing of salary & wages, sales billing, material management system, financial accounting, etc. through Coalnet System, have been started. which would improve the speed with accuracy.

(c) The average productivity of departmental drills has increased substantially due to introduction of hydrostatic drill. The outcome of project on "3-D Seismic survey for coal" will help in evaluating 3-D seismic technology for coal exploration in Indian scenario and its implementation in CIL.

(iii) Details of efforts on imported technology:

Proposals for acquisition of technology/methodology have been taken up under various Joint Working Group forums i.e. Indo-US, Indo-Australia, Indo-Japan, etc. Apart from the projects already under implementation, two Indo-US joint collaborative technical assistance project have been conceptualized with the help of M/s Norwest Corporation, USA regarding (i) Rehabilitation and Reclamation of Mined-Out Areas and planning of very large capacity opencast mines. Similarly, under the Indo-Australia Working Group, a project jointly by CMPDI with CSIRO, Australia titled "Abatement and utilization of Ventilation Air Methane (VAM) from working underground degree – III coal mine in India" is under process of final approval. Additionally, a project titled" Capacity Building for Extraction of CMM Resource within CIL Command areas" jointly submitted by CMPDI and CSIRO under GoI Coal S&T funding has recently been sanctioned.

Numerical modelling software (FLAC 3 D) was procured / upgraded under R & D project title "General/Analysis of Coalfield-wise database of physico-mechanical characteristics of rock/coal and representative numerical models for appropriate solution to strata control problems" in the year 2011. Numerical model by FLAC 3 D software is being regularly used for scientific studies involving strata control. In-house job/skill has been created by the use of this software.

(iv) The expenditure incurred on Research & Development:

Total Expenditure for 2015-16 of research projects is as follows:

(₹in Crore)

Year	S&T of MoC	R&D of CIL	Total Expenditure
2015-16	17.59	4.88	22.47

ANNEXURE 28

DISCLOSURE AS PER SECTION 135 OF COMPANIES ACT 2013 ON CORPORATE SOCIAL RESPONSIBILITY

Disclosures as per Section 135 of Companies Act 2013 on Corporate Social Responsibility

1. **A. brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the we-link to the CSR policy and projects or programs.**

Corporate Social Responsibility, though obligatory and mandatory, has now transcended to such a convincing belief that many Corporates feel, for their business to be successful the communities around also have to prosper. It ought to be a mutually beneficial symbiotic co-existence. It is important to earn the trust and loyalty of the communities within the proximity of business operations to take forward one's own goals.

This is more apt for a mining company like Coal India Limited.

In India, coal deposits occur in places that are thickly inhabited. If this prime commercial energy fuel has to be accessed for greater national development goals, it is inevitable that people are relocated from their original habitat. But, Coal India responds in a responsive and responsible manner to the rights of these people. Loyalty is given to the values that a company stands for and Coal India values impacting the quality of lives of communities around its mining areas.

Coal India is of firm conviction elevating the living standards of affected people is as important as attaining its business goals.

Policy on CSR

CIL has a well-defined CSR policy framed on DPE's guideline and on the New Companies Act, 2013. The policy has CIL Board's approval. (Refer CIL website https//www.coalindia.in through the link Safety, Environment & CSR)

The budget on CSR is allocated based on 2% of average Net Profit of CIL (standalone) for three immediate preceding financial years or ₹ 2.00 per tonne of total consolidated coal production of CIL as a whole of previous year whichever is higher.

Modalities/Mechanism of Implementation of CSR:

The underprivileged living in & around the mining areas in different states of India are the major beneficiaries covered under CSR activities of CIL. CIL being a holding company executes CSR activities throughout the country as well as in the areas which are beyond jurisdiction of subsidiary companies.

In respect of subsidiary companies, the CSR policy is operational within 25 KM radius of the projects/mines and areas including Head Quarters for which 80% of the budget is allocated. Balance 20% is spent within the State/States in which the subsidiary companies operate.

Implementation

- CIL has entered into a MoU with Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities.
- CIL has a two tier CSR Committee i.e. (a) CSR Committee comprising of below Board level executives for examination and recommendation of CSR Projects and (b) A Board Level Committee on CSR & Sustainable Development for further deliberation and approval of CSR projects.

CSR Practices include:

i. Education

ii. Water supply including drinking water

iii. Medical facilities, Health awareness programme/ Medical Camps

iv. Social Empowerment

v. Promotion of Sports and culture

vi. Relief to victims of natural calamities/disasters.

vii. Infrastructure Development

viii. Environment

Some of the Major CSR initiatives undertaken by CIL as per the 'Scope' of CIL's CSR Policy under various heads during the financial year 2015-16:

Drinking Water Projects:

- **Installation of 130 nos. of Hand Pumps in the district of Sidhi.** The project proposal was received from Collector, District Sidhi, (MP). The cost of the ongoing project is ₹ 102.40 lakhs.
- **Community Arsenic Mitigation project in Arsenic affected Varanasi & adjoining districts of U.P.** through Inner Voice Foundation. The project aims at executing community intervention work in districts of Varanasi, Gazipur and Ballia contaminated by ground water. The proposed project will be community centric with 3 major components – safe drinking water, testing of water samples and awareness in villages.
- **Support to CDUP Jal Nigam, Allahabad** for installation of 150 nos. of hand pumpsat a cost of ₹ 79.50 lakhs in Phulpur Lok Sabha constituency.

Women Empowerment and Children Education

- Distribution of 3000 nos. of Bicycles among underprivileged girl students in each of South 24 Parganas, North 24 Parganas and Nadia districts through Department of School Education, West Bengal. The total project cost is ₹ 2.88 crores. The main objective of the project is to enable poor girl students, located in far off distance from the schools, to attend school and continue their education.

Rural Development Projects

- Executing different development works through The Energy and Resources Institute (TERI), New Delhi in 40 villages of the backward district Purulia, West Bengal as identified by the Planning Commission.
- Distribution of 12000 nos. of Bicycles to the households belonging to SC/ST Community in Nuapada under Sunebheda Area Development Authority on the proposal received from the Collector and District Magistrate, Nuapada. This is for development of Sunebheda Hill Area Plan and providing mobility for livelihood.
- Community based integrated program with special focus on marginalized children and youth in Naxalite affected Jharkhand and insurgency affected Assam through Prayas Juvenile Aids Society. The project has been launched in Hazaribagh, Guwahati, Ranchi and Jorhat. 5 villages in each of these districts have been selected for implementation of the project.
- Construction/repair of roads, construction of Sulabh Toilets and construction/renovation of parks & development of roads, drains and footpaths at Kanpur under the jurisdiction of Nagar Nigam, Kanpur.

Education:

- Release of fund to Govt. of West Bengal and Govt. of India as one of the Industry partners for setting up of Indian Institute of Information Technology (IIIT) at Kalyani, West Bengal.
- Financial support towards construction of school building and infrastructure development of the school for the benefit of the poor and backward students in Palla Village F.P School
- A project for providing education to the children of slum areas and children of laborers on the basis on Sarva Siksha Abhiyan by Children's Education Foundation an NGO from New Delhi.

Health:

- Construction of 100 bedded Charitable Eye, ENT, Dental Hospital cum Diagnostic Centers with OPDs and Institute of Paramedical Training for Village Youth through R. K. Mission, Muzaffarpur, Bihar.
- Construction of 525 bedded home near Tata Medical Centre, Kolkata for poor patients undergoing treatment at TMC and their families. The total project cost is ₹ 41.11 Crores.
- Construction of blood bank with component separation facility by Indian Medical Association, Kanpur at a cost of ₹ 3.00 crores.
- Construction of satellite eye hospital at Alwar, Rajasthan to cater to the need for eye care services in the district of Alwar, Rajasthan through the NGO, SAPNA. CIL's contribution for the project is to the tune of ₹ 64 lakhs.
- Purchase of equipment for Digital Pathological Laboratory by Mahavir International, New Delhi. The laboratory equipment is for the purchase of a fully equipped Digital path lab which will cater to different parts of Delhi.
- Up-gradation of Pediatric Intensive Care Unit and operation theatre of the Institute of Child Health, Kolkata by way of procurement of multi-channel monitor and modern sterilization equipment amounting to ₹ 41.50 lakhs.

Promotion of Sports

- Construction of Sports Hostel at Canal West Road, Kolkata for the benefit of swimmers by West Bengal Transport Infrastructure Development Corporation for the total sanctioned grant of ₹ 114.00 lakhs.

Environment

- Purchase of 3 electric buses and a small electric car for the total value of ₹ 15.00 Crores by HIDCO.
- Installation of Solid Waste Management plants by Sri Rural Development Trust at Vindhya Vasini Temple, UP; Kashi Vishwanath Temple, Varanasi; Sankat Mochan Temple, Varanasi; and Kamakhya Temple amounting to ₹ 83.73 Lakhs.
- Strengthening the Cleaning Himalaya Campaign aimed at cleaning the ecologically fragile Himalayan region by Indian Mountaineering Foundation at the cost of ₹ 5.00 lakhs.

Skill Development/ Social Empowerment

- Training & Development imparted through Kabiguru Industrial Training Center (KGITC), West Bengal for manpower requirement of mining industries and employment based skills for youth.
- Providing bicycles to 12,000 households of Suneveda Hill Area Development Plan through Collector & District Magistrate, Nuapada, Odisha.
- Providing training and undertaking recognition of prior learning to around 2.7 lakh persons over a period of 2 years as per National Skills Qualification Framework in CIL's operational areas and neighboring regions through a tripartite MoU between NSDF, NSDC and CIL. A grant of ₹ 15 Crores has been released in favour of NSDF.
- Training 400 youth in various trades related to Plastic Engineering through CIPET, Murthal, Haryana at a project cost of ₹ 2.40 Crores.

CSR Contribution for Swachh Bharat Swachh Vidyalaya Campaign

In response to the call given to the corporate sector by Hon'ble Prime Minister of India for 'Clean India' initiative on 15th of August, 2014 CIL has taken initiatives for construction of household toilets and school toilets separately for boys and girls, in different villages. The initiative towards **Swachh Vidyalaya Abhiyan** has been taken by CIL Subsidiaries by construction of 53,412 toilets as per the list given by Ministry of Human Resource Development. The status of the project is as under:

- All toilets were either constructed into permanent structures or into functional toilets by 15th August 2015
- Provisions for maintenance of these toilets have been made in some cases, for other cases it is under process.
- Water supply has been ensured in the toilets by creating water sources where none existed.

A total of ₹ 820.44 Crores have been spent on the construction of these toilets by 30 March, 2016.

1. The Composition of the CSR Committee

   There are two tier CSR Committee as per DPEs Guideline as furnished below:

   (a) CSR Committee comprising of below Board level executives for examination and recommendation of CSR Projects and

   (b) A Board Level Committee on CSR comprising of three Independent Directors and two Board Level Directors for deliberation and approval of CSR projects based on recommendation of the below board level CSR Committee.

2. Average net profit of the Company (CIL-Standalone) for the last three financial years –

   Net Profit for immediate preceding 3 years are as under:

   2012-13 – ₹ 1299.95 crores; **2013-14** – ₹ 1013.65; **2014-15** – ₹ 640.17

   The average net profit preceding 3 years is ₹ 984.59 crores

3. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) –

   ₹ 19.69 crores (2% of ₹984.59 crores)

4. Details of CSR spent during the financial year.

   (a) Total amount to be spent for the financial year – ₹ 19.69 crores

   (b) Amount unspent, if any – Nil

   (d) Manner in which the amount spent during the financial year is detailed below.

(In ₹ Lakhs)

1	2	3	4	5	6	7	8
S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the state and district where the projects or programs was undertaken	Amount Outlay (Budget) Project or Porgram wise	Amount spent on the projects or programs **Subheads:** (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto reporting period	Amount spent: Direct or through implementing agency
1	Establishment of 525 bedded hospital for poor amongst TMCT's Cancer patients and their families Tata Medical Centre	Healthcare	Kolkata	4111.00	2411.00	4111.00	Tata Medical Centre
2	10 Medical Healthcare Camps by Medical Department CIL(HQ) Kolkata	Healthcare	West Bengal	5.00	3.41	3.41	CIL(HQ)
3	SAPNA, Rajasthan Construction of Satellite Eye Hospital	Healthcare	Alwar, Rajasthan	64.00	48.00	48.00	SAPNA
4	Community based Integrated Programme for on Marginalized Children in Naxalite affected district of Assam & Jharkhand – Prayas Juvenile Aids Society	Social empowerment	New Delhi	91.90	41.30	41.30	Prayas
5	Mahavir International, New Delhi, Purchase of equipment's for a Digital Pathological Laboratory	Healthcare	New Delhi	16.40	8.20	8.20	Mahavir International

6	Tata Steel Zoological Society, Jamshedpur, Adoption of Butterfly Shelter	Ecological conservation	Jamshedpur, Jharkhand	2.00	1.00	1.00	Tata Zoological Society
7	Institute of Child Health, Kolkata. For up gradation of paediatric Intensive Care Unit and Operation Theatre of ICH	Healthcare	Kolkata, WB	41.50	39.00	39.00	Institute of Child Health
8	Prapti Mahila Samiti, Kolkata. Installation of 2 tube wells for supply of drinking water and construction of 80 sanitary latrines	Water and Sanitation	Kolkata, WB	4.08	1.36	1.36	Prapti Mahila Samiti
9	Anugraha Drishtidan, New Delhi, Conducting Eye Screening and cataract operation to reduce avoidable blindness in rural and backward areas	Healthcare	New Delhi	12.50	6.25	6.25	Anugraha Drishtidan
10	NILA, Assam For promotional and preventive healthcare through increased awareness in rural population where literacy is low	Education	Assam	31.51	5.24	26.20	NILA
11	Indian Medical Association, Kanpur. Construction of Blood Bank with component separation facility at IMA Kanpur	Healthcare	Kanpur, UP	300.00	121.74	146.74	Indian Medical Association
12	Indian Institute of Information Technology (IIIT), Kalyani. For setting up of a new IIIT under the Public Private Partnership (PPP) Model at Kalyani, West Bengal	Education	WB	640.00	320.00	320.00	IIIT, Kalyani
13	Ramakrishna Mission Sevashram, Muzaffarpur, Bihar. For construction of 100 bedded charitable eye, EnT, Dental diagnostic centers	Healthcare	Muzaffarpur, Bihar	493.00	123.00	369.00	Ramakrishna Mission Sevashram
14	Sunbheda Area development Agency. Fund release for providing bicycles to 12000 households	Social empowerment	Odisha	360.00	87.82	265.64	SADA
15	Construction of Aquatic sports hostel	Sports Promotion	Kolkata	114.00	49.75	106.75	West Bengal Transport and Infrastructure Development Corporation
16	District Collector Sidhi Towards financial installation of 130 nos. of hand pumps	Water and Sanitation	Sidhi MP	102.40	25.60	51.20	DC Sidhi
17	Palla Village FP School, Burdwan, Infrastructure development of the school for the benefit of poor and backward students	Education	WB	11.51	8.63	8.63	Palla Village FP School Burdwan
18	TERI for execution of different development works	Rural development	Purulia, WB	3292.00	327.69	655.38	TERI
19	Traffic Department, Kolkata Police for conducting awareness programs among school children towards road safety	Education	Kolkata, WB	69.85	52.60	52.60	Traffic Department Kolkata

20	National Skill Development Fund, New Delhi for providing skill development to the CIL employees, PAPs and contractual workers of CIL	Skill Development	Delhi	1500.00	1500.00	1500.00	NSDF
21	Awareness program and facilitation of blood donation camps	Healthcare	Kolkata, WB	4.39	0.88	4.39	Association of Voluntary Blood Donors
22	West Bengal Housing Finance Development Corporation Kolkata towards purchase of 3 electric buses and 1 small electric service maintenance vehicle	Environment	Kolkata, WB	500.00	500.00	500.00	WBHFDC
23	Children Education Foundation, New Delhi. Towards financial support for providing education to children from Juggi Jhopadi on basis of Sarva Shiksha Abhiyan and providing computer education to the children of slum areas.	Education	New Delhi	6.00	1.20	6.00	Children Education Foundation
24	The Hematology Foundation Towards financial support for VKM Memorial Day Care Centre for treatment of Thalassaemia patients in Kolkata	Healthcare	Kolkata, WB	3.00	3.00	3.00	The Hematology Foundation
25	Department of School Education Govt. of WB. For providing 9000 nos. of bicycles to the girl students in the district of South 24 Parganas, North 24 Parganas and Nadia district WB	Education	WB	288.00	198.00	288.00	Department of School Education
26	Sri Rural Development Programme Trust Bangalore, Towards financial support to Swachh Bharat Abhiyan and by the way of recycling flower and other organic waste generated in the temples by using a composting machine and the organic compost to be used as manure	Ecological conservation	Varanasi, UP	83.73	27.91	27.91	Sri Sri Rural Development Trust
27	Indian Mountaineering Foundation New Delhi Towards support for Himalaya Cleaning Campaign as part of the Swachh Bharat Abhiyan	Ecological conservation	New Delhi	5.00	2.50	2.50	Indian Mountaineering Foundation
28	Innervoice Foundation, Varanasi, UP, Towards financial support for community arsenic mitigation project in arsenic affected Varanasi and adjoining district of UP	Water and Sanitation	Varanasi, UP	38.77	9.69	9.69	Innervoice Foundation
29	Armed Forces Flag Day Fund. New Delhi, Towards contribution for Armed Forces Flag Day Fund for the benefit of welfare and rehabilitation of EX-sevicemen war widows and their dependents	National security	New Delhi	50.00	50.00	50.00	Armed Forces Flag Day Fund

30	Kabiguru Industrial Training Centre, Birbhum. Towards financial support as one of the stakeholders of Kabiguru Industrial Training Centre amongst BHEI and DVC for starting the electrician trade at KGITC	Education	Birbhum, WB	8.13	8.13	8.13	KGITC
31	Kanpur Nagar Nigam Kanpur, UP for development of roads drains and footpaths in different places of Kanpur	Infrastructure development	Kanpur, UP	212.00	106.00	212.00	Kanpur Nagar Nigam
32	Kanpur Nagar Nigam Kanpur, UP for renovation of 24 parks at different places of Kanpur	Infrastructure development	Kanpur, UP	188.00	54.65	148.65	Kanpur Nagar Nigam
33	Phoolpur Loksabha Constituency, Allahabad towards financial support for installation of 150 nos. of India Mark II hand pumps in Phoolpur Loksabha Constituency	Water and Sanitation	Allahabad	79.50	19.88	19.88	CDUP Jal Nigam Allahabad
34	Kabiguru Industrial Training Centre, Birbhum. Towards considering admission and training of the SC/ST and BPL candidates at KGITC	Skill Development	Birbhum, WB	16.80	2.52	10.92	KGITC
35	Central Institute of Plastics Engineering Technology, Sonepat, Haryana. Towards financial support for imparting training to 400 nos of unemployed youths in the field of plastics engineering technology	Skill Development	Haryana	240.00	60.00	60.00	CIPET
36	Payment to BCCL for undertaking different developmental works under CSR				1096.58		BCCL
Subtotal					**7322.53**		
Administrative Expenses					**3.76**		
Total Expenditure Incurred					**7326.29**		

Notes :

Details of implementing agency furnished at Column 8 of the above statement.

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

   CSR expenditure during the year was more than two percent of the average net profit of last three years.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

CIL's CSR policy is framed on the basis of DPE's guideline and approved by CIL Board. The Policy is being modified from time to time based on revised guidelines issued by DPE and the latest CSR Policy has been drawn based on the New Companies Act, 2013. The CSR activities have been undertaken and implemented in compliance with CSR objectives as per CIL's CSR Policy.

Sd/-	Sd/-	Sd/-
(Chief Executive Officer or Managing Director or Director)	(Chairman, CSR Committee)	Person Specified under Clause (d) of Sub – Section (1) of Sec 380 of the Act (wherever applicable)

ANNEXURE 29

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS FOR THE YEAR 2015-16

S. No	Name of the Court/ Tribunal	Cause/Title	Details of Order
1	COMPETITION APPELLATE TRIBUNAL (COMPAT)	APPEAL NO. 1/2014:CIL ,MCL,WCL, SECL v. CCI, MAHAGENCO, GSEC	Vide an order dated 09/12/2013 of the Competition Commission of India (CCI), in Case Nos. 03, 11 & 59 of 2012, CCI ordered CIL to cease and desist from all of 'its anti-competitive conduct', to modify its FSAs in light of the CCI's order. A penalty of INR 1773 crores, at a rate of 3% of the average of CIL's annual turnover for the last three financial years was also imposed. CIL filed an appeal against this order before the Competition Appellate Tribunal (COMPAT) which was allowed by COMPAT on 17.5.2016. **The penalty of ₹1773 crores has been set aside and the matter has been remitted to CCI for fresh hearing on the issues.**
2	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal Nos. 44-47 of 2014:CIL & others V. MPPGCL, WBPDCL and SIMA v. CIL and Subsidiaries	Vide an order dated 15/04/2014 of the Competition Commission of India (CCI), in Case Nos. 05, 07, 37 & 44 of 2013, CCI ordered CIL to cease and desist from indulging in the conduct which has been found to be in contravention of the provisions of the Competition Act, as detailed in this order, and modify agreement in light of its findings in the order. However, CCI refrained from imposing any penalty upon CIL as a penalty of ₹ 1773.05 Crores was already imposed in the previous batch of matters with respect to the substantially similar conduct. **CIL filed an appeal against the cease and desist part of the order before the Competition Appellate Tribunal (COMPAT). The COMPAT allowed the appeal on 17.5.2016 and remitted the matter to CCI for fresh hearing on the issues.**
3	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal No. 49 of 2014:MPPGCL V. CIL & others (Cross Appeal filed by MPPGCL)	AS ABOVE.
4	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal No. 70 of 2014:Sponge Iron Manufactures Association V. CIL & others (Cross Appeal filed by SIMA)	AS ABOVE.
5	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal No. 80 of 2014: CIL & others V. Sai Wardha Power Limited	Vide an order dated 27.10.2014 of the Competition Commission of India (CCI), in Case No. 88 of 2013, CCI ordered CIL to cease and desist from indulging in the conduct which has been found to be in contravention of the provisions of the Competition Act, as detailed in this order, and modify agreement in light of its findings in the order. CCI refrained from imposing any penalty upon CIL as a penalty of ₹ 1773.05 Crores was already imposed in the previous batch of matters with respect to the substantially similar conduct. COMPAT granted a stay on the operation of CCI's impugned order dated 27/10/2014.Stay subsists on CCI's impugned order dated 27.10.2014 in Case No. 88 of 2013.

S. No	Name of the Court/ Tribunal	Cause/Title	Details of Order
6	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal No. 81 of 2014: CIL V. Bijay Poddar	Vide an order dated 27.10.2014 of the Competition Commission of India (CCI), in Case No.59 of 2013., CCI ordered CIL to cease and desist from indulging in the conduct which has been found to be in contravention of the provisions of the Competition Act, as detailed in this order, and modify terms of Spot e-auction Scheme 2007 in light of its findings in the order. However, CCI refrained from imposing any penalty upon CIL as a penalty of ₹ 1773.05 Crores was already imposed in the previous batch of matters. COMPAT granted a stay on the operation of CCI's impugned order dated 27.10.2014. Stay subsists on CCI's impugned order dated 27.10.2014 in Case No.59 of 2013.
7	COMPETITION APPELLATE TRIBUNAL (COMPAT)	Appeal No. 52 of 2015: CIL & WCL v. GHCL LIMITED	CIL filed an appeal against the cease and desist part of the order dated 16.02.2015 of CCI in Case No. 8 of 2014 (GHCL Limited V.CIL & others) before the Competition Appellate Tribunal (COMPAT). **The COMPAT allowed the appeal on 17.5.2016 and remitted the matter to CCI for fresh hearing on the issues.**

ANNEXURE 30

REPORT ON CORPORATE GOVERNANCE.

1. Company's Philosophy :

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2016, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. CIL is committed to observe Corporate Governance practices at different levels to achieve its objectives. Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

2. Board of Directors:

2.1 **Size of the Board**

Coal India Ltd is a Government Company within the meaning of section 2 sub-section (45) of Companies Act, 2013. As per the Articles of Association of the Company, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. However, in addition to Chairman, the President shall also appoint Vice Chairman, Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall be liable to retire by rotation. However, Chairman is not liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government. In terms of the Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen. These directors may be either whole time functional Directors or part time Directors.

2.2 **Composition of Board**

As on 31st March, 2016, the Board of Directors comprised of Chairman, 4 Functional Directors and 2 Non-Executive Directors (Government Nominees) and 5 Independent Directors. In addition, there are 2 Permanent Invitees in the Board.

2.3 **Age limit and tenure of Directors**

The age limit of Chairman & Managing Director and other whole –time functional Directors is 60 Years. The Chairman cum Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of 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, 2016 have been made by the Directors. None of the Directors are related to each other. Government Nominee Directors representing Ministry of Coal, retire from the Board on ceasing to be officials of Ministry of Coal.

Independent Directors are appointed by the Government of India. The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations.

2.4 **Board Meetings**

During the year 2015-16, 12 Board meetings were held on 12-05-15, 28-05-15,4-07-15, 13-07-15, 30-07-15, 12-08-15, 23-09-15, 15-10-15, 13-11-15,06-01-16, 11-02-16, 05-03-16.

Details of number of Board Meetings attended by the Directors, attendance at the last Annual General Meeting, number of other Directorship etc. during the year 2015-16 were as follows:

Sl. No.	Name of the Director.	Category of Directorship	No. of Board meetings attended during 2015-16.	Attended at the last AGM	No. of other Director-ship as on 31.3.2016 in public companies.
1	Shri Sutirtha Bhattacharya	Chairman	12	Yes	NIL
2	Dr. A. K. Dubey	Official Part Time Director	12	Yes	NIL
3	Smt. Sujata Prasad	Official Part Time Director	8	Yes	4
4	Shri R. Mohan Das	Director(P&IR)	9	Yes	Nil
5	Shri N. Kumar	Director(Technical)	12	Yes	Nil
6	Shri B. K. Saxena	Director(Marketing)	10	Yes	NIL
7	Shri C. K. Dey	Director (Finance)	12	Yes	Nil
8	Shri. S.N.Parsad	Director (Marketing)	2	No	Nil
9	Ms. Loretta M. Vas	Non Official Part Time Director	3	No	NIL
10	Dr. S. B. Agnihotri	Non Official Part Time Director	3	No	1
11	Dr. D. C. Panigrahi	Non Official Part Time Director	3	No	NIL
12	Dr. Khanindra Pathak	Non Official Part Time Director	3	No	NIL
13	Shri Vinod Jain	Non Official Part Time Director	3	No	2

Sl. 6 superannuated from service on 01-02-2016; Sl. 8 was appointed w.e.f 01-02-2016. Sl. 9 to 13 were appointed as an Independent Director w.e.f 17-11-15.

2.5 **Information placed before the Board**

The Company provides information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. The Board has complete access to any information within the Company. The information regularly supplied to the Board inter-alia included the following:

a) Annual operating plans and budgets and any updates.

b) Capital budgets and any updates.

c) Quarterly results for the company and its operating divisions or business segments.

d) Minutes of meetings of audit committee and other committees of the board.

e) The information on recruitment and remuneration of senior officers just below the board level including appointment or removal of Chief Financial Officer and the Company Secretary.

f) Show cause, demand, prosecution notices and penalty notices which are materially important.

g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

h) Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.

i) Any issue, which involves possible public or product liability claims of substantial nature including any judgement or order which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.

j) Details of any joint venture or collaboration agreement.

k) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

l) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

m) Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business.

n) Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.

o) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

2.6 Committees of the Board

The Board had constituted following Committees of the Board: -

i) Audit Committee.

ii) Nomination and Remuneration Committee.

iii) Stakeholders Relationship Committee.

iv) Share Transfer Committee.

v) Risk Management Committee.

vi) Corporate Social Responsibility Committee.

vii) Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects

3.1 Audit Committee

(a) Composition:

CIL in pursuance of excellence in corporate governance formed an Audit Committee of its Board of Directors w.e.f. 20-07-2001 and the present Audit Committee was re-constituted by the Board in its 323rd Meeting held on 6th Jan' 2016 consists of four Independent Directors, one Functional Director, one Government Nominee Director and one permanent invitee . The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation.

Sl No	Name of the Director	Status	
1	Shri Vinod Jain	Chairman (from 06-01-16)	Independent Director
2	Dr. A. K. Dubey	Chairman (from 12-05-15 till 05-01-16)	SS, MOC
3	Smt Sujata Prasad	Member (Chairman till 11-05-15 and member w.e.f 03.05.13)	JS& FA, MOC
4	Ms. Loretta M. Vas	Member (w.e.f 06-01-2016)	Independent Director
5	Dr. S. B. Agnihotri	Member (w.e.f 06-01-2016)	Independent Director
6	Dr. D. C. Panigrahi	Member (w.e.f 06-01-2016)	Independent Director
7	Shri N. Kumar	Member (w.e.f 13-03-2012)	Director (Technical) CIL
8	Shri C. K. Dey	Permanent invitee (w.e.f 6-1-16)	Director (Finance) CIL
9	Shri. B. K Saxena	Permanent Invitee (from 14.01.14 till 11-05-15 and member from 12-05-15 till 06-01-2016)	Director (Marketing) CIL

Director (Finance), HOD (Internal Audit) and Statutory Auditors are invited to the Audit Committee Meeting. Company Secretary is the Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations. Senior Functional executives are also invited as and when required to provide necessary clarification to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meeting.

(b) Meetings and Attendance of Audit Committee.

7 Meetings were held during the financial year 2015-16 on 12-05-15, 28-05-15, 04-07-15, 12-08-15, 13-11-15, 10-02-16, 05-03-16. The details were as under:-

Sl No	Name of the Director	Status	No. of meetings attended
1	Shri Vinod Jain	Chairman (from 06-01-16)	**2**
2.	Dr. A. K. Dubey	Chairman (from 12-05-15 till 05-01-16)	**4**
3	Smt Sujata Prasad	Member (Chairman till 11-05-15 and member w.e.f 03.05.13)	**5**
4	Ms. Loretta M. Vas	Member (w.e.f 06-01-16)	**2**
5	Dr. S. B. Agnihotri	Member(w.e.f 06-01-16)	**2**

Sl No	Name of the Director	Status	No. of meetings attended
6	Dr. D. C. Panigrahi	Member(w.e.f 06-01-16)	**2**
7	Shri N. Kumar	Member (w.e.f 13-03-12)	**7**
8	Shri C. K. Dey	Permanent invitee (w.e.f 6-1-16)	**2**
9	Shri. B. K Saxena	Permanent Invitee (from 14.01.14 till 11-05-15 and member from 12-05-15 till 06-01-2016)	**5**

(c) Scope of Audit Committee :

The role of Audit Committee included the following:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Recommendation to Board for approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and the reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before submission to board for its approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with Statutory Auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. Reviewing the functioning of the Whistle Blower mechanism;

19. Reviewing the follow up action on the audit observations of C & AG Audit;

20. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the parliament;

21. Reviewing the financial statement of the subsidiary companies;

22. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;

23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(d) Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions as defined by the Audit Committee submitted by the management;

3. Management letters/letters of internal control weakness issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. Review of the appointment, removal and terms of remuneration of out sourced internal auditors.

6. Statement of deviations:

   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

3.2 Nomination and Remuneration Committee

CIL being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Functional Directors are fixed by the President of India. Hence, the Board does not decide the remuneration of Functional Directors. A Remuneration Committee was constituted by CIL Board of Directors in its 249th meeting held on 10-04-2009. In compliance with Section 178 of Companies Act, 2013, the Board has renamed the "Remuneration Committee" as **"Nomination and Remuneration Committee"** in its 303rd meeting held on 14-01-14. This committee was reconstituted in 323rd Board Meeting held on 06-01-16. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation. During the year 2015-16, one Sub-Committee Meeting was held on 02-02-16. The details were as under:

Sl No	Name of the Director	Status	No. of Meeting attended
1.	Ms. Loretta M. Vas	Chairman (w.e.f 06-01-2016)	1
2.	Dr D C Panigrahi	Member (w.e.f 06-01-2016)	0
3.	Smt Sujata Prasad	Member (w.e.f 06-01-2016)	1
4.	Shri R. Mohan Das	Permanent Invitee (w.e.f 06-01-2016)	1

Remuneration of Directors:

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

Details of remuneration paid to Functional Directors of the Company during the financial Year 2015-16 were as under:

(in Rupees)

SL	Name of the Director	Salary	Benefits	Total	Remarks
1.	Shri Sutirtha Bhattacharya	25,54,329.00	3,97,883.00	29,52,212.00	
2.	Shri R Mohan Das	41,60,139.00	5,25,490.00	46,85,629.00	
3.	Shri N Kumar	29,75,860.00	5,95,419.00	35,71,279.00	
4.	Shri C K Dey	23,20,672.00	2,68,884.00	25,89,556.00	
5	Shri S. N. Parsad	0.00	0.00	0.00	Joined on 01-02-16
6	Shri B K Saxena	37,03,371.00	5,07,824.00	42,11,195.00	Superannuated on 01-02-16

The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. Details of sitting fees paid to Independent Directors during the year 2015-16 were given below:

(in Rupees)

Name of the Independent Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Total
Ms. Loretta M. Vas	60,000.00	80,000.00	1,40,000.00
Dr. S. B. Agnihotri	60,000.00	1,20,000.00	1,80,000.00
Dr. D. C. Panigrahi	60,000.00	1,00,000.00	1,60,000.00
Dr Khanindra Pathak	60,000.00	80,000.00	1,40,000.00
Shri Vinod Jain	60,000.00	1,20,000.00	1,80,000.00

3.3 Stakeholders Relationship Committee.

Shareholders' / Investors' Grievance Committee was constituted by CIL Board of Directors in pursuance of Listing Agreement in its 258th meeting held on 05-08-2010 and this committee was reconstituted on 12-03-15. In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board had renamed the "Shareholders'/Investors' Grievance Committee" as "Stakeholders' Relationship Committee" in its 307th Board Meeting held on 29-05-2014. The Committee was reconstituted by CIL Board in its 323rd Meeting held on 06-01-16. The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act 2013.

The Committee shall be responsible for considering and resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year 2015-16, two meeting were held on 18-09-2015 and 04-03-2016.

This Committee consisted of following Directors and their attendance was as follows:

Sl. No.	Name of the Director	Status		No. of Meeting attended
1	Dr S. B. Agnihotri	Chairman (w.e.f 06-01-2016)	Independent Director	1
2	Smt Sujata Prasad	Chairman (from 12-05-15 till 05-01-16)	JS& FA, MOC	1
3	Shri Vinod Jain	Member (w.e.f 06-01-2016)	Independent Director	1
4	Shri R. Mohan Das	Member	Director (P&IR) CIL	2
5	Shri C. K. Dey	Member	Director (Finance) CIL	2

a) Compliance officer:

Shri M.Viswanathan, Company Secretary is the Compliance officer. The company Secretary is primarily responsible to ensure compliance with the applicable statutory requirements and is the interface between the management and the regulatory authorities on governance matters.

b) Redressal of Investors' Grievances:

The company addresses all complaints and grievances of the investors expeditiously and usually resolves the issue within 7 days except in case of dispute over facts or other legal constraints. The complaints were duly attended by the Company/ RTA.

c) Settlement of Grievances

Investors may register their complaints in the manner stated below:-

Sl. No	Nature of Compliant	Contact Officers
1	Dividend from Financial Years 2010-11 to 2015-16 and shares held in physical mode For Physical Shares: Change of address, status, Bank account, ECS mandate etc.	**M/s Alankit Assignments Limited** Alankit Height, 1E/13, Jhandewalan Extension, New Delhi-110055, Board No: 011-4254-1234/2354-1234 Fax : 011-4154-3474 Toll Free No.: 1860-121-2155 E-mail id: alankit_rta@alankit.com Website-www.alankit.com
2	For Dematted Shares:- Change of address, status, Bank account, ECS mandate etc.	Concerned Depository participant (DP) where the Shareholder is maintaining his/her account
3	All complaints except Sl. No 1&2	Company Secretary, Coal India Limited, Coal Bhawan, 3rd floor, Core-2, Newtown Rajarhat, Kolkata-700156. Phone No - 033 2324 6526 Fax No - 033 2324 6510 Email - complianceofficer.cil@coalindia.in

d) Investor Relation Cell

In line with global practices, the Company is committed to maintain the highest standards of Corporate Governance reinforcing the relationship between the company and its Shareholders. Information frequently required by the investors and Analysts are available on the Company's corporate website www.coalindia.in under "Investor Centre". This website provides updates on investor-related events and presentations, dividend information and shareholding pattern etc. Updates on Financial Statement and Annual Report are available under 'Performances/Financial' tab. The company is committed to take such other steps as may be necessary to fulfill the expectations of the stakeholders.

e) Details of Shares in ESCROW Account as per Regulation 39(4) read with Schedule V of Listing Regulation 2015.

Opening Balance as on 01.04.15		Disposed off during the year		Closing balance as on 31.03.16	
Aggregate No of Shareholders	**No of Shares Outstanding**	**No of Shareholders to whom their shares were credited**	**Shares transferred from ESCROW Account**	**Aggregate No of Shareholders in Escrow A/c**	**No of Shares Outstanding in Escrow A/c**
163	20273	2	75	161	20198

f) Unpaid Dividend Status as on 31.03.2016:-

SL. No	Year	Unpaid as on 31.03.2016	
		Cases	Amount (in ₹)
1	Interim 2010-11	26484	7759101.00
2	Final 2010-11	29145	922761.60
3	Interim 2011-12	21349	14903889.00
4	Final 2011-12	30269	1176272.00
5	Interim 2012-13	16078	9969451.30
6	Final 2012-13	19751	6748472.00
7	Interim 2013-14	13035	23086242.00
8	Interim 2014-15	10784	13330561.00
9	Interim 2015-16	87470	248154905.00

g) Outstanding IPO refund as on 31.03.16:-

SL. NO.	Cases	Amount (in ₹)
01	604	5132213.25

h) Status of complaints disposed off during 2016-16(Quarter wise):-

Quarter	Opening	Received	Resolved	Pending*	Consumer Forum Cases
1st Qtr	19	835	834	20	19
2nd Qtr	20	307	308	20	20
3rd Qtr	20	584	584	20	20
4th Qtr	20	307	311	16	16

*Includes Consumer Forum cases for which ATR had been filed with the appropriate authorities. Awaiting final order from consumer court.

3.4 Share Transfer Committee.

A Share Transfer Committee was constituted by CIL Board of Directors in its 262nd meeting held on 22-11-2010. The Committee was re-constituted on 12-03-2015 which was ratified by CIL Board in its 313th meeting held on 29-03-2015. This committee was again reconstituted in 324th CIL Board meeting held on 11-02-16 The Share Transfer Committee looks into the following:

a) Transfer or Transmission of Shares. and

b) Issue Duplicate Certificates and new Certificates on split /consolidation/renewal/demat to remat etc

During the year 2015-16, 16 meetings of the committee were held on 24-04-15, 8-05-15, 09-06-15, 07-07-15, 04-08-15, 07-09-15, 12-10-15, 09-11-15, 09-12-15, 16-12-15, 05-01-16, 18-01-16, 12-02-16, 19-02-16, 04-03-16, 21-03-16. The Share Transfer Committee consists of following Directors and their attendance was as follows:

Sl No	Name of the Director	Status		No. of Meeting attended
1	Shri R. Mohan Das	Director (P&IR)	Chairman	15
2	Shri B. K. Saxena	Director (Marketing)	Member (till 01.02.2016)	8
3	Shri C. K. Dey	Director (Finance)	Member	12
4	Shri S. N. Prasad	Director (Marketing)	Member (w.e.f 11.02.2016)	3

3.5 Risk Management Committee.

Corporate Governance including Risk Assessment and Minimization Procedures Committee was constituted by CIL Board of Directors in its 273rd meeting held on 20-09-2011. During the year 2014-15, this committee was renamed as Risk Management Committee as required under Companies Act' 2013 which was approved by CIL Board in its 307th meeting held on 29th May 2014. The Risk Management Committee of the Company is constituted in line with the provisions of Listing Regulations. This committee was reconstituted in 323rd meeting held on 6th January' 2016.

Coal India Limited undertook Enterprise Wide Risk Management Measures and prepared Enterprise Wide Risk Management (ERM) Manual through a consultant which consisted of ERM Charter, Risk Management Framework, Risk Universe & classification. In addition, detailed Risk Management Procedures and Risk Management Roles & Responsibilities have also been prepared which covers all the aspects of the policy. CIL had completed Risk Assessment and prioritization of the risks to derive at the 'Risk that Matters'. The Mitigation Measures for the identified risks are in the process of deliberation and finalization. Coal India is also setting up a Programme Management Office to ensure implementation and sustenance of the Risk Management Programme in an effective manner.

During the year, 2015-16 one meeting was held on 05-03-16 and attendance of Directors was as follows:

Sl No	Name of the Director	Status		No. of Meeting attended
1	Dr D. C. Panigrahi	Chairman (w.e.f 06-01-16)	Independent Director	1
2	Dr Khanindra Pathak	Member (w.e.f 06-01-16)	Independent Director	1
3	Shri N. Kumar	Member (w.e.f 06-01-16)	Director(Technical)	1
4	Shri S. N. Prasad	Member (w.e.f 06-01-16)	Director(Marketing)	1

3.6 Corporate Social Responsibility Committee.

Sustainable Development Committee including CSR Committee was constituted by the CIL Board of Directors in its 282nd meeting held on 16-04-2012. This committee was reconstituted in 323rd CIL Board meeting held on 06-01-2016. This Committee was renamed as CSR Committee in pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. In addition to CSR activities this committee will also look after Sustainable Development. During the year 2015-16, one meeting of the committee was held on 04-03-2016. The Corporate Social Responsibility Committee consisted of following members and their attendance was as follows.

Sl. No.	Name of the Director	Status		No. of Meeting attended
1	Dr S B Agnihotri	Independent Director	Chairman (from 06.01.16)	1
2	Dr Khanindra Pathak	Independent Director	Member (from 06.01.16)	1
3	Shri Vinod Jain	Independent Director	Member (from 06.01.16)	1
4	Shri R. Mohan Das	Director (P&IR)	Member	1
5	Shri N. Kumar	Director (Technical)	Member	1

3.7 Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects

An Empowered Sub-Committee for Evaluation, Appraisal and Approval of Projects was re-constituted by the CIL Board in its 323rd meeting held on 06-01-2016. During the year 2015-16, 5 Sub-Committee Meetings were held on 08-05-2015, 03-07-2015, 30-07-2015, 23-09-2015 and 10-02-2016. The Committee consisted of following Directors and their attendance was as follows:

Sl No	Name of the Director	Status	No. of Meeting attended
1	Chairman, CIL.	Chairman	5
2	Jt. Secretary & FA, MOC.	Member	3
3	Director (Technical), CIL.	Member	5
4	Director(Finance), CIL	Member	5
5	Dr. S. B. Agnihotri	Member (w.e.f 06-01-16)	1
6	Dr. D. C. Panigrahi	Member (w.e.f 06-01-16)	1
7	Dr Khanindra Pathak	Member (w.e.f 06-01-16)	1
8	Shri Vinod Jain	Member (w.e.f 06-01-16)	1
9	CMD CMPDIL	Permanent Invitee	5

4. General Body Meetings

A. Particulars of last three AGM:

Date, Time and Venue of last three Annual General Meetings held were as under:-

Financial Year.	Date.	Time.	Location.
2014-15	**23-09-2015**	**10:30 AM**	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.
2013-14	**10-09-2014**	**10:30 AM**	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.
2012-13	**18-09-2013**	**10:30 A.M**	Science City, Main Auditorium, JBS Haldane Avenue, Kolkata – 700 046.

B. Particulars of Special Resolutions passed at the last three AGM:

AGM	Year	Time	Particulars of Special Resolution
41st	**23-09-2015**	**10:30 A.M**	**NA**
40th	**10-09-2014**	**10:30 AM**	Alteration for Articles of Association.
39th	**18-09-2013**	**10:30 A.M**	**NA**

C. Particulars of Special Resolution passed through Postal Ballot and details of voting in 2015-16:

Year	Mode	Particulars of Special Resolution
2015-16	Postal Ballot	NA

D. Person who conducted the postal ballot exercise:- No Postal Ballot activities was conducted in 2015-16

E. Whether any special resolution is proposed to be conducted through postal ballot- As advised by DIPAM, company is considering to undertake buy-back of its shares upto 25% of paid up Share Capital and Free Reserves as on 31st Mar'16 as per its Audited Accounts 2015-16 for which company will seek the approval of shareholders by special resolution through postal ballot.

F. Detailed Procedure for Postal Ballot activity will be available under tab Investor Centre of Coal India website

5. Disclosures

A) During the year there were no transactions of material nature with related parties that had potential conflict of interests of the Company. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

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

B) The Company had complied with the requirements of regulatory authorities on capital markets and no penalties/strictures was imposed against it in the last three years by Stock Exchange or SEBI or any other statutory authority.

C) Whistle Blower Policy: Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company had formulated Whistle Blower Policy for an effective whistle blower mechanism enabling stakeholders including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. Accordingly, the Board of Directors of CIL in its 272nd Board Meeting held on 12th August, 2011 has approved "COAL INDIA WHISTLE BLOWER POLICY 2011" at CIL and its subsidiary companies for implementation.

CIL had provided ample opportunities to encourage directors and employees to become whistle blowers (Directors and employees who voluntarily and confidentially want to bring the unethical practices, actual or suspected fraudulent transactions in the organization to the notice of competent authority for the greater interest of the organization and the nation). It has also ensured a very robust mechanism within the same framework to protect them (whistle blowers) from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit committee.

D) **CEO/CFO Certification**: As required by Listing Regulations 2015, Certificate signed by Shri Sutirtha Bhattacharya, Chairman/CEO and Shri C. K. Dey, Director (Finance)/CFO was placed before the Board of Directors in its 327th Meeting held on 28th May' 2016 and is annexed to Corporate Governance Report.

E) **Code of Business Conduct.**

The Company has in place a Code of Business Conduct applicable to Board Members as well as to Senior Management which was revised by CIL in its 311th Board Meeting held on 29-03-2015 in line with Companies Act' 2013 and revised Listing Regulation and the same has been uploaded in Company's website. Further, all Board Members of Coal India Limited and Senior Management Personnel have affirmed compliance to the code of conduct as on 31st March, 2016.

Declaration as required under Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the members of the Board and Senior Management Personnel have affirmed compliance to the Code of Conduct for the financial year ended on 31st March, 2016.

Sd/-
(S. Bhattacharya)
Chairman & Managing Director

Kolkata
22nd June' 2015

F) Code of Internal procedures and conduct for Prevention of Insider Trading.

In pursuance to Regulation 9(1) of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, CIL has adopted **"CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF COAL INDIA LIMITED"** with the objective of preventing purchase and/or sale of the shares of the CIL by an insider on the basis of unpublished price sensitive information . Under this code, Insiders (Officers, Designated Employees and Connected Persons) are prevented to deal with the company's shares during the closure of Trading Window. This was approved in 314th Board Meeting held on 12th May'2015 and uploaded in website. To deal in Securities beyond limits specified, permission of Compliance Officer is required. All Directors / Officers/Designated Employees are also required to disclose related information periodically as defined in the Code. Company Secretary has been designated as Compliance Officer for this Code.

G) Separate Meeting of Independent Directors.

As per Companies Act, 2013 and Regulation 25(3) & (4) of SEBI Listing Obligations and Disclosure Requirement 2015, Independent Directors are required to hold at least one meeting in a year to discuss the following:

a) Review the performance of non-independent directors and the Board as a whole.

b) Review the performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors.

c) Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting of Independent directors was held on 21st March 2016 at Kolkata. All the independent directors were present at the meeting, however one director participated through video-conferencing.

Formal letter of appointment to Independent Directors: CIL Board in its 308th meeting had approved letter of appointment to be issued to Independent Directors on their appointment and it is also uploaded in company's website. This is as per the Schedule IV of Companies Act 2013 and Listing Regulations 2015. Accordingly letter of appointment has been issued to newly appointed Independent Director by Chairman, CIL.

Performance evaluation of Independent Directors: The Nomination and Remuneration committee shall formulate criteria for the performance evaluation of Independent Directors and the Board. The Nomination and Remuneration committee was reconstituted by CIL in its 323rd CIL Board meeting held on 06.01.2016. However MCA vide notification no G.S.R 463(E) dated 5th June' 2016 has exempted the above for Government Companies.

Familiarisation programme for Independent Directors: Board of Directors are fully briefed on all business related matters, associated risk, new initiatives etc of the company. The Board of directors were also briefed about the provisions of Companies Act 2013 and Listing Regulations 2015, and Prevention of Insider Trading Code of CIL etc. As and when the training programmes are conducted by the recognized institutes on the corporate governance company sponsors them to attend training programme and thereby make them familiar with the recent developments. Details of training programme attended by Independent Directors were disclosed in company website under tab "Investor Centre".

https://www.coalindia.in/DesktopModules/DocumentList/documents/Details_of_Familiarization_Programmes_imparted_to_the_Independent_Directors_during_2015-16_08042016.PDF

SUBSIDIARY COMPANIES

The Company had one material subsidiary i.e South Eastern Coalfields Limited (SECL). SECL became a material subsidiary as its income and networth exceeded 20% of CIL's income and net worth as on 31st March 2016. Accordingly, policy on material subsidiaries had been formulated and uploaded in company's website. The Consolidated Financial Statements of Coal India limited and its Subsidiary Companies are tabled at the Audit Committee and Board Meetings on quarterly basis. Copies of the Minutes of the Board Meetings of Subsidiary Companies along with a statement of significant transactions and arrangements entered into by the unlisted subsidiary company are placed to the board on quarterly basis for its information.

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

6. Means of Communication:

a) Quarterly Results:

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through website. The Company also communicates with its institutional shareholders through a combination of Analysts briefing, individual discussions and also participation at investor conferences from time to time. Financial Results are also published in the newspapers as per the detailed given below Information and latest updates and announcement regarding the company can be accessed at company's website (www.coalindia.in)

Quarter	English Newspaper	Vernacular Newspaper
June' 15	Financial Express	Anand Bazar Patrika
September' 15	Business Standard	Anand Bazar Patrika
December' 15	HT-Mint	Anand Bazar Patrika
March' 16	Hindu Business line, Hindustan Times, HT-Mint	Ei-samay

b) Official Releases and Presentations:

In order to make general public aware about the achievements of the company, press conference is held after adoption of the results of each quarter where highlights of the performance of the company are briefed to the Press for information of the stakeholders after it is intimated to Stock Exchanges.

c) Presentation made to the Analysts:- The salient features of the financial results presented to the Audit Committee and Board were put on the company website for the information of Analysts and general public.

7. General Shareholders' Information:

a) Annual General Meeting.

Date: 21st September' 2016

Time: 10.30A.M

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

b) Financial Calendar for FY 2016-17:

Particulars	Date
Accounting period	April 1, 2016 to March 31, 2017
Un audited Financial Results for the first three quarters	Announcement within 45 days from the end of each quarter.
Fourth Quarter Results	Announcement of Audited Accounts on or before May, 30, 2017.
AGM (Next Year)	September 2017 (Tentative)

c) Book Closure.

The Register of Members and Share Transfer Books of the Company will remained closed from 12th September' 2016. to 21st September' 2016 (both days inclusive).

d) Payment of Dividend.

The Board of Directors of CIL had approved payment of Interim Dividend@ ₹.27.40 per share (274% on the paid up share capital) which was paid to shareholders on and from 21st March' 2016.

e) Dividend History.

Year	Total Paid up Share Capital (₹ in crore)	Total amount of dividend paid (₹ in crore)	Date of AGM in which dividend was declared	Rate of Dividend.
2005-06	6316.3644	1263.27	13-09-2006	20%
2006-07	6316.3644	1500.00	18-09-2007	23.748%
2007-08	6316.3644	1705.42	29-07-2008	27%
2008-09	6316.3644	1705.42	28-07-2009	27%
2009-10	6316.3644	2210.00	25-05-2010	35%
2010-11	6316.3644	2463.38	20-09-2011	39%
2011-12	6316.3644	6316.36	18-09-2012	100%
2012-13	6316.3644	8842.91	18-09-2013	140%
2013-14	6316.3644	18317.46	10-09-2014	290%
2014-15	6316.3644	13074.88	23-09-2015	207%
2015-16	6316.3644	17306.84	Interim Dividend declared and paid earlier	274%

f) Listing on Stock Exchanges.

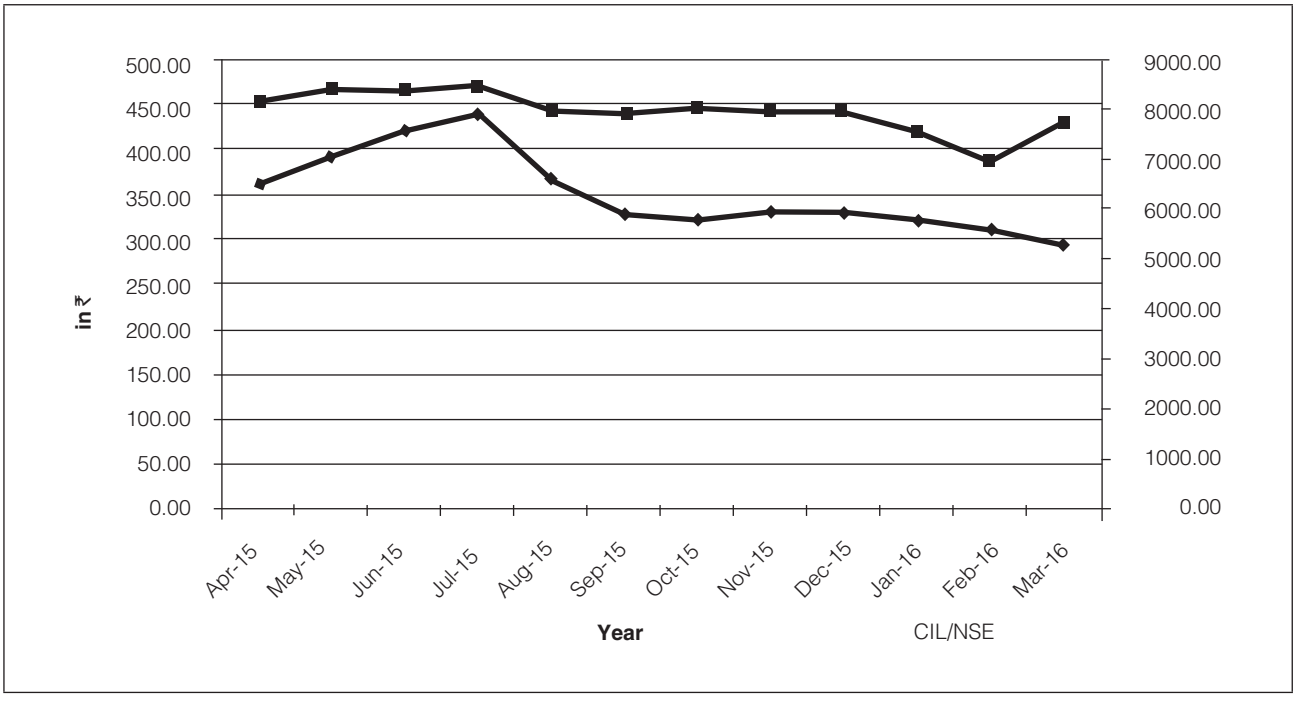
CIL equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited.	**Bombay Stock Exchange Limited.**
Scrip Code: COAL INDIA	Scrip Code: 533278.
Stock Code: ISIN: INE522FO1014.	

An annual Listing fee for the year 2016-17 had already been paid to both the Stock Exchanges.

g) Market Price Data- NSE:

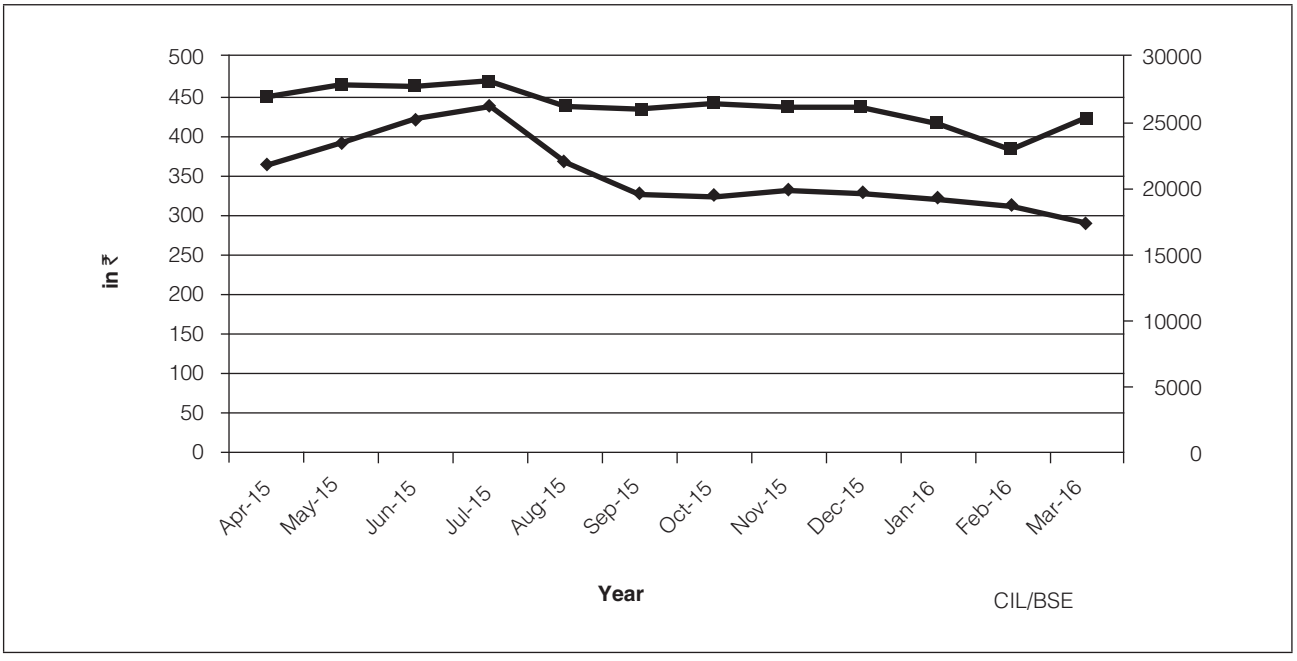
Month	High (₹)	Low (₹)	Closing (₹)
Apr-15	395.70	356.40	362.75
May-15	393.75	352.15	391.05
Jun-15	422.60	381.40	421.25
Jul-15	442.80	413.70	439.05
Aug-15	447.10	332.45	366.35
Sep-15	365.50	300.80	327.60
Oct-15	348.90	318.75	319.90
Nov-15	345.00	316.55	330.55
Dec-15	346.55	305.00	329.80
Jan-16	337.10	286.50	319.95
Feb-16	337.20	292.70	311.00
Mar-16	333.00	291.00	291.95



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

h) Market Price Data- BSE:

Month	High (₹)	Low (₹)	Closing (₹)
Apr-15	395.40	356.35	363.00
May-15	393.40	352.00	391.30
Jun-15	422.10	382.00	421.05
Jul-15	442.00	413.80	439.30
Aug-15	447.25	332.95	366.35
Sep-15	365.50	300.75	326.50
Oct-15	349.00	318.55	319.90
Nov-15	344.70	316.95	330.70
Dec-15	346.50	305.50	322.40
Jan-16	337.00	286.90	320.05
Feb-16	336.80	293.00	311.20
Mar-16	334.00	291.05	292.00



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

i) Registrar and Share Transfer Agent

Registered Address:	Local Address:
M/s Alankit Assignments Limited Alankit Height, 1E/13, Jhandewalan Extension, New Delhi-110055, Phone No.: 011-4254-1234/2354-1234 Toll Free No.:1860-121-2155 Fax No. : 011-4154-3474 Email ID : alankit_rta@alankit.com Website : www.alankit.com	**M/s Alankit Assignments Limited** Main Building, 2nd floor, 19 R. N. Mukherjee, Kolkata-700001 Email ID : alankit_rta@alankit.com Ph. No.: 033-4401-4100/4200 Fax: 033 6619 2844 Toll Free No. 18601212155

j) Share Transfer System

Share transfer activities under physical segment are being carried out by M/s Alankit Assignments Limited. The share transfer system consists of activities like receipt of shares along with transfer deed from transferors, its verification, preparation of Memorandum of transfers, etc. If it is in order share transfer approved and sent to the transferee. If it is not in order, the same is returned to the transferee for further needful action.

k) Distribution of Shareholding

Shares held by different categories of shareholders and size of holdings as on 31st March, 2016 is given below:

a. Shareholding pattern as on 31st March, 2016

Category	Total no. of shares	% of Equity
GOI	5030970582	79.65
FIIs	537855762	8.52
Indian Public & HUF	104045039	1.65
Banks, Insurance & FI	457486892	7.24
Private Corporate Bodies	84875709	1.34
Mutual Funds	87162236	1.38
NRI/ QFI/FRN's	3843322	0.06
Others	10124858	0.16
TOTAL	6316364400	100.00

b) Top Ten shareholders as on 31st March' 2016:

SL. NO	NAME/JOINT NAME(S)	HOLDING	% TO EQT	MINOR CODE
1	PRESIDENT OF INDIA	5030970582	79.65	POI
2	LIFE INSURANCE CORPORATION OF INDIA	364317692	5.77	INS
3	THE INCOME FUND OF AMERICA	59400000	0.94	FII
4	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	48955916	0.78	IFI
5	GOVERNMENT OF SINGAPORE	42536036	0.67	FII
6	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIE S OF VANGUARD INTERNATIONAL EQUITY INDE X FUND	20338777	0.32	FII
7	MONETARY AUTHORITY OF SINGAPORE	15806985	0.25	FII
8	CPSE ETF	14981902	0.24	MUT
9	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS FUND	14553182	0.23	FII
10	POWER FINANCE CORPORATION LTD	13964530	0.22	LTD
	TOTAL:	**5625825602**	**89.07**	

c) Distribution of shareholding according to size, % of holding as on 31st March, 2016:

Sl.no	Category (Shares)	No. of Share Holders	% To Share Holders	Total No. of Shares	% To Equity
1	1 - 5000	660885	99.67	95864815	1.52
2	5001 - 10000	700	0.11	5162947	0.08
3	10001 - 20000	362	0.05	5186698	0.08
4	20001 - 30000	163	0.02	4084017	0.06
5	30001 - 40000	99	0.01	3489180	0.06
6	40001 - 50000	66	0.01	3002210	0.05
7	50001 - 100000	221	0.03	16034520	0.25
8	100001 and above	551	0.08	6183540013	97.90
	TOTAL:	**663047**	**100.00**	**6316364400**	**100.00**

d) Major Shareholders

Details of shareholders holding more than 10% of the paid up capital of the Company as on 31st March, 2016 are given below:

Name of Shareholder	No of Shares	% to Paid – up Capital	Category
Government of India	5030970582	79.65	POI

L) Dematerialization of Shares and Liquidity

20% of the Shares of the Company issued to the Public are in dematerialized segment and are available for trading at National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) 0.35.% shares of the company is in CPSE ETF and can be traded in Stock Exchanges, which are also in dematerialized.

No of shares held in dematerialized and physical mode as on 31st March' 16

Mode of holding	Shares	% Equity
Held in dematerialized form in CDSL	**33447177**	**0.53**
Held in dematerialized form in NSDL	**6282910602**	**99.47**
Physical	**6621**	**0.00**
Total	**6316364400**	**100.00**

M) Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by a practicing Company Secretary with a view to reconcile the total share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and in physical form, with the issued and listed capital. The Secretarial Audit Report for reconciliation of share capital is submitted to BSE Limited and National Stock Exchange of India Limited within the stipulated time for each quarter.

N) The names and address of the Depositories are as under:

1. National Securities Depository Ltd.

   Trade World, 4th Floor,

   Kamala Mills Compound,

   Senapati Bapat Marg,

   Lower Parel, Mumbai-400 013.

2. Central Depository Services (India) Limited.

   Phiroze Jeejeebhoy Towers,

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

O) Details of Subsidiaries of Coal India Ltd and its Location

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

(A) Coal Producing Companies:

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

(B) Service Oriented Company:

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

(C) Foreign Subsidiary Company:

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

(D) Joint Venture Companies of CIL:

(i) CIL NTPC Urja Pvt Ltd

(ii) International Coal Ventures Private Limited

(iii) Rashtriya Coal Gas Fertilizers Limited

(iv) Neelanchal Power Transmission Company Limited (Joint Venture of MCL)

P) Address for Correspondence.

Coal Bhawan
Coal India Limited,
Premises No-04-MAR.Plot No-AF-III
Action Area-1A, Newtown, Rajarhat
Kolkata-700156.
Phone-033-23246526.
Fax-033-23246510.
E –mail: complianceofficer.cil@coalindia.in.

ANNEX- I

NON- MANDATORY REQUIREMENTS

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Reg. 27(1) of the Listing regulations' 2015 read with Part E of Schedule-II are produced below:

1. **The Board:** The Company is headed by an Executive Chairman.
2. **Shareholder Rights:** The quarterly Financial Results of the Company are published in leading newspapers and also posted on company's website (www.coalindia.in). These results are not separately circulated to the shareholder.
3. **Audit Qualification:** It is always Company's endeavor to present an unqualified financial statement.
4. **Separate posts of Chairman and CEO:** Article of Association {39(f)} of the company provides that same person can be appointed as Chairman and CEO of the company. Hence GoI had appointed one person as CMD of the company.
5. **Reporting of Internal Auditor**: General Manager of Internal Audit reports directly to Chief Executive Officer of the company. The external internal auditor appointed by the company submit their report to concerned GM at places where they are conducting the audit. These reports are reviewed by the Audit Committee.

CEO AND CFO CERTIFICATION

To
The Board of Directors
Coal India Limited.

The Financial Statements of **CIL (Consolidated)** for the year ended 31st March, 2016 are placed herewith before the Board of Directors for their consideration and approval.

The Financial Statements for the above mentioned period for the subsidiaries of Coal India Ltd. have been prepared by the respective subsidiaries and have been approved by their respective Boards. The respective CEO/ CFO certification on the Financial Statements of the subsidiaries for the said period as submitted to the respective Board are also placed for kind perusal. This CEO/ CFO (consolidated) certification is based on these individual subsidiary-wise CEO/ CFO certification.

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

In the light of above, We, S. Bhattacharya, Chairman cum Managing Director and C. K. Dey, Director (Finance), of Coal India Ltd. responsible for the finance function certify that:

a. We have reviewed Financial Statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief :

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2016 are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee

   i. There has not been any significant changes in internal control over financial reporting during the year under reference;

   ii. There has not been any significant change in Accounting Policies during the year, and

   iii. We are not aware of any instance of significant fraud with involvement therein of the Management or an employee having a significant role in the company's internal control system over financial reporting except that as reported by Central Coalfields Ltd., there is an alleged fraudulent payment to the tune of ₹. 0.80 crores at Bhurkunda Colliery of Barka-Sayal Area, which is under investigation.





Date: 28.05.2016
Kolkata

Director (Finance)

Chairman cum Managing Director

CEO AND CFO CERTIFICATION

To
The Board of Directors
Coal India Limited.

The Financial Statements of **CIL (Standalone)** for the year ended 31st March, 2016 are placed herewith before the Board of Directors for their consideration and approval.

In the light of above, We, S. Bhattacharya, Chairman cum Managing Director and C. K. Dey, Director (Finance), of Coal India Ltd. responsible for the finance function certify that:

a. We have reviewed Financial Statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief :

   iv. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   v. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2016 are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee

   i. There has not been any significant changes in internal control over financial reporting during the year under reference;

   ii. There has not been any significant change in Accounting Policies during the year; and

   iii. We are not aware of any instance of significant fraud with involvement therein of the Management or an employee having a significant role in the company's internal control system over financial reporting.

[During the financial year 2013-14, a case of misappropriation of Company's fund for personal gain came to the notice of the management which was duly reported in the CEO/CFO certification for the relevant period. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the report of the internal audit department of Coal India Ltd. the amount involved is estimated to be ₹1.17 crores]

Director (Finance)

Chairman cum Managing Director

Date: 28.05.2016
Kolkata

Maheshwari R & Associates
Company Secretary

16, British Indian Street, 2nd Floor, Room 2 D, Kolkata-700 001
Ph. 033 26389129 (R)
Email: rashmi3309@rediffmail.com

CORPORATE GOVERNANCE CERTIFICATE

To The Members,
M/s Coal India Limited
(Govt., of India Undertaking)
Coal Bhawan, 3rd Floor,
Core - 2, Premises No- 04 MAR,
Plot No- AF- III, Action Area - 1A,
New Town, Rajarhat,
Kolkata - 700 0156

CIN NO: L23109WB1973GOI028844

1. We have examined the compliance of conditions of Corporate Governance by M/s Coal India Limited (the "company") for the year ended 31st March 2016 as stipulated in Regulations 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation(2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India(listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement of the said company with Stock Exchange (s) and as stipulated in the Guidelines on Corporate Governance (the "guidelines") for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India, vide OM No. 18(8)/2005-GM dated 14th May, 2010

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance . It is neither an audit nor an expression of opinion on the financial statements of the Company. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents certifications, etc as had been required by us.

3. The Company has taken steps for reviewing of compliance of laws. An elaborate system is in place for management of currency as well as interest rate risk relating to foreign loan and steps have been taken in other areas of integration and alignment of risk management with corporate and operational objectives.

4. In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing Regulations read with the guidelines on corporate governance issued by the department of public enterprises for CPSEs in May '2010 except provision in relation to independent director in the Board of Director of the Company, the appointment of independent director in the material subsidiaries of the company.

5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Maheshwari R & Associates
Company Secretaries
S/d
Rashmi Maheshwari
C.P.No.: 3309 of ICSI
Membership No : FCS-5126

Place : Kolkata
Date : 15th June 2016

SUB:-SUSTAINABILITY REPORT 2015-16

In terms of Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requirement, company had prepared Sustainability Report under GRI G4 index' 'in accordance' core criteria for the year 2015-16 and the same is posted in the Company's website www.coalindia.in. Any shareholder desirous to get the report in physical form can apply to Chief General Manager (Environment), Coal India Limited, Coal Bhawan, Premises No-04 MAR, Plot No-AF-III, Action Area-1A, New town, Rajarhat, Kolkata-700156, India or send an e-mail to cgmenv.cil@coalindia.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1.0 INDUSTRY STRUCTURE AND DEVELOPMENT

Coal and Coal India Limited

The importance of coal as a fuel or a power resource is undeniable. Coal is the most abundant fossil fuel on earth and industrial greatness on coal has been built up by many countries. It continues to be the cornerstone of any economy and a vital source of energy for developing nations. The economic development of the country largely depends on its industrial process. The industrial development of a country depends upon its possessing sufficiently large stock of this most valuable mineral product.

In India, coal is the most important indigenous energy source and remains the most predominant fuel for power generation and many industrial applications. Coal is an important constituent of the present Indian economy. India's energy future and prosperity are integrally dependent upon using its most abundant, affordable, dependent energy supply – which is coal. Coal meets more than 50% of India's primary commercial energy.

India is currently the third largest producer of coal in the world. It produced around 6 million tonnes of coal a year in the beginning of the 20th century. Today, the total production stands at 637.873 million tonnes in FY2015-16, in sync with our developmental needs.

Coal India Limited (CIL) is the single largest coal producing company in the world, with a total production of 538.754 million tonnes during the fiscal 2015-16. It accounted for 84.5% of total coal produced in India during the year. It is a Maharatna Company, listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

CIL is an apex body with 7 wholly-owned coal producing subsidiaries and 1 mine planning and Consultancy Company, spread across 8 states in India. CIL also fully owns a mining company in Mozambique christened as 'Coal India Africana Limitada'.

2.0 SWOT ANALYSIS

Strengths	Weaknesses
• Large Scale of Operations allow economies in scale of production • Vast coal resource base • Geographical spread of operations in India allows proximity to a large and diversified customer base • Strong financial position • Skilled and diversified workforce with experience • Well positioned to cater to high demand of coal in India • Consistent track record of growth • Strong track record of financial performance • Strong capabilities for exploration, mine planning, research and development	• High cost of production in underground (legacy) mines with severe implication • Constraints in evacuation
Threats	**Opportunities**
• High dependence on Indian Railways for evacuation of coal • Resistance to part with land, creating problems in acquisition of land and rehabilitation • Illegal mining • Reduction in international coal prices • Reduced domestic demand for high grade of coal. • Law and order problems • Appreciation in Land cost	• Strong economic growth in India and resultant demand for energy, particularly coal as an energy source • Being a cheaper source of energy compared to alternate sources available in India, demand to continue to remain strong • Adequate availability of low grade of coal

3.0 SEGMENT-WISE PERFORMANCE

- **Off-Take**

Particulars	April- March'16	April-March'15	April-March'14
Off take (Mill Te)	534.50	489.38	471.58
Growth (over previous year)	9.2%	3.8%	1.38%

- **Statement of Break-up of Off-Take (in Million Te):**

Particulars	April'15-March'16	%	April'14-March'15	%	Growth %
Off-Take	534.50	100.0%	489.38	100.0%	9.2%
Less: Own Consumption	0.30	0.1%	0.38	0.1%	-21.1%
Less: Feed to Washeries	18.87	3.5%	16.09	3.3%	17.7%
Less: E-Auction	67.00	12.5%	46.91	9.6%	42.8%
Despatch to Outsiders under FSA	**448.33**	**83.9%**	**426.00**	**87.0%**	**5.2%**

- **Sectorwise Despatch of Coal & Coal Products (In Million Tonnes):**

Sector-wise break-up of despatches of Coal &Coal Products (in Million Te) during 2015-16, against target and last year's actual were as under:

Year	2015-16			2014-15	Growth over Last Year	
Sector	**Target**	**Despatch**	**% Satisfaction**	**Actual**	**Abs.**	**%**
Power (Util)	430.68	408.75	94.9%	385.40	23.35	6.1%
Steel	2.85	3.42	120.0%	3.77	-0.35	-9.3%
Cement	6.65	4.67	70.2%	5.55	-0.88	-15.9%
Fertilizer	2.64	2.29	86.7%	2.29	0.00	0.0%
Others	106.12	115.49	108.8%	92.97	22.52	24.2%
Total Despatches	**548.94**	**534.62**	**97.4%**	**489.98**	**44.64**	**9.1%**

- **Production from Underground and Opencast Mines:**

Subsidiary-wise production from Underground and Opencast Mines in 2015-16, compared to 2014-15 were as under:

(Figures in Million Tonnes)

Production of Raw Coal by CIL during 2015-16 and 2014-15

Company	UG Production		OC Production		Overall Production		% of Growth
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	
ECL	7.329	7.292	32.880	32.716	40.209	40.008	0.50
BCCL	1.807	2.029	34.054	32.485	35.861	34.514	3.90
CCL	0.848	0.841	60.476	54.811	61.324	55.652	10.19
NCL	0.000	0.000	80.224	72.484	80.224	72.484	10.68
WCL	7.180	7.565	37.635	33.582	44.815	41.147	8.91
SECL	15.507	16.036	122.427	112.239	137.934	128.275	7.53
MCL	1.112	1.276	136.789	120.103	137.901	121.379	13.61
NEC	0.003	0.003	0.483	0.776	0.486	0.779	-37.61
CIL	**33.786**	**35.042**	**504.968**	**459.196**	**538.754**	**494.238**	**9.01**

- **Off-Take of Coal:**

Subsidiary-wise Off-Take of coal in 2015-16 compared to 2014-15 were as under:

(Figures in Million Cubic Metres)

Company	2015-16	2014-15	% of Growth
ECL	38.607	38.470	0.36
BCCL	36.141	33.672	7.33
CCL	59.582	55.338	7.67
NCL	78.532	73.693	6.57
WCL	42.310	41.246	2.58
SECL	138.748	123.223	12.60
MCL	140.234	123.003	14.01
NEC	0.342	0.732	-53.28
CIL	**534.496**	**489.377**	**9.22**

- **Overburden Removal**

Overburden Removal during 2015-16 was 1,148.908 million cubic metres, as against 886.528 million cubic metres achieved in 2014-15, recording a substantial growth of 29.60%. The Company-wise overburden removal has been shown as below:

(Figures in Million Cubic Metres)

Company	2015-16	2014-15	% of Growth
ECL	119.219	94.047	26.77
BCCL	148.591	103.901	43.01
CCL	106.778	97.378	9.65
NCL	338.089	210.614	60.53
WCL	155.146	122.914	26.22
SECL	175.367	158.268	10.80
MCL	98.414	89.221	10.30
NEC	7.304	10.185	-28.29
CIL	**1,148.908**	**886.528**	**29.60**

4.0 OUTLOOK:

With more than 70% contribution, coal is the mainstay of power generation in the Country. CIL's growth plan for the future is in synergy with the ambitious plan of the Government for round the clock power supply to all homes of the Country. Sustainability of such growth by minimizing the environmental impact being a major issue, thrust is given in qualitative improvement in coal production through selective mining, beneficiation and blending.

CIL has envisaged coal production and off-take target of 598.61Mt in 2016-17. 75% of the said production would be consumed by power sector only. A roadmap to achieve more than 900Mt of coal production by 2019-20 has also been prepared. This would call for developing matching logistics infrastructure. Apart from creating new infrastructure, optimum utilization of existing capacity through a dynamic process of source rationalization is another key area of activity. By means of launching linkage auction scheme, an in-built system of source rationalization has already been put in place for non-regulated sector.

CIL has planned a capital investment of ₹ 7765 Crs for maintaining its volume growth in 2016-17. In addition, the company has also envisaged for investment of ₹ 5059 Crs in different other schemes in 2016-17 like development of railway infrastructure project, solar power, railway wagon procurement, Coal Bed Methane (CBM), revival of fertilizer plants etc. Further, CIL plans to significantly ramp up its investment programme in next five years also.

Marketing Outlook:

The Working Group on Coal and Lignite, during the process of formulation of XII Plan document, projected a widening gap between demand and indigenous availability to the tune of 273 MT by 2021-22. The present production roadmap of 908.10MT from CIL sources by 2019-20 would substantially reduce the gap. It is envisaged that barring the import of coking coal, essentially for quality reasons, India will be self-sufficient in meeting the requirements of thermal coal by 2019-20. Non-Coking Coal imports in the country had declined by 17.69 MT from 174.07 MT in 2014-15 to 156.38 MT in 2015-16 resulting in substantiating saving foreign exchange.

CIL has also taken an initiative to build matching logistics infrastructure to ensure evacuation of planned quantity of production. The following activities have already been initiated to augment rail evacuation capacity:

i. Investment in procuring high capacity wagons for movement of coal in dedicated circuit.

ii. Joint Ventures (JVs) have been incorporated by coal companies with State Governments and Railways for creating rail infrastructure.

iii. Three major last mile rail connectivity projects at Jharkhand, Odisha and Chhattisgarh have been brought under the PMO monitoring mechanism to ensure commissioning as per schedule.

In order to provide a transparent platform to plan coal procurement by end-users in the medium term horizon, the following new e-auction windows have been made operative in the electronic coal distribution system, in addition to the usual spot and forward e-auction:

i. **Special forward e-auction for Power**: Targeted for utilities and CPPs - a window to firm-up coal procurement plans.

ii. **Exclusive forward e-auction for Non-Power**: Targeted for non-power consumers —a window to firm-up coal procurement plans.

Customer satisfaction through quality assurance is another key area for improvement. Following initiatives are identified towards quality improvement and assurance:

i. Supply of (-) 100 mm sized coal to power sector consumers w.e.f. 1st Jan'16.

ii. Third party sampling facility being extended for Special Forward e-auction for power

iii. All major laboratories across the subsidiaries of coal companies are now equipped with the Automatic "Bomb Calorimeter" for ascertaining calorific value

Operations Outlook:

CIL has identified 123 on-going projects and 67 future/new projects, which will together contribute about 80% of total coal production envisaged for 2019-20. Subsidiaries such as SECL, MCL, NCL and CCL will be the major contributors.

The expansion program will be managed in a structured manner with the help of IT enabled actions. The implementation of ERP solution to enable transparency in operations, maintenance and support functions is under consideration.

The Company has already concluded a study for mechanization and automation level across a substantial number of mines. This is aimed at identification of opportunities in mine planning, exploration, survey, operations and maintenance and are under different phases of implementation.

To support increase in production on a sustainable basis, synergic growth in exploration is absolutely necessary. Increased use of hydrostatic drilling with PCD bits and 2D Seismic Survey Technology to achieve high rate in exploration has been envisaged. CIL will continue to focus on increasing its reserve base in India.

CIL is in the process of augmenting the capacity of training institutes across subsidiaries, including IICM. Several other actions for building human resource capacity are being contemplated in collaboration with reputed institutions.

Outlook regarding Evolution of the Ecosystem:

CIL's projected coal production in the coming years will be materialized only by working closely with other stakeholders. These include the Indian Railways, State Governments, Regulators, Community and other market participants. CIL's initiatives towards this endeavour are as below:

1. MCL has formed a SPV, Mahanadi Basin Power Limited (MBPL), with 100% stake held by MCL for power generation capacity of 2X800 MW through pit-head Power Plant at Basundhara Coalfields.
2. CIL has taken an initiative to setup 1,000 MW Solar plants in collaboration with Solar Energy Corporation of India Limited (SECI). The Project Feasibility Report for 200 MW has already been prepared. Identifications of other locations for setting up of projects are underway.
3. CIL is also working closely with the Government of Jharkhand and West Bengal to enable quick implementation of the Master Action Plan of Jharia and Raniganj Coalfields.

Research & Development:

CMPDIL is the nodal agency for coordination and monitoring of S&T projects in the coal sector as well as the R&D projects of CIL. Detailed status is elaborated in Directors Report. During 2015-16, seven projects were approved by SSRC. Some strategic projects are as follows:

S&T Projects approved by SSRC:

Sl. No	Name of the Project	Implementing Agencies	Approved Cost (₹ in crores)
1	Constructing structures on backfilled opencast coal mines: An attempt to suggest viable methodologies	Indian School of Mines(ISM), Dhanbad & Civil Engineering Division, CMPDI, Ranchi	3.38
2	On-line coal dust suppression system for opencast mines	Centre for Development of Advanced Computing (C-DAC), Thiruvananthapuram and CMPDI, Ranchi	4.21
3	Investigation pertaining to geotechnical and hydro-geological aspects to stabilize non-cohesive granular soil/sand in the opencast mines, adjacent to the major perennial river	Regional Institute-IV, CMPDI, Nagpur, Indian Institute of Technology (IIT), Bombay and Western Coalfields Ltd, Nagpur	4.95
4	Capacity building for extraction of CMM resource within CIL command areas	CMPDI, Ranchi & Commonwealth Scientific and Industrial Research Organization (CSIRO), Australia	23.92

In-principle approval of following R&D Projects has been given by R&D Board of CIL during 2015-16:

Sl. No.	Name of the Project	Implementing Agencies	Approximate Project Cost (₹ in crores)
1	Development of guideline for prevention and mitigation of explosion hazard by risk assessment and determination of explosibility of Indian coal incorporating risk based mine emergency evacuation and re-entry protocol.	ISM, Dhanbad, CIMFR, Dhanbad, S&R Division, CIL	16.29
2	Development of a methodology for regional air quality monitoring in coalfield area using satellite data and ground observations	CMPDI, Ranchi and National Remote Sensing Centre(NRSC), Hyderabad	7.09
3	Abatement and utilization of ventilation air methane from a working underground degree-III coal mine in India	CMPDI, Ranchi and Commonwealth Scientific and Industrial Research Organization (CSIRO), Australia	25.65

5.0 RISKS AND CONCERNS

The Board of CIL has approved Risk Management Charter and Risk Register to be maintained. A Risk Management Charter has been created to build a strong Risk Management culture within CIL which will help in achieving the Company's goals and objectives. The Risk Register has been prepared on the basis of a Risk Universe, which consists of all the risks applicable to CIL.

The Risk Universe provides a comprehensive categorization of all business risks. It has been divided into six broad categories, as below:

Strategic Risks are associated with long-term goals, objectives and direction of the business. These risks may arise from the actions of other participants in the marketplace and/or the opportunities ventured and decisions made by the business or by external stakeholders.

Operation Risks are associated with on-going, day-to-day operations of the business. These include risks connected with the business processes implemented/deployed to meet the objectives.

Financial Risks are related specifically to the processes, techniques and instruments utilized to manage the organisation's finances. These include the uncertainties that may have a financial impact on the Company.

Compliance Risks are risks that arise due to the Company's inability to comply with the applicable laws, regulations and contractual terms and conditions. This includes legal risks which may arise due to uncertainties in the application/interpretation of contract, laws and regulations.

Project-related Risks are specific risks pertaining to planning, execution and resource availability for a specific project and /or a group of projects and the project realization benefits.

Support System Risks are associated with IT, Systems and Infrastructure.

As per the Risk Register, different risks have been identified for CIL and its subsidiaries. A Risk Management Structure has been formed and a Risk Owner and Mitigation Plan Owner has been nominated for each risk identified.

6.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has robust internal control systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exists for smooth decision-making. Elaborate guidelines for preparation of Accounts are followed consistently for uniform compliance. Further, all the key functional areas are governed by respective operating manuals. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of accountants in close co-ordination with the Company's Internal Audit Department.

The Internal Financial Controls of the Company were reviewed by Internal Auditors appointed. According to them, the Company has, in all material respects, laid down internal financial controls (including operational controls) and that such controls are adequate and were operating effectively during the year ended 31st March, 2016.

7.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis on Financial statements is furnished below. Figures of previous year have been regrouped/ rearranged wherever necessary. Reference to Note(s) in the following paragraphs refers to the notes to the financial statements for the financial year 2015-16 placed elsewhere in this report.

Total Revenue:

The revenue of the Company i.e. consolidated Coal India Limited comprises income from sale of coal, consultancy and other services related to mine planning & designing, interest earned on investments such as term deposits with banks, dividend income from mutual funds etc. The total revenue for financial Year 2015-16 is ₹83738.57 crore as against ₹80690.71 crore in the previous year registering an increase of 3.78 %. The breakup of major elements of income are discussed below:

(₹ in crores)

Particulars	FY 2015-16	FY 2014-15	Change %
Sale of Coal	108150.03	95434.76	13.32%
Less: Statutory Levies	32505.76	23420.14	38.79%
Net Sales	75644.27	72014.62	5.04%
Other Operating Revenue (Net)	2365.85	2105.45	12.37%
Revenue from Operations	**78010.12**	**74120.07**	**5.25%**
Other Income	5728.45	6570.64	-12.82%
Total Revenue	**83738.57**	**80690.71**	**3.78%**

Revenue from Operations:

Sale of Coal

Sales is presented as gross sales and net of various statutory levies comprising royalty, cess on coal, central sales tax, stowing excise duty, clean energy cess, sales tax, National Mineral Exploration Trust (NMET), District Mineral Foundation (DMF) & other levies etc. The Income from sale of coal is mainly dependent on the pricing and production of coal and distribution thereof.

For the first time in the history of Coal India Limited, the gross sales of the company exceeded the landmark figure of ₹100000 crore registering a growth of 13.32% over the previous year. Although, the gross sales for the year amounted to ₹108150.03 crore against the previous year gross sales of ₹95434.76 crore, the net sales for the year amounted to ₹75644.27 crore against the previous year figure of ₹72014.62 crore, thereby registering an increase of only 5.04%. This was mainly owing to incidence of higher levies by way of clean energy cess, National Mineral Exploration Trust (NMET), District Mineral Foundation (DMF). While the clean energy cess was raised from ₹200 per tonne to ₹400 per tonne w.e.f 01.03.2016, there was a similar increase to ₹200 per tonne from ₹100 per tonne w.e.f 01.03.2015. Further there were also introduction of new levies administered through MMDR Act under the nomenclature- National Mineral Exploration Trust (NMET)& District Mineral Foundation (DMF) at a combined rate of around 4.48% on basic value of coal sold. Changes/introduction in aforesaid levies resulted in substantial increase in statutory levies.

About 84% of our coal was sold under notified price to customers having fuel supply agreements (power and other than power both included) and sale of beneficiated coal (washed coal) and other by products was around 4% through negotiated price with customers About 12% of total coal sold was through e-auction mechanism, the price determination of which is completely dependent on market dynamics.

Offtake during 2015-16 increased to 534.50 million ton (including the offtake from Gare Palma Mines held as custodian/akin to custodian and considered as a part of revenue as per legal advice) from 489.38 million ton in previous year, registering a growth over 9%.

The incremental net sales were around 5% mainly owing to the decline in average realization of coal sales through e-auction. The average fall in e-auction price was around ₹592/ton i.e. to ₹1858/ton in FY 2015-16 from ₹2450/ton in FY 2014-15, resulting in decrease in sales by ₹3924 crore. However, increase in e-auction volume by around 20 MT in FY 2015-16 has resulted in increase in sales by ₹4753 crore.

Other Operating Revenue:

The company charges additional fixed transportation costs for transportation of coal to dispatch points beyond 3 kilometers from the pit head, based on distance involved at certain rates, which is known as Loading and additional transportation charges. Major element of other operating revenue is on account of "Loading and additional transportation charges" recovered from the customers. During the financial year 2015-16 the net revenue earned on this account was ₹2238.62 crore as against ₹2026.96 crores in FY 2014-15. Other operating revenue also included Facilitation Charges on Import of Coal (for the services provided by CIL as a part of fulfillment of FSA), and Subsidy for sand stowing & protective works received from Govt. of India.

Other Income

Other income primarily includes (i) interest income from deposits with banks, (ii) interest on investments in the 8.5% Tax Free Special Bonds (which resulted from the securitization of our sundry debtors) & IRFC/REC Tax Free bonds 2021 series (iii) Dividend from mutual funds, (iv) any liquidated damages or penalty payments by our suppliers, customers and third party contractors Other income also includes rental income and any profit on sale of assets. Other income further includes any write back of provisions and liabilities made in previous year.

During the year other income declined by 12.82% from ₹6570.64 crore in FY 2014-15 to ₹5728.45 crore in FY 2015-16 largely due to lesser interest earning on bank deposits by ₹820.55 crore owing to reduction in average investment in bank deposits and also due to decline in average rate of yield from bank deposits/mutual funds. The average rate of yield for FY 2015-16 was 8.32% against 9.48% in FY 2014-15.

Expenses

Break-up of Major Heads:

(₹ in crores)

Particulars	**FY 2015-16**	**FY 2014-15**	**change**	**change %**
Cost of Materials Consumed	7082.55	7256.44	(173.89)	(2.40)
Change in Inventories	(1444.21)	(530.48)	(913.73)	(172.25)
Employee Benefit Expenses	29659.83	29874.12	(214.29)	(0.72)
Power & Fuel	2503.51	2347.28	156.23	6.66
Corporate Social Responsibility Expenses	1082.07	298.10	783.97	262.99
Contractual Expenses	11129.24	8512.62	2616.62	30.74
Repairs	1242.33	1122.73	119.60	10.65
Finance Costs	20.65	7.32	13.33	182.10
Depreciation/Amortisation/Impairment	2466.44	2319.80	146.64	6.32
Provision/Write Off	1703.29	993.80	709.49	71.39
Overburden Removal Adjustment	2811.42	3826.70	(1015.28)	(26.53)
Other Expenditure/Prior period Adjustment	3892.36	3078.36	814.00	26.44
Total Expenses	**62149.48**	**59106.79**	**3042.69**	**5.15**

Figures in bracket indicate reduction in expenditure.

Cost of Materials Consumed

Cost of material consumed relate to materials used in our coal mining and processing operations, primarily petrol oil and lubricant (including diesel), explosives, and timber. Other consumables used in our coal mining operations include tyres, spares for heavy earthmoving machineries, other plant and machinery relating to our coal handling plants and beneficiation facilities, vehicles, and other miscellaneous stores and spares.

Cost of material consumed decreased by ₹173.89 crore i.e. 2.40%, from ₹7256.44 crore in FY 2014-15 to ₹7082.55 crore in FY 2015-16, mainly due to savings in diesel costs. Further, there were savings in procurement of explosives cost by introduction of Reverse auction mechanism in such procurements.

The cost of material consumed as a % of operational revenue has decreased to 9.08 % in FY 2015-16 from 9.79% in FY 2014-15.

Employee Benefit Expenses

Employee benefit expenses include salary, wages and allowances, any provisions relating to Employee benefit, contributions to provident fund and gratuity, overtime payments, leave encashment, attendance bonus, productivity and performance linked bonus and other incentives, and other employee benefits.

Employees remuneration and benefits, which represents the largest component of our expenditure, decreased by ₹214.29 crore, i.e. 0.72%, from ₹29874.12 crore in FY 2014-15 to ₹29659.83 crore in FY 2015-16.

The Employee benefit expense as a % of operational revenue has decreased to 38.02 % in FY 2015-16 from 40.31% in FY 2014-15.

While contribution to Provident/Pension fund is expensed as defined contribution, some other benefits namely Gratuity, Leave Encashment etc. are provided as per defined benefit plan on the basis of their actuarial valuation at the end of the reporting period.

Ex-gratia paid during the year to non-executive employees was increased to ₹48,500/- per employee as compared to ₹40,000/- per employee in previous year resulting in additional cost of ₹220.01 crore.

Other increase in salary is due to annual normal increment in salary & DA, which however is offset by decrease in employee benefit cost due to retirement.

Power and Fuel

Power and fuel represents cost of electricity consumed in our operations, including electricity purchased from external sources and cost of internal power generation relating to diesel generator sets.

Power and fuel expenses was ₹2503.51 crore in FY 2015-16 as against ₹2347.28 crore during FY 2014-15. The higher amount of power & fuel expenses in current year FY 2015-16 was due to increase in consumption due to higher production as well as increase in power tariff.

The Power & fuel as a % of operational revenue has increased to 3.21% in FY 2015-16 from 3.17% in FY 2014-15.

Corporate Social Responsibility Expenses (CSR expenses)

The Company has framed CSR Policy on the basis of guidelines issued by Department of Public Enterprises and the provisions of Companies Act,2013. The areas of CSR expenses, as per the said policy, include education, Water supply including drinking water, medical facilities, Health awareness programme/Medical camps, Social empowerment, Promotion of sports & culture, Relief to victims of natural calamities/disasters, Infrastructure development, Environment etc.

Further, CIL had taken initiative for construction of household toilets and school toilets separately for boys & girls in different villages as a part of National initiative towards “Swachh Vidyalaya Abhiyan”, the expenses towards which are shown under CSR expenses.

During the year, total expenditure on CSR in pursuance to Section 135 of the companies Act, 2013 was ₹ 1076.07 crore and further ₹ 6.00 crore was towards donation to Nepal Earthquake relief fund totalling to ₹ 1082.07 crore as against ₹ 298.10 crore during FY 2014-15.

Contractual Expenses

Contractual expenses primarily consist of transportation charges for coal, sand and materials carried out through third party contractors, contractor expenses relating to wagon loading operations, hiring charges for plant and machinery and Heavy Earth Moving Machinery representing cost of coal extraction and overburden removal activities and other miscellaneous works carried out through third party contractors such as for haul road maintenance at mines and temporary lighting etc.

Contractual Expenses increased by ₹2616.62 crore, i.e. 30.74%, from ₹8512.62 crore in FY 2014- 15 to ₹11129.24 crore in FY 2015- 16. The contractual expense comprises for both coal production as well as removal of overburden. The composite volume of coal production and over burden removal under contractual category during the financial year, increased by about 45%. Thus, the increase in contractual expenses was mainly due to increase in composite volume and in fact, there were some savings in such expenses due to average diesel rates prevailing during the year, being lower than the diesel rates in the previous year

Repairs

Repairs consist of cost of repair and maintenance of plant and machinery relating to our operations, rehabilitation of heavy earthmoving machinery, office equipment, vehicles and other miscellaneous assets.

Repair Expenses increased by ₹119.60 crore, i.e. 10.65%, from ₹1122.73 crore in FY 2014-15 to ₹1242.33 crore in FY 2015-16.

Repairs as a % of operational revenue has increased to 1.59% in FY 2015-16 from 1.51% in FY 2014-15

Finance Costs

Finance costs increased by ₹13.33 crore, i.e. 182.10%, from ₹7.32 crore in FY 2014-15 to ₹20.65 crore in FY 2015-16 due to some short term borrowing by one of the subsidiary company to meet fund requirements which was resorted to as a measure of gainful holding of its bank deposits till its actual maturity date, instead of premature encashment

Overburden Removal Adjustment

In accordance with the Accounting policy of the company, in open cast mines, with rated capacity of one million tonne per annum and above, the cost of overburden removal expenses is charged on technically evaluated average ratio (coal: overburden) at each mine with due adjustment for advance stripping and ratio variance account after the mines are brought to revenue. The net of balances of advance stripping and ratio variance at the end of the relevant period is shown as cost of removal of overburden under the head current assets or current liabilities, as the case may be.

The overburden removal in volumetric terms increased by about 30% from 886.53 Million Cubic meter in FY 2014-15 to 1148.908 Million Cubic Meter in FY 2015-16. The coal production however, has increased by about 9% from 494.24 Million tonne in FY 2014-15 to 538.75 Million tonne in FY 2015-16. This has resulted in a better ratio variance and lesser overburden removal adjustment.

Overburden Removal Adjustment decreased by ₹1015.28 crore, i.e. 26.53%, from ₹3826.70 crore in FY 2014-15 to ₹2811.42 crore in FY 2015-16

Depreciation/ Amortisation/ Impairment

Depreciation on fixed assets is provided on straight line method at the rates and manner specified in Schedule II of the Companies Act 2013 except otherwise for those assets for which technically evaluated higher rate of depreciation has been considered as a policy. Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the Statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount. Reversal of impairment losses recognized in earlier years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

Depreciation/Amortisation/ Impairment increased by ₹146.64 crore, i.e. 6.32 %, from ₹2319.80 crore in FY 2014-15 to ₹2466.44 crore in FY 2015-16, owing to higher Capital expenditure during the year.

Provision/write-off

Provisions/write-off include any provisions for doubtful debts and advances, provisions for unmoved/obsolete stores and spares inventory, provisions relating to impairment of assets, and any other miscellaneous provisions.

Provisions made are presented net of any write back of provisions. Write-offs include write-offs for doubtful debts, doubtful advances and other write-offs.

Provisions/write-off increased by ₹709.49 crore, i.e. 71.39%, from ₹993.80 crore in FY 2014-15 to ₹1703.29 crore in FY 2015-16 mainly due to increase in provision for doubtful debts.

Other Expenditure /Prior Period Adjustments

Other expenditure includes various operational, selling and administrative expenses, most significantly under-loading expenses paid to Indian Railways, mine rehabilitation expenses, security expenses, and rent, rates and taxes. Miscellaneous expenses also include traveling expenses, employee training expenses, cost of printing and stationery, communication, advertisement and publicity related expenses, freight charges for stores and materials, demurrage paid to Indian Railways and land/crop compensation and hire charges for office administration equipment.

Other expenditure also includes royalty & cess and excise duty payable on own consumptions including feedstock to washeries. These costs form part of the washery cost and are recovered through washeries sales revenue. Due to increased washery production and also due to increased clean energy cess and additional amount on royalty in the form of District Mineral Foundation and National Mineral Exploration Trust, these charges accounted for in other expenditure were higher. Further, there was an element of arrear water tax paid during the year in one of the subsidiary. All these contributed to increase in other expenditure.

Miscellaneous Expenses/Prior Period adjustments increased by ₹814.00 crore, i.e. 26.44%, from ₹3078.36 crore in FY 2014-15 to ₹3892.36 crore in FY 2015-16.

Taxation

Income tax expense comprises current tax expense and deferred tax expense or income computed in accordance with the relevant provisions of the Income Tax Act and Accounting Standards, as amended. Provision for current taxes is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act.

Net Deferred tax assets/ liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits shown in our financial statements. Deferred tax assets and liabilities are measured using tax rates and tax regulations enacted or substantively enacted up to the balance sheet date. The effect on deferred tax assets and liabilities due to a change in tax rates is recognized in the financial statement of the relevant financial year of change of rate. Deferred tax assets in respect of carry forward losses are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Other deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

The total income tax expenses during current FY 2015-16 is ₹7314.79 crore as against ₹7857.30 crore in previous year resulting in effective tax rate of about 34 % in FY 2015-16 as against effective tax rate of about 36% in FY 2014-15.

The decline in tax expenses was largely due to the effect of actual write off of certain bad debts during the year, which were provided as doubtful earlier. As per provisions of Income Tax Act,1961 the actual tax benefit (of allowance of expenditure) accrues only on writing off and not at the time of making such provisions and hence, the tax benefit has accrued during FY 2015-16 on occurrence of write off.

BREAK UP OF PROFITS

		(₹ in crores)
Particulars	**2015 -16**	**2014 -15**
Profit Before Tax (PBT)	21589.09	21583.92
Income Tax	7314.79	7857.30
Profit for the period from continuing operations	14274.30	13726.62
Profit/(Loss) from discontinuing operations	(0.01)	(0.01)
Profit for the period	14274.29	13726.61
Less:- Share of Minority	(0.04)	(0.09)
Profit for the group (PAT)	14274.33	13726.70

The Profit Before Tax (PBT) increased by ₹5.17 crore, i.e. 0.02%, from ₹21583.92 crore in FY 2014-15 to ₹21589.09 crore in FY 2015-16.

The Profit After Tax (PAT) increased by ₹547.63 crore, i.e. 3.99%, from ₹13726.70 crore in FY 2014- 15 to ₹14274.33 crore in FY 2015-16.

Cash Flows (in nutshell)

	(₹ in crores)	
	For the year ended March 31	
PARTICULARS	**2016**	**2015**
Opening Cash equivalents	9689.25	9439.13
Net cash from operating activities	11398.29	14381.53
Net cash from investing activities	8378.93	894.30
Net cash used in financing activities	(19855.29)	(15025.71)
Change in Cash & Bank Balance	(78.07)	250.12
Closing Cash & Bank Balance	9611.18	9689.25

Net cash from operating activities for the year ended March 31, 2016 decreased by ₹2983.24 crore i.e. 20.74% from the previous year. Net cash from operating activities was ₹11398.29 crore as against ₹14381.53 crore for the previous year. Decrease in cash flow was mainly due to increase in trade receivables and due to increase in inventory.

Net cash from investing activities for the year ended March 31, 2016 increased by ₹7484.63 crore i.e. 836.93% from the previous year. Net cash from investing activities was ₹8378.93 crore as against ₹894.30 crore for the previous year. Increase in cash flow was mainly on account of liquidation of bank deposits during FY 2015-16.

Net cash used in financing activities for the year ended March 31, 2016 increased by ₹4829.58 crore i.e. 32.14 % from the previous year. Net cash used in financing activities was ₹19855.29 crore as against ₹15025.71 crore for the previous year. This is because of higher payment of dividend and dividend tax than previous year.

The various ratios related to the financials of Coal India:

Ratios	**April to March '16**	**April to March '15**
As % Net Sales		
Profit Before Tax	28.54%	29.97%
As % Total Expenditure		
Employee Benefits Exp.	47.72%	50.54%
Cost of Materials consumed	11.40%	12.28%
Power & Fuel	4.03%	3.97%
Contractual Expenditure	17.91%	14.40%
CSR Expense	1.74%	0.50%
Interest & Depreciation	4.00%	3.94%
Other Expenditure	13.20%	14.37%
Liquidity Ratios		
Current Ratio	2.31	2.65
Quick Ratio	2.06	2.44
Sundry Debtors as no. of Days sales	46.31	42.19
Stock of Coal as no. of Days of production (Qty)	39.16	39.49

Ratios	April to March '16	April to March '15
Structural Ratios		
Long Term Debt: Equity	0.04	0.03
Long Term Debt: Net Worth	0.008	0.005
Net Worth: Equity Capital	5.36	6.39
EPS	22.60	21.73

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

(A) HUMAN RESOURCE DEVELOPMENT:

Manpower:

The total employee strength of the Company as on March 31st, 2016,as against the previous year was as under:

Year	Executive Manpower	Non – Executive Manpower	Total
31.03.2015	18,838	314,259	333,097
31.03.2016	18,167	304,197	322,404

The employee strength came down by 10,693 during 2015-16.

(B) HR TRANSFORMATION INITIATIVES:

The Company is facing major challenges in terms of high rate of superannuation (920 per year) from the Middle Management and Senior Management positions and nearly1,2000 non –executive cadre employees per year. This is a serious challenge to the organization. For support business strategies and challenges of the organization, a series of HR transformational initiatives have been rolled out. We have recognized this challenge and action is being taken to mitigate this challenge by way of up gradation of skills and recruitment of professionals.

The Company has formulated a HR Vision through an internal consultation process. This Vision document covers various new initiatives and policy changes to be implemented for aiming to become the best employer and for making CIL the best place to work

Building Organizational Capability:

The Company provides an equal opportunity to all the employees to grow and develop in their area of specialization by imparting training on special fields and also the general training. Overall professional development of the employees is at the core of the Company's HR policies. The Company has established Indian Institute of Coal Management (IICM), Ranchi as an apex training provider, Management Development Institutes at every subsidiary, 102 Vocational Training Centres in all projects and 27 other training centres for imparting management and skill development trainings. During the year 2015-16, 166,659 employees were imparted training. Of these, 19,968 were executives and 146,691 were non-executives on various professional fields and skills.

We organized various in-house training programs for executives and non-executives covering about 161,364 employees across the organization. Besides this, 5,218 employees (4,386 executives and 832 non-executives) were trained outside the organization within India. Apart from this, 77 executives were also provided overseas training. During 2015-16, the organization hired 458 bright students from different sources and placed them into training for a period of one year. For grooming the middle management, special training programs were organized for project management, risk assessment and management, technology management, continuous improvement, quality management, innovation, land acquisition and environment management, among others. For development of managerial and behavioural competencies in senior level of executives, various training programs were organized. These were in the areas of strategic thinking, result orientation, change management, customer orientation, and stakeholder sensitivity, among others.

Online Human Resources Information System (Online HRIS):

The HRIS of the Company is a home-grown online initiative. It includes different HR modules for tracking performances, critical skills, employee details, family details, training & development, OMMS, administration, employees suggestion, K-Mining and filling of property return. The Online HRIS provides critical support for data driven decision making, predictive analysis and other HR related analysis for talent management in the Company.

Skill Profiling:

Skill profiling is a company-wide initiative undertaken for tracking of critical technical competencies. More than 350 critical skills have been identified across all the functional areas and the executives were mapped against 4 proficiency levels – Basic, Advanced, Expert and Role Model. This is an online process which helps in identifying skill gaps, deciding redeployment, implementing job rotation and training and development initiatives.

Talent Acquisition:

The Company recruited 458 fresh Management Trainees from multiple sources during FY2015-16. This included all-India level open sourcing, campus sourcing and departmental selection. The Management Trainees are being groomed as Gen Next leaders by way of on-the-job and off-the-job training interventions under the guidance of experienced seniors. The process facilitates easy transfer of tacit knowledge base of the organization from the elder generation to Gen Next leaders, besides their easy adaptation into the organizational culture.

Revitalizing and Benchmarking HR Policies (HR Manual):

With KPMG as its knowledge partner, the Company has done a comprehensive study of all its HR policies and rules to redefine the role of HR and create a business-driven HR. This is aimed towards taking on the business challenges to ensure the HR strategies are well aligned to business imperatives. The key strategies in the HR manual included:

a. A robust succession planning process by leadership pipeline approach

b. A 4-tier learning & development model focused on competence development

c. Rewards & recognition for building high employee engagement environment

d. Merit driven career management system, aligning various employees benefits to the needs, mentoring and self-development programmer for higher talent retention.

Execution of the above strategies will go along way in building CIL into a high-performing organization.

HR Impact Studies:

Organizational studies are considered as vital for continuously improving the people processes in the organization for high HR impact. CIL has registered for the organizational study by **Great Place to Work Institute of India.** The study will provide insights into the areas of further improvement in talent development.

Leveraging e-HR

The Company has decided to introduce an e-HR system for maintaining centralized HRIS, online personal file updation, digitalization of CR for non-executives, biometric attendance system, database for contract labour and ERP implementation. These provide critical support for data-driven decision making, predictive analysis and other HR-related analysis for talent management within the Company.

Performance Management System:

CIL has implemented an Online Performance Management System (PMS) for board level and below board level executives. The main objective of this System is to link individual performances objectives to the business value chain through the process of cascading of the organization's performance objectives. The Company continuously strives towards making the performance assessment an objective, transparent and bias-free process. The performance assessments are linked to executive development, career management and rewards. As part of the PMS, a healthy mix of leading and lagging performance metrics are identified for all the unique roles for tracking performance. The PMS also take cares of competency development and value inculcation among all the executives. The KPIs have been developed in total alignment with the Company's business strategy, cost, expansion, and the role of each unique position. Cost and Production are super-ordinate goals set for all the unique positions across the organization.

The three steps involved in completing the appraisal process are:

1. Goal Setting Process
2. Mid-Year feedback Process
3. Final appraisal

The entire process can be accessed on the Performance Management Module through HRIS link on the website.

Mentoring System:

The Company has launched a mentoring process to ensure professional growth and development of new entrants and high potential employees for assuming senior leadership roles. Upon completion of the one-year training, the Management Trainees have to undergo one-year mentorship under the internal trained mentor. In the process, the tacit knowledge and experience of senior leaders within the organization is transferred to the younger generations, which is helping to build psychological contract and control attrition. The entire process is managed through an Online Mentoring Monitoring System (OMMS).

Rationalizing Designations, Job descriptions, Cadre scheme for Non-Executives:

The Company has undertaken a project to revisit the non-executive cadre jobs existing in the Company. This is with a view to redesign the job contents and role profiles and restructure the career architecture of non-executive employees in order to foster higher workplace flexibility. At present, there are approximately, 1,214 designations in the non-executive cadre, with many designations not in use or not required by the Company due to introduction of technology. An attempt has been made to analyze the designation and segregate the obsolete designation. According to the study, only 735 designations are required for operations. The study has also identified up 70 generic role profiles. This comprises essential functions (duties and responsibilities) of the role, key competencies (Personal Qualities) required to perform the job effectively and efficiently, conditions under which the tasks are to be carried out, technical knowledge of the role holder and the extent of decision making the role holder may have to take. There are 155 cadre schemes in operation at present. Several guidelines (Implementation Instructions) have been issued from time to time for the promotion of non-executive cadre employees. The team has made an attempt to rationalize the cadre schemes. It has come out with 58 cadre schemes with an emphasis to provide more importance to the career advancement of employees engaged in underground mines, especially in critical mining operations. This Report has been placed at the higher level bodies for deliberation.

Contract Labour Cell & Contract Labour Information Portal (CLIP):

The Company has a contract labour strength of over 60,000, who provide critical support to core and peripheral functions. There is a contract labour management cell at every subsidiary to better manage the workers engaged by contractors. Similarly, by leveraging IT, the Company has launched a portal for facilitating contractors to manage their employees well. The Contract Labour Payment Information Portal (CLIP) maintains a complete database of all contracts and contract workers engaged by the contractor, wages paid to contract workers keeps account of various deductions such as PF etc. and facilitates other compliance under the Contract Labour (Regulation & Abolition) Act, 1970.

Corporate Branding:

The Company publishes a Corporate HR magazine titled "LEAD" to mobilize organizational change through better communication. The magazine brings out best practices, insights from leadership interviews, cases, stories from outstanding performances and research inputs from other sources. It is published and widely shared with all the executives through the corporate mailing system and also put up on the website. In addition to this, it is also mailed to all the PSUs and ministries.

(C) INDUSTRIAL RELATIONS:

Employees are the central force of coal mining. At CIL, people processes encompass not only the concerns of multiple stakeholders in the value chain of the Company's operations; it also includes those that are directly and indirectly affected by such operations. Our multiple stakeholders include the 3.2 lakhs employees and their families, more than 65,000 indirect workers, villagers around coalfields, auxiliary industries, and Government and Non-Government agencies operating in the coalfields, among others. CIL is deeply committed to all the stakeholders and is in a constant endeavor to harmonize their varied needs (and that of the Company), for sustainable growth, with its people centric principles, policies and programmers. The following pro-active and strategic IR approach and practices in the Company ensure sustainable industrial relations.

Employee Participation in Management:

In general, decisions affecting employees are being taken through a bilateral forum represented by employees and management. The bilateral forum such as the housing committee, welfare committee, canteen committee, among others, are under operation at all the projects. Similarly, a bipartite meeting under the industrial relations system is held periodically at the Unit, Area and corporate level to resolve issues pertaining to employees service conditions and welfare. Every subsidiary has an apex Bipartite Committee (Joint Consultative Committee) headed by the Chairman-cum-Managing Director and represented by Trade Unions. The Joint Consultative Committee looks into various strategic issues related to quality of life of employees in general. All these bipartite bodies are represented by employee representatives.

Freedom of Associations:

Democratic values are ingrained in the management of human resources within the Company. Employees are free to be a part of any registered trade union, political party and other government or non-government organisation. The branches of all the central trade unions and local unions are operating in coalfields. Their representation is allowed in the bipartite bodies in the Company under the norms of the Industrial Relations System.

Non-Discrimination:

The Company follows the principles of non-discrimination in employee management. There is no discrimination in religion, caste, region, creed, gender and languages. All our employees are given an equal opportunity in service matters.

Reservation to Special Groups:

The Company complies with provisions under the Presidential Directives on reservation in appointments and promotions, to candidates/employees belonging to Scheduled Caste, Scheduled Tribe, OBC, and Physically Challenged.

Prevention of Sexual Harassment at Workplace:

Sexual harassment of any form is misconduct under the Conduct Discipline and Appeal Rules applicable to executive cadre employees as well as in the standing orders applicable to non-executive cadre employees. Internal Complaints Committee (ICC) is functioning at all levels in the Company under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Diversity Management:

The Company makes efforts in maintaining diversity in the configuration of employees by recruiting people from different states through the All-India based selection and campus selection from across India. Similarly, it provides reservation to SC, ST and OBC communities. CIL's manpower constitutes 21.5% of SC, 12.5% of ST and 22.4% of OBC. Female employees constitute 7.7% of the total manpower. There is a limitation to increase the percentage of female employees due to legal restrictions in appointment of female employees for mining jobs which constitute more than 90%.

Employee Welfare:

The organization follows a "total care approach" towards employee welfare. The employee welfare programmer address not only the needs of for employees, but also their families. The employees are provided with free family accommodations, electricity and water supply. Residential areas are well connected with roads and other community facilities such as recreation centres, stadium, play grounds, gyms and libraries.

Employees and their family members, including parents, are entitled for free medical treatment anywhere in the country. The Company has also developed medical facilities at all the operational areas. We have a strong network of 86 fully equipped hospitals, 08 Ayurvedic Dispensaries and 423 Dispensaries equipped with diagnostic and surgical facilities. These are supported by 640 ambulances and manned by 1,524 doctors/specialists and around 5,835 beds. Mobile dispensaries and Tele-medicine facilities meant for employees are also extended to the nearby village populace.

Educational facilities have been created for providing free education to the employees' children. The Company finances 63 public schools to provide quality education. It offers scholarships to meritorious students and also supports higher education by bearing 100% of the financial support to children gaining admission in Government Medical and Engineering Colleges.

In order to supply essential commodities and consumer goods at cheaper rates in the Collieries, 22 Central Co-operatives and 93 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 158 Cooperative Credit Societies are also functioning within the Coal Companies

Health:

An Initial Medical Examination is conducted for every person seeking employment within the Company. The employees also have to undergo a periodic medical examination once in every five years. Safety training is an integral part of overall training policy of the Company. The Company goes beyond the prescribed norms under the statute and cover maximum employees under the safety training.

Post-Retirement Medical Support:

CIL provides the post-retirement medical benefit to all of its 3.2 lakhs of employees to provide critical health support to them and their spouses. Subject to conditions, the scheme provides reimbursement of medical expenses for indoor and outdoor treatment for a maximum amount up to ₹5 lakhs and ₹25 lakhs, for ordinary cases, to non-executive and executives, respectively. It also provides enhanced support in case of critical diseases such as Heart ailments, Cancer, and Renal diseases, among others.

Social Security:

All the employees are covered under the Company's social security schemes:

- **Gratuity:** Employees on their retirement receive Gratuity Payment upto ₹10 Lakhs.
- **CMPF:** All the employees are covered under the Coal Mines Provident Fund Scheme, which is a contributory fund with equal shares by the employees and the Company.
- **CMPS:** The employees are covered under this Pension Scheme by which, on superannuation, they receive 25% of their basic pay and dearness allowances as monthly pension. In the event of death of the employee, the spouse and the children are eligible to receive the pension.

- **Employee Compensation:** In the event of death/disablement of an employee while on duty, they are eligible to receive monetary compensation under the Employees Compensation Act. Apart from this, the Company also provides an additional compensation of ₹5 lakhs and ₹84,600 as Ex-Gratia.
- **CPRMS:** All employees are covered under the post-medical retirement scheme.
- **Employment to Dependent:** In the event of death/disablement of an employee, while in service, one of his dependents is entitled for permanent employment in the Company.

Grievance Management:

The Company has a robust online stakeholder grievance management system to deal with the grievances of all the stakeholders. This includes the employees, consumers, customers and other stakeholders. Under the policy, all grievances are being addressed within 10 days and the stakeholders are informed accordingly.

Transparency:

Transparency is one of the core values within the Company. The Company provides value training to inculcate its values among the employees. The Company complies with the provision of the RTI Act. All the circulars/ Office Orders/ Manuals/Policies/Promotion orders are being uploaded on the Company's website for wide publicity and transparency. The Company encourages all its employees to disclose their assets under the Lokpal and Lokayukta Act by providing an online return filling system.

The above approach resulted in the maintenance of excellent industrial relations in the Company, leading to reduction in the number of strikes, production loss and man shift loss.

9.0 ENVIRONMENT PROTECTION AND CONSERVATION

Environmental protection measures are taken concurrently with mining operations for maintaining acceptable levels of major physical attributes of environment namely air and water quality, hydrogeology, noise level and land resources.

Suitable water spraying systems for arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, Coal Transfer Points and Coal Stock Areas have been installed. Massive tree plantation in and around the mining area, controlled blasting, use of modern techniques to reduce air and noise pollution are ensured.

Effluent treatment facilities for mine effluent, workshop effluent and CHP effluent like oil and grease traps, sedimentation ponds and facilities for storage of treated water and its reuse have been provided for all the major projects. Domestic waste water treatment facilities have also been provided to deal with the domestic effluents. Recharging of ground water is taken up within the mine premises as well as in nearby villages by way of rainwater harvesting, digging of ponds/development of lagoons, and de-silting of existing ponds/tanks.

The level of pollutants is being monitored on a routine basis, as per the statutory guidelines to ascertain the efficacy of the pollution control measures being taken in the projects.

Technical and biological reclamation of the mined areas and external overburden dumps are being taken by planting native species of plants for restoring the ecology. ECO restoration site developed in Damoda, Tetulmari of BCCL, with technical guidance of FRI and Eco Parks have been developed in many of the mined out areas (Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi of NCL, and Sauner of WCL).

The subsidiaries of CIL have planted around 92.35 million trees covering an area over 36,896.26 ha till March 2016, which includes 1.68 million over 719 ha in FY2015-16. CIL introduced a state-of-the-art Satellite Surveillance to monitor land reclamation and restoration for all opencast projects.

The Company has engaged the Indian Council of Forestry Research & Education (ICFRE), Dehradun for **Environmental Audit of 20 OC Mines of CIL** intending third-party inspection and verification of the existing levels of pollution.

The Company has signed a MoU with the National Environmental Research Institute (NEERI), Nagpur to carry out studies, monitoring and collaborative research work for "Sustainable Coal Mining in CIL". NEERI is also studying the effectiveness of supplying de-shaled/ dry-beneficiated / washed coal (reduction in ash content by 5-6%) to power plants following all the pollution control measures.

Technological Conservation

The Company has adopted modern technologies such as Surface Miners, Continuous Miners and Highwall Miners at different subsidiaries. These generate lesser air borne pollution for carrying out mining activities, as compared to the conventional methods as drilling, blasting and use of explosives are eliminated.

Renewable Energy Development

The Company has signed an MoU with Energy Efficiency Services Limited (EESL) to promote energy efficiency provisions in CIL and the subsidiary companies.

To promote the Green Initiatives undertaken by GoI, the Company has submitted a Green Energy Commitment letter to MNRE for developing **1,000 MW Solar Power Projects** during 2014-19. For the implementation of these projects, the Company has signed an MoU with Solar Energy Corporation of India (SECI).

In the 1st phase, the Company is in the process of setting up a 2x100 MW Solar Power Plants in Madhya Pradesh. The financial bid for the above mentioned project has already been opened.

In the 2nd phase,the Company plans to develop a capacity of 600 MW Solar Parks at Madhya Pradesh, Chhattisgarh, West Bengal and Maharashtra, for which the NIT has already been floated by SECI.

These initiatives have resulted in the installation of a 2.0 MW capacity, 0.19 MW capacity and 0.14MW Solar PV power plants in MCL-Burla, CMPDIL-Ranchi and CIL HQ at Kolkata, respectively.

10. CORPORATE SOCIAL RESPONSIBILITY:

The CSR activities were undertaken under various thematic areas, with healthcare and skill development being the prominent ones. The activities were entrusted to 35 implementing agencies, some of them being very prominent and well-known names such as Tata Medical Centre, Ramakrishna Mission, India Medical Association, National Skill Development Foundation, Prayas Juvenile Aid Centre (JAC) Society, and SAPNA, to name a few.

Monitoring, which is an important aspect of community based projects, was greatly emphasized upon by the Company. Executives from the Company have visited all the major CSR projects and the Field Visit Reports were circulated to the CSR Committee members. Efforts were made to revive projects stalled due to non-submission of Utilization Certificate by the implementing agencies in the previous years.

The widespread public outreach of CSR activities is very important in order to establish and enhance CIL's image as a socially responsible company. It is also important to attract sincere partners as implementing agencies with innovative ideas for up-lifting the under-privileged. To achieve this, a coffee table book on CSR activities is being drafted, highlighting our major CSR initiatives and that of our subsidiaries during the past few years. The Book is expected to be released shortly.

CIL reviewed its CSR policy in 2015 and made following changes:

Firstly, the CSR fund of CIL and its subsidiaries remaining unutilized during a particular financial year will not lapse. It will be carried forward to be utilized in the next financial year.

Secondly, keeping in view the fact that CIL has to undertake CSR on an all-India basis, a provision is made to calculate the CSR Budget for CIL (HQ) for a financial year, based on the higher amount of (a) ₹ 2 per tonne of Coal Production of CIL (consolidated) and (b) 2% of the average net profit of three immediately preceding financial years.

Accordingly, the budget allocated for CSR activities for F.Y. 2015-16 was ₹ 98.85 crores, more than the amount calculated as per provisions of the Companies Act 2013. The Company spent a total amount of ₹73.26 crores under its CSR activities during the financial year 2015-16.

Annual Accounts 2015-16

(Standalone)



BALANCE SHEET (STANDALONE)

As at 31st March, 2016

(₹ in Crore)

			Note No.	As at 31.03.2016		As at 31.03.2015	
I	**EQUITY AND LIABILITIES**						
(1)	**Shareholders' Fund**						
	(a)	Share Capital	1	6316.36		6316.36	
	(b)	Reserves & Surplus	2	9216.99		10417.83	
	(c)	Money Received against Share Warrants		-		-	
					15533.35		**16734.19**
(2)	**Share Application money pending allotment**				**-**		**-**
(3)	**Non-Current Liabilities**						
	(a)	Long Term Borrowing	3	-		-	
	(b)	Deferred Tax Liability (Net)		-		-	
	(c)	Other Long Term Liabilities	4	3179.05		2905.83	
	(d)	Long Term Provisions	5	170.45		188.51	
					3349.50		**3094.34**
(4)	**Current Liabilities**						
	(a)	Short Term Borrowing	6	-		-	
	(b)	Trade Payables	7	1.51		2.28	
	(c)	Other Current Liabilities	8	1771.84		2111.16	
	(d)	Short Term Provisions	9	205.58		207.87	
					1978.93		**2321.31**
	Total				**20861.78**		**22149.84**
II	**ASSETS**						
(1)	**Non-Current Assets**						
	(a)	Fixed Assets					
		i) Tangible Assets - Gross Block	10A	595.22		362.49	
		Less : Depreciation, Impairment & Provisions		287.19		273.59	
		Net carrying Value			**308.03**		**88.90**
		ii) Intangible Assets - Gross Block	10A	41.00		40.50	
		Less : Depreciation, Impairment & Provisions		40.37		40.32	
		Net carrying Value			**0.63**		**0.18**
		iii) Capital Work-in-Progress	10B		**1.42**		**218.41**
		iv) Intangible Assets under Development	10C		**25.95**		**19.28**
	(b)	Non-Current Investments	11		**10909.24**		**10909.16**
	(c)	Deferred Tax Assets (Net)			**-**		**-**
	(d)	Long Term Loans & Advances	12		**157.83**		**135.82**
	(e)	Other Non-Current Assets	13		**3080.51**		**2592.39**
(2)	**Current Assets**						

BALANCE SHEET (STANDALONE)

As at 31st March, 2016

(₹ in Crore)

		Note No.	As at 31.03.2016		As at 31.03.2015	
(a)	Current Investments	14	312.98		862.92	
(b)	Inventories	15	152.41		58.33	
(c)	Trade Receivables	16	0.38		9.76	
(d)	Cash & Bank Balance	17	4464.57		5795.00	
(e)	Short-Term Loans & Advances	18	1303.80		1124.77	
(f)	Other Current Assets	19	144.03		334.92	
				6378.17		**8185.70**
Total				**20861.78**		**22149.84**
Significant Accounting Policies		**33**				
Additional Notes to Accounts		**34**				

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

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

STATEMENT OF PROFIT & LOSS (STANDALONE)

For the Year Ended 31st March, 2016

(₹ in Crore)

		Note No.	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
	INCOME					
	Revenue from Operations	20				
A	Sale of Coal			212.74		484.91
	Less: Excise Duty		11.51		26.87	
	Other Levies		38.08		76.05	
	Net Sales			163.15		381.99
B	Other Operating Revenue (Net)			2.38		5.13
(I)	**Revenue from Operations (A+B)**			165.53		387.12
(II)	Other Income	21		17127.10		14143.40
(III)	**Total Revenue (I+II)**			**17292.63**		**14530.52**
(IV)	**EXPENSES**					
	Cost of Materials Consumed	22		10.32		16.87
	Purchases of Stock-in-Trade			-		-
	Changes in inventories of finished goods/ work-in-progress and Stock-in-trade	23		(94.55)		(18.23)
	Employee Benefits Expenses	24		379.32		366.58
	Power & Fuel			10.89		8.03
	Corporate Social Responsibility Expenses	25		79.26		24.72
	Repairs	26		9.58		7.73
	Contractual Expenses	27		91.23		126.63
	Finance Costs	28		110.11		243.82
	Depreciation/Amortization/Impairment			15.13		7.17
	Provisions (Net)	29		54.19		14.25
	Write off (Net)	30		-		-
	Other Expenses	31		113.62		80.28
	Total Expenses			**779.10**		**877.85**
(V)	**Profit before Prior Period, exceptional and extraordinary items & Tax**			**16513.53**		**13652.67**
(VI)	Prior Period Adjustment {charge/ (income)}	32		-		0.78
(VII)	Exceptional Items			-		-
(VIII)	**Profit before Extraordinary Items and Tax**			16513.53		13651.89
	Extraordinary Items					
(IX)	Extraordinary Items {charges/(income)}			-		-
(X)	**Profit before Tax (VIII-IX)**			**16513.53**		**13651.89**

STATEMENT OF PROFIT & LOSS (STANDALONE)

For the Year Ended 31st March, 2016

(₹ in Crore)

		Note No.	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
(XI)	Less/(Add): Tax expenses			
	- Current year		170.00	230.00
	- Deferred Tax		-	-
	- Earlier years		-	38.50
(XII)	**Profit for the year from continuing operations (X-XI)**		**16343.53**	**13383.39**
(XIII)	Profit/(Loss) from discontinuing operations		-	-
(XIV)	Tax expenses of discontinuing operations		-	-
(XV)	Profit/(Loss) from discontinuing operations (after Tax) (XIII-XIV)		-	-
(XVI)	**Profit for the year (XII+XV)**		**16343.53**	**13383.39**
(XVII)	**Earnings per share (in ₹)**			
	(Face Value of ₹ 10/- per share)			
	(1) Basic		**25.87**	**21.19**
	(2) Diluted		**25.87**	**21.19**
	Significant Accounting Policies	**33**		
	Additional Notes to Accounts	**34**		

The Notes referred to above form an integral part of statement of Profit & Loss.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

CASH FLOW STATEMENT (INDIRECT METHOD) - STANDALONE

For the year ended 31st March, 2016

(₹ in Crore)

		For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax		16513.53	13651.89
Adjustment for :			
Depreciation / Impairment of fixed assets		15.13	7.17
Interest		(558.83)	(771.18)
Finance cost related to financing activity		110.11	243.82
Dividend from mutual fund investments		(70.72)	(100.45)
Profit/loss on sale of fixed assets		-	(0.05)
Povisions made & write off		54.19	14.25
Provision/Liability write back		(15.95)	(0.77)
Operating Profit before Current/Non Current Assets and Liabilities		**16,047.46**	**13,044.68**
Adjustment for :			
Trade Receivable		9.38	5.35
Inventories		(94.08)	(18.46)
Short/Long Term Loans/Advances & Other Current Assets		(270.79)	2059.11
Short/Long Term Liablities and Provisions		(398.68)	(2028.85)
Cash Generated from Operation		**15,293.29**	**13,061.83**
Income Tax Paid/Refund		(422.57)	(456.87)
Net Cash Flow from Operating Activities	**(A)**	**14,870.72**	**12,604.96**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(24.39)	(40.84)
Investment in joint venture		(0.08)	-
Investment in Bank Deposits		1257.10	1,351.13
Investment in 6% redeemable cumulative Preference Shares in ECL		-	(2,050.97)
Interest pertaining to Investing Activities		583.92	970.13
Interest / Dividend from Investments		70.72	100.45
Investment in Mutual Fund Investment		549.94	(72.17)
Net Cash from Investing Activities	**(B)**	**2437.21**	**257.73**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Long Term Borrowings		0.00	0.00
Interest & Finance cost pertaining to Financing Activities		(110.11)	(243.82)
Increase in Shifting & Rehabilitation Fund		273.22	384.39
Dividend and Tax on Dividend		(17544.37)	(13082.58)
Net Cash used in Financing Activities	**(C)**	**(17381.26)**	**(12942.01)**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)		**(73.33)**	**(79.32)**
Cash & Cash equivalent (opening balance)		**99.61**	**178.93**
Cash & Cash equivalent (closing balance)		**26.28**	**99.61**

(All figures in bracket represent outflow)

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 1 : SHARE CAPITAL	As at 31.03.2016	As at 31.03.2015
Authorised		
(i) 800,00,00,000 Equity Shares of ₹10/- each	8000.00	8000.00
(800,00,00,000 Equity Shares of ₹10/- each)		
(ii) 90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹1000/- each	904.18	904.18
(90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹1000/- each)		
Total	**8904.18**	**8904.18**
Issued, Subscribed and Paid-up		
631,63,64,400 Equity Shares of ₹10/- each	6316.36	6316.36
(631,63,64,400 Equity Shares of ₹10/- each)		
Total	**6316.36**	**6316.36**

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

Name of Shareholder	No. of Shares Held (Face value of ₹10 each)	% of Total Shares
Hon'ble President of India	503,09,70,582 (503,10,53,686)	79.649 (79.65)
Life Insurance Corporation of India	36,43,17,692 (45,76,19,536)	5.77 (7.24)

2 During the year, the company has not issued or bought back any shares.

3 Listing of shares of Coal India Ltd. in Stock Exchange.
The shares of Coal India Ltd. are listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November, 2010.
The details of disinvestment of shares by Govt. of India is furnished below:

Sl. No.	Financial year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF

Hence, the number of shares held by Govt of India as on 31.03.2016 stood at 503,09,70,582 i.e. 79.649% of the total share capital.

4 The Company has only one class of equity shares having a face value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled for voting rights proportionate to their share holding at the meeting of shareholders.

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 2 : RESERVES & SURPLUS	As at 31.03.2016	As at 31.03.2015
RESERVES :		
A Capital Redemption Reserve		
As per last Balance Sheet	904.18	904.18
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Total (A)	**904.18**	**904.18**
B CSR Reserve		
As per last Balance Sheet	-	-
Add: Addition during the year	-	-
Less: Transfer to General Reserve (utilisation)	-	-
Total (B)	**0.00**	**0.00**
C Sustainable Development Reserve		
As per last Balance Sheet	-	18.66
Add: Addition during the year	-	-
Less: Transfer to General Reserve	-	18.66
Total (C)	**0.00**	**0.00**
D General Reserve		
As per last Balance Sheet	7861.61	6504.61
Add: Transfer from Statement of Profit & Loss	10.17	1338.34
Add: Transfer from CSR Reserve	-	-
Add: Transfer from Sustainable Development Reserve	-	18.66
Add: Transfer from Reserve for Foreign Exchange Transaction	-	-
Total (D)	**7871.78**	**7861.61**
E Surplus in Statement of Profit & Loss		
As per last Balance Sheet	1652.04	2701.43
Less: Adjustment for depreciation	-	6.93
Profit after Tax during the year	16343.53	13383.39
Profit available for Appropriation	**17995.57**	**16077.89**
APPROPRIATION		
Reserve for Foreign Exchange Transaction	-	-
Transfer to General Reserve	10.17	1338.34
Transfer to CSR Reserve	-	-
Transfer to Sustainable Development Reserve	-	-
Dividend on Equity Shares		
Interim Dividend	17306.84	13074.88
Final Dividend	-	-
Corporate Dividend Tax	237.53	12.63
Total (E)	**441.03**	**1652.04**
Total (A+B+C+D+E) :	**9216.99**	**10417.83**

NOTES TO THE ACCOUNTS - STANDALONE

CSR Reserve- The amount spent on CSR activity is higher than the minimum requirement in the Companies Act 2013, and hence no reserve is created.

Interim Dividend- During the year the company has paid an interim dividend of ₹ 27.40 (₹.20.70) per equity share of face value of ₹10/- each for the year 2015-16 amounting to ₹17,306.84 crore (₹ 13,074.88 crore).

Corporate Dividend Tax - The above represents the Dividend Distribution Tax pertaining to the Dividend paid over and above the utilization of Dividend received from Subsidiaries, as per provisions of Income Tax Act,1961.

(₹ in Crore)

NOTE 3 : LONG TERM BORROWING	As at 31.03.2016	As at 31.03.2015
TERM LOAN	-	-
Total	**-**	**-**
CLASSIFICATION		
Secured	-	-
Unsecured	-	-

(₹ in Crore)

NOTE- 4 : OTHER LONG TERM LIABILITIES	As at 31.03.2016	As at 31.03.2015
Shifting & Rehabilitation Fund		
Opening balance	2904.44	2520.05
Add: Interest from investment of the fund (Net of TDS)	267.01	222.73
Add: Contribution received	319.15	297.42
Less: Amount released to subsidiaries during the year	312.94	135.76
	3177.66	**2904.44**
Security Deposits	**1.39**	**1.39**
Total	**3179.05**	**2905.83**

Shifting and Rehabilitation Fund

1 Following the direction of the Ministry of Coal, the Company has setup a fund for implementation of action plan for shifting & rehabilitation, dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect.

The subsidiaries of CIL except CMPDIL and Coal India Africana Limitada are making a contribution of ₹ 6/- per tonne of their respective coal dispatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/ agencies implementing the relevant projects.

2 Interest earned (Net of TDS) on bank deposits earmarked for this fund is credited to this fund.

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 5 : LONG TERM PROVISIONS	As at 31.03.2016	As at 31.03.2015
For Employee benefits		
- Gratuity	-	-
- Leave encashment	13.45	46.21
- Other employee benefits	123.49	116.41
Mine closure*	33.01	25.39
Others	0.50	0.50
Total	**170.45**	**188.51**

***Provision for Mine Closure**

Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan a provision is made in the accounts. Such provision is made as per CMPDIL's (a subsidiary of Coal India Ltd.) technical assessment.

As per the above guidelines, Escrow Account has been opened and has been disclosed separately in Note-13. The above provision of ₹ 33.01 Crore includes ₹ 4.64 Crore (₹ 2.34 crore) towards interest earned/accrued on Escrow Account upto 31.03.2016.

(₹ in Crore)

NOTE 6 : SHORT TERM BORROWING	As at 31.03.2016	As at 31.03.2015
Loan from bank	-	-
Loans repayable on demand	-	-
Total	**-**	**-**

1 **Cash Credit**

The bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stores and spare parts and book debts and other assets of CIL and its Subsidiary Companies.

The total working capital credit limit available to CIL is ₹ 550.00 Crore, out of which fund based limit is ₹ 250.00 Crore. The balance ₹ 300.00 Crore limit is non-fund based and Coal India Limited is contingently liable to the extent such facility is actually utilised by the Subsidiary Companies.

(₹ in Crore)

NOTE - 7 : TRADE PAYABLES	As at 31.03.2016	As at 31.03.2015
Dues to :		
Micro, Small & Medium enterprises	-	-
Others	1.51	2.28
Total	**1.51**	**2.28**

Refer Para 11 of Note-34 (Additional Notes On Accounts).

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 8 : OTHER CURRENT LIABILITIES	As at 31.03.2016		As at 31.03.2015	
Surplus fund from Subsidiaries		1116.13		1321.83
Current account- with Subsidiaries		69.49		134.63
with others (IICM)		186.85		177.61
For Capital Expenses		26.69		17.95
For Expenses				
Salary Wages & Allowances	13.77		12.74	
Power & Fuel	1.87		1.25	
Others	51.94	67.58	53.81	67.80
Statutory Dues:				
Sales Tax/Vat	0.47		2.42	
Provident Fund & Others	3.48		3.49	
Royalty & Cess on Coal	1.03		9.61	
Stowing Excise Duty	0.02		0.14	
Additional Royalty	0.29		-	
Other Statutory Levies	0.76		1.02	
Income Tax deducted/collected at Source	6.97	13.02	5.46	22.14
Security Deposits		34.08		28.70
Earnest money		14.72		18.64
Advance for Coal Import & from Customers		51.51		129.35
Unpaid dividend*		7.79		12.34
Interim dividend		24.82		-
Ex-owner account		1.61		1.61
Dues for Pre-nationalisation transactions		0.21		0.21
Others liabilities		157.34		178.35
Total		**1771.84**		**2111.16**

* No amount is due for payment to Investor Education & Protection Fund.

1 **Current Accounts with Subsidiaries**
The current account balances with the Subsidiary Companies are reconciled on regular intervals, and the same as on 31.03.2016 has been reconciled. Adjustment arising out of reconcilation are carried out continuously.

2 **Current Account with IICM**
Current account balance with Indian Institute of Coal Management (IICM) represents the fund accumulated by receiving ₹ 0.50 per tonne of productions of NEC and the Subsidiaries, net of expenditure made / fund remitted on behalf of IICM.
During this year total contribution received from NEC and the Subsidiaries on this account amounted to ₹ 26.82 Crore. Further ₹ 15.78 Crore (net) were remitted to IICM during the period; and hire charges/ lease rent recovered from IICM amounted to ₹1.80 Crore (excluding service tax applicable thereon).

3 Other liabilities include ₹ 130.62 crore (₹ 140.54 crore) towards TDS on interest earned on deposits made against Shifting & Rehabilitation fund as refered in note-4.

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 9 : SHORT TERM PROVISIONS	As at 31.03.2016	As at 31.03.2015
For Employee Benefits		
- Gratuity	11.39	26.56
- Leave Encashment	9.82	10.23
- Exgratia	11.48	9.90
- Performance Related Pay	98.44	105.04
- Other Employee Benefits	63.03	50.33
For Excise Duty on Closing Stock of Coal	11.42	5.81
Total	**205.58**	**207.87**

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 10 A : FIXED ASSETS

(₹ in Crore)

PARTICULARS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS & PROVISION				Total Depreciation, Impairment Loss & Provision	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Tangible Assets															
Land															
(a) Freehold	11.81	-	-	11.81	-	-	-	-	-	-	-	-	-	11.81	11.81
(b) Others*	1.34	-	-	1.34	0.41	0.01	-	0.42	-	-	-	-	0.42	0.92	0.93
Building/Water Supply/Road & Culverts	90.48	162.61	-	253.09	36.50	4.60	-	41.10	2.18	-	-	2.18	43.28	209.81	51.80
Plant & Equipments	196.41	52.21	(1.41)	247.21	171.55	7.25	(1.29)	177.51	7.83	0.01	-	7.84	185.35	61.86	17.03
Telecommunication	7.58	1.66	(0.01)	9.23	6.57	0.37	-	6.94	-	-	-	-	6.94	2.29	1.01
Railway Sidings	7.71	-	-	7.71	7.33	-	-	7.33	-	-	-	-	7.33	0.38	0.38
Furniture & Fixtures/ Electrical Fittings/ Fire Arms	14.28	15.34	-	29.62	12.55	1.52	-	14.07	0.06	0.02	-	0.08	14.15	15.47	1.67
Office Equipments	7.79	2.49	(0.13)	10.15	5.71	0.92	(0.08)	6.55	-	0.02	-	0.02	6.57	3.58	2.08
Vehicle	4.85	0.06	(0.13)	4.78	3.25	0.40	(0.13)	3.52	-	-	-	-	3.52	1.26	1.60
Aircraft	19.95	-	-	19.95	17.65	-	-	17.65	1.72	-	-	1.72	19.37	0.58	0.58
Total	**362.20**	**234.37**	**(1.68)**	**594.89**	**261.52**	**15.07**	**(1.50)**	**275.09**	**11.79**	**0.05**	**-**	**11.84**	**286.93**	**307.96**	**88.89**
Tangible Assets (As on 31.03.2015)	360.58	6.95	(5.33)	362.20	252.74	6.98	1.80	261.52	11.79	-	-	11.79	273.31	88.89	96.05
Surveyed off Assets	**0.29**	**0.06**	**(0.02)**	**0.33**	**-**	**-**	**-**	**-**	**0.28**	**-**	**(0.02)**	**0.26**	**0.26**	**0.07**	**0.01**

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 10 A: FIXED ASSETS (Contd.)

(₹ in Crore)

PARTICULARS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS & PROVISION				Total Depreciation, Impairment Loss & Provision	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Surveyed off Assets (As on 31.03.2015)	0.07	0.22	-	0.29	-	-	-	-	0.06	0.22	-	0.28	0.28	0.01	0.01
Grand Total Tangible Assets	**362.49**	**234.43**	**(1.70)**	**595.22**	**261.52**	**15.07**	**(1.50)**	**275.09**	**12.07**	**0.05**	**(0.02)**	**12.10**	**287.19**	**308.03**	**88.90**
Grand Total Tangible Assets (As on 31.03.2015)	360.65	7.17	(5.33)	362.49	252.74	6.98	1.80	261.52	11.85	0.22	-	12.07	273.59	88.90	96.06
Intangible Assets															
Computer Software	-	0.50	-	0.50	-	0.03	-	0.03	-	-	-	-	0.03	0.47	-
Development	32.31	-	-	32.31	22.19	0.02	-	22.21	9.94	-	-	9.94	32.15	0.16	0.18
Prospecting & Boring	8.19	-	-	8.19	5.46	-	-	5.46	2.73	-	-	2.73	8.19	-	-
Total	**40.50**	**0.50**	**-**	**41.00**	**27.65**	**0.05**	**-**	**27.70**	**12.67**	**-**	**-**	**12.67**	**40.37**	**0.63**	**0.18**
Intangible Assets (As on 31.03.2015)	40.50	-	-	40.50	27.63	0.02	-	27.65	12.67	-	-	12.67	40.32	0.18	0.20

*Land-others also includes Land acquired Under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act 1984.

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 10 A (Contd.)

1 Land:

- Title deeds for land acquired, in some cases, have not been executed in favour of the Company and mutation in certain cases are yet to be executed.
- As per last accounts, land in possession of NEC, Assam, Margherita included 8069.70 hectares of leasehold land for which no value was shown. A reconciliation was carried out during the year and actual land area was found to be 5558.23 hectares after deducting the leasehold area of 2500 hectares for which lease was not renewed by Meghalaya Govt. in the earlier years and some other adjustments of 11.47 hectares and reconciliation is under process for 137.46 hectares of freehold land with the existing records for which Hon'ble High Court of Guwahati in RFA No. 17/2004 has given verdict in favour of NEC vide court order dated 25.08.2015. Further, no value is recorded in the books for freehold land 935.33 hectares.

2 Dankuni Coal Complex / Indian Institute of Coal Management :

- Fixed Assets comprising Plant & Machinery, Factory Building and Other Assets having written down value as on 31.03.2016 of ₹ 11.76 Crore, continue to be let out to South Eastern Coalfields Ltd. on a nominal lease rent of ₹ 1/- per annum under cancellable operating lease agreement. The above written down value of ₹ 11.76 Crore includes land of ₹ 3.73 Crore (at cost) and building of ₹ 5.68 crore (at WDV). The actual worth of the property is considered to be much higher than its WDV and hence no provision is called for. Further, in view of continuous high loss from operations of the Dankuni Coal Complex, nominal lease rent is considered.
- Fixed assets comprising Building and related other assets having written down value as on 31.03.2016 of ₹ 13.01 Crore has been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹ 1.80 Crore under cancellable operating lease agreement.

NOTES TO THE ACCOUNTS - STANDALONE

NOTE - 10 B : CAPITAL WORK IN PROGRESS

(₹ in Crore)

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Tangible Assets															
Building/Water Supply/ Road & Culverts	217.04	11.01	(227.92)	0.13	0.05	-	-	0.05	-	-	-	-	0.05	0.08	216.99
Plant & Equipments	0.31	0.07	(0.15)	0.23	0.02	-	-	0.02	-	-	-	-	0.02	0.21	0.29
Railway Sidings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development	1.13	-	-	1.13	-	-	-	-	-	-	-	-	-	1.13	1.13
Total	**218.48**	**11.08**	**(228.07)**	**1.49**	**0.07**	**-**	**-**	**0.07**	**-**	**-**	**-**	**-**	**0.07**	**1.42**	**218.41**
Tangible Assets (As on 31.03.2015)	186.34	33.05	(0.91)	218.48	0.08	-	(0.01)	0.07	-	-	-	-	0.07	218.41	186.26

NOTES TO THE ACCOUNTS - STANDALONE

NOTE - 10 C : INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Intangible Assets															
Development	12.09	4.76	(1.75)	15.10	2.91	-	(2.48)	0.43	-	-	-	-	0.43	14.67	9.18
Prospecting & Boring	11.28	-	-	11.28	1.18	-	(1.18)	-	-	-	-	-	-	11.28	10.10
Total	**23.37**	**4.76**	**(1.75)**	**26.38**	**4.09**	**-**	**(3.66)**	**0.43**	**-**	**-**	**-**	**-**	**0.43**	**25.95**	**19.28**
Intangible Assets (As on 31.03.2015)	**21.55**	**1.84**	**(0.02)**	**23.37**	**4.09**	**-**	**-**	**4.09**	**-**	**-**	**-**	**-**	**4.09**	**19.28**	**17.46**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE-11 : NON - CURRENT INVESTMENTS -(unquoted) at Cost	Number of shares	Face value per share	As at 31.03.2016	As at 31.03.2015
Equity Shares in Joint Venture Companies				
International Coal Venture Private Limited	2800000 (2800000)	10 (10)	2.80	2.80
CIL NTPC Urja Private Limited	76900 (25000)	10 (10)	0.08	0.02
Rashtriya Coal Gas Fertilizers Limited	15000 (0)	10 (0)	0.02	-
Equity Shares in Subsidiary Companies				
Eastern Coalfields Limited	22184500 (22184500)	1000 (1000)	2218.45	2218.45
Central Coalfields Limited	9400000 (9400000)	1000 (1000)	940.00	940.00
Bharat Coking Coal Limited	21180000 (21180000)	1000 (1000)	2118.00	2118.00
Western Coalfields Limited	2971000 (2971000)	1000 (1000)	297.10	297.10
Central Mine Planning & Design Institute Limited	190400 (190400)	1000 (1000)	19.04	19.04
Northern Coalfields Limited	1776728 (1776728)	1000 (1000)	177.67	177.67
South Eastern Coalfields Limited	3597000 (3597000)	1000 (1000)	359.70	359.70
Mahanadi Coalfields Limited	1864009 (1864009)	1000 (1000)	186.40	186.40
Coal India Africana Limitada		(Quota Capital)	0.01	0.01
Preference Shares in Subsidiary Companies				
5% redeemable cumulative Preference Shares in Subsidiaries (Bharat Coking Coal Ltd.)	25390000 (25390000)	1000 (1000)	2539.00	2539.00
6% redeemable cumulative Preference Shares in Subsidiaries (Eastern Coalfields Ltd.)	20509700 (20509700)	1000 (1000)	2050.97	2050.97
Total			**10909.24**	**10909.16**
Aggregate amount of unquoted investments:			**10909.24**	**10909.16**
Aggregate amount of quoted investments:			-	-
Market value of quoted investments:			-	-

NOTES TO THE ACCOUNTS - STANDALONE

NOTE-11 (contd.)

NON - CURRENT INVESTMENTS - Unquoted at Cost

1 Investment in ECL and BCCL

The Net Worth of BCCL had turned positive at the end of the year 2012-13 and the company came out of BIFR and continue to earn profit. Considering the improved financial position of BCCL, the errosion in book value of ₹ 766.87 crore (₹ 1527.30 crore) in the value of investment in share of BCCL (₹ 2118.00 Crore & ₹ 2539.00 Crore in equity shares & 5% redeemable cumulative preference shares respectively) is considered of temporary nature as such the same are valued at cost.

The Net Worth of ECL had turned positive during the year 2014-15 and the company came out of BIFR, and continue to earn profit. Considering the improved financial position of ECL, the errosion in book value of ₹ 1847.98 crore (₹ 2716.00 crore) in the value of investment in share of ECL (₹ 2218.45 crore & ₹ 2050.97 crore in equity shares & 6% redeemable cumulative preference shares respectively) is considered of temporary nature as such the same are valued at cost.

2 Investment in International Coal Ventures Pvt. Ltd.

CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meetting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Government of India, vide its approval dated 8th November, 2007.

The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. was incorporated under Companies Act, 1956 on 20th May, 2009 initially with an authorised capital of ₹ 1.00 crore and paid up capital of ₹0.70 crore. The authorised Capital and paid up Capital as on 31.03.2016 stood at ₹ 3500.00 Crore and ₹ 1061.95 Crore respectively. Out of above paid up capital, Coal India Ltd. is owning 0.26% share i.e. ₹ 2.80 crore face value of equity shares.

3 Investment in CIL NTPC Urja Private Ltd.

CIL NTPC Urja Pvt.Ltd., a 50:50 joint venture company was formed on 27th April, 2010 between CIL & NTPC for setting up of joint integrated power plants along with mining of coal. Coal India Ltd. is holding 50% equity shares of face value of ₹ 0.08 crore in the joint venture Company.

4 Investment in Coal India Africana Limitada (100% owned subsidiary –Overseas)

Coal India Ltd., has formed a 100% owned Subsidiary in Republic of Mozambique, named "Coal India Africana Limitada" to explore non-coking coal properties in Mozambique. The initial paid up capital on such formation (known as Quota Capital) is ₹ 0.01 crore.

5 Investment in Rashtriya Coal Gas Fertilizers Limited

A Joint venture company named "Rashtriya Coal Gas Fertilizers Limited" was incorporated on 13th November, 2015 under the Companies Act, 2013 under a joint venture agreement dated 27th October, 2015, among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited with an authorised share capital of ₹ 50 Crore, out of which CIL shall hold 30% share capital. Coal India Limited has invested ₹ 1.50 lakhs in the joint venture company upto 31.03.2016.

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 12 : LONG TERM LOANS & ADVANCES	As at 31.03.2016		As at 31.03.2015	
Advances				
For capital				
- Secured considered good	-		-	
- Unsecured considered good	85.10		52.40	
- Doubtful	-		3.58	
	85.10		55.98	
Less : Provision for doubtful Loans & Advances	-	85.10	3.58	52.40
Security Deposit for utilities				
- Secured considered good	-		-	
- Unsecured considered good	2.93		3.28	
- Doubtful	0.17		0.72	
	3.10		4.00	
Less :Provision for doubtful deposits	0.17	2.93	0.72	3.28
Related Parties		-		-
Other Advances				
Advance to employees				
- Secured considered good	0.79		0.98	
- Unsecured considered good	-		-	
- Doubtful	-	0.79	-	0.98
For revenue				
- Secured considered good	-		-	
- Unsecured considered good	69.01		79.16	
- Doubtful	1.50		2.61	
	70.51		81.77	
Less :Provision for doubtful Loans & Advances	1.50	69.01	2.61	79.16
Total		**157.83**		**135.82**
CLASSIFICATION				
Secured		0.79		0.98
Unsecured - Considered good		157.04		134.84
- Considered doubtful		1.67		6.91

(₹ in Crore)

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 13 : OTHER NON-CURRENT ASSETS	As at 31.03.2016		As at 31.03.2015	
ADVANCE				
Exploratory drilling work (for Eastern Coalfields Ltd)				
- Secured considered good	-		-	
- Unsecured considered good	-		-	
- Doubtful	78.34		108.09	
	78.34		108.09	
Less: Provision	78.34	-	108.09	-
Deposit with Scheduled bank under Mine Closure Plan		32.78		25.39
In deposit accounts under Shifting and Rehabilitation Fund Scheme*		3047.73		2567.00
Other Receivables				
- Secured considered goods	-		-	
- Unsecured considered goods	-		-	
- Doubtful	0.31		0.31	
	0.31		0.31	
Less: Provision	0.31	-	0.31	-
Total		**3080.51**		**2592.39**
CLASSIFICATION				
Secured				
Unsecured - Considered good		3080.51		2592.39
- Considered doubtful		78.65		108.40

Note

Exploratory Drilling Work

In view of critically weak financial position of ECL, which was under BIFR till 31st Dec 2014, expenditure incurred by CMPDIL on exploratory drilling works, falling under the command area of ECL was paid by CIL and shown as advance. Amount of advance, lying unadjusted for more than five years is being written off. Therefore, as an abundant precaution, advance made on this account upto 31st Dec 2014 was fully provided for.

* Current portion of Shifting & Rehabilitation fund is shown in Note-17 (Cash & Bank balance)

(₹ in Crore)

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 14 : CURRENT INVESTMENTS-(UNQUOTED) at cost	Number of units	NAV (In ₹)	As at 31.03.2016	As at 31.03.2015
Mutual Fund Investment				
UTI Mutual Fund	1272530.608 (2966410.582)	1019.4457 (1019.4457)	129.73	302.41
SBI Mutual Fund	1025686.499 (4576538.624)	1003.2500 (1003.2500)	102.90	459.14
Canara Robeco Mutual Fund	10848.426 (434134.2430)	1005.5000 (1005.5000)	1.09	43.65
Union KBC Mutual Fund	287447.402 (346665.648)	1000.6506 (1000.6506)	28.76	34.69
BOI AXA Mutual Fund	503702.748 (229733.138)	1002.6483 (1002.6483)	50.50	23.03
Total			**312.98**	**862.92**
Aggregate of unquoted investments:			312.98	862.92
Fair value of unquoted investments (NAV):			312.98	862.92
Provision made for diminution in the value of investments:			-	-

(₹ in Crore)

NOTE 15 : INVENTORIES	As at 31.03.2016		As at 31.03.2015	
(As taken, valued and certified by the Management)				
Stock of Coal	150.98		56.43	
Less : Provision	0.06	150.92	0.06	56.37
Stock of Stores & Spares	2.57		2.95	
Less : Provision	1.15	1.42	1.06	1.89
Stock of Medicine at Central Hospital		0.07		0.07
Total		**152.41**		**58.33**
Method of valuation : Refer Para 6.0 of Note-33 (Significant Accounting Policies)				

(₹ in Crore)

NOTES TO THE ACCOUNTS - STANDALONE

NOTE 16 : TRADE RECEIVABLES	As at 31.03.2016		As at 31.03.2015	
Debts outstanding for a period exceeding six months from the due date				
- Secured considered good	-		-	
- Unsecured considered good	0.38		0.45	
- Doubtful	10.78		10.78	
	11.16		11.23	
Less : Provision for bad & doubtful debts	10.78	0.38	10.78	0.45
Other Debts				
- Secured considered good	-		-	
- Unsecured considered good	-		9.31	
- Doubtful	-		-	
			9.31	
Less : Provision for bad & doubtful debts	-	-	-	9.31
Total		**0.38**		**9.76**
Classification :				
Secured		-		-
Unsecured - Considered Good		0.38		9.76
- Considered Doubtful		10.78		10.78

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 17 : CASH & BANK BALANCE	As at 31.03.2016	As at 31.03.2015
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	-	43.42
- In Current Accounts	22.12	52.21
- In Cash Credit Accounts	4.13	3.95
Cheques, Drafts and Stamps on hand	-	-
Cash on hand	0.03	0.03
Other Bank Balances		
Balances with Scheduled Banks		
- In deposit accounts with maturity of more than 3 months not exceeding 12 months	3252.59	3846.20
- In deposit accounts with maturity of more than12 months	1088.21	1523.91
In deposit accounts under Shifting and Rehabilitation Fund Scheme with maturity of more than 3 months not exceeding 12 months*	64.88	312.94
Balance in unpaid dividend accounts	7.79	12.34
Balance in dividend account (Interim dividend 2015-16)	24.82	-
Total	**4464.57**	**5795.00**

Fixed Deposit of ₹ 4.50 crore (₹ 4.01 crore) are included above made as per the direction of The Court.

* Non current portion of Shifting & Rehabilitation fund is shown in Note-13 (Other Non Current Assets)

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 18 : SHORT TERM LOANS & ADVANCES	As at 31.03.2016		As at 31.03.2015	
ADVANCE				
Advance to suppliers				
For Capital	0.38		-	
Less : Provision for Doubtful Advances	-	0.38	-	-
For revenue				
- Secured considered good	-		-	
- Unsecured considered good	0.01		0.01	
- Doubtful	0.22		0.22	
	0.23		0.23	
Less : Provision for Doubtful Advances	0.22	0.01	0.22	0.01
Advance payment of statutory dues Sales tax and others				
- Secured considered good	-		-	
- Unsecured considered good	0.32		1.08	
- Doubtful	0.02		0.02	
	0.34		1.10	
Less : Provision for Doubtful Advances	0.02	0.32	0.02	1.08
Advance income tax / Tax deducted at source [Net of provisions- ₹ 1521.49 (₹ 1351.61crore)]		630.95		378.38
Others				
- Secured considered good	-		-	
- Unsecured considered good	6.18		1.19	
- Doubtful	-		-	
	6.18		1.19	
Less : Provision for Doubtful Advances	-	6.18	-	1.19
Advance to employees				
- Secured considered good	-		-	
- Unsecured considered good	19.15		25.12	
- Doubtful	-		-	
	19.15		25.12	
Less : Provision for Doubtful Advances	-	19.15	-	25.12
Current account with subsidiaries				
- Secured considered good	-		-	
- Unsecured considered good	624.50		693.12	
- Doubtful	52.50		-	
	677.00		693.12	
Less : Provision for Doubtful Claims	52.50	624.50	-	693.12
Advance for Research & Development		22.31		25.87

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 18 : SHORT TERM LOANS & ADVANCES (Contd.)	As at 31.03.2016		As at 31.03.2015	
Claims receivables				
- Secured considered good	-		-	
- Unsecured considered good	-		-	
- Doubtful	1.95		2.71	
	1.95		2.71	
Less : Provision for Doubtful Claims	1.95	-	2.71	-
Total		**1303.80**		**1124.77**
CLASSIFICATION				
Secured		-		-
Unsecured - Considered good		1303.80		1124.77
- Considered doubtful		54.69		2.95

Current accounts with Subsidiaries-The balances of the current account with the Subsidiaries are reconciled at regular intervals, and the same as on 31.03.2016 has also been reconciled. Adjustments arising out of reconcilation are carried out continuously.

(₹ in Crore)

NOTE 19 : OTHER CURRENT ASSETS	As at 31.03.2016		As at 31.03.2015	
Interest accrued				
Deposit with banks		59.28		84.37
Other advances	3.52		175.26	
Less: Provision	0.06	3.46	0.06	175.20
Deposits				
Deposit for customs duty, port charges etc.	0.90		0.90	
Less: Provision	0.79	0.11	0.79	0.11
Deposits Others	50.82		50.88	
Less: Provision	-	50.82	0.06	50.82
Amount receivable for transactions on behalf of Ex-Coal Board employees	-		2.37	
Less: Provision	-	-	2.37	-
Assam Land Tax recoverable		1.39		0.66
Other receivables	29.74		26.36	
Less: Provision	0.77	28.97	2.60	23.76
Total		**144.03**		**334.92**

Deposit Others ₹ 50.82 Crore includes ₹ 50.00 Crore towards payment to CCI as per Competition Appellate Tribunal's direction. Refer Note 34 (ii)

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE-20 : REVENUE FROM OPERATIONS	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
Sales of Coal	212.74		484.91	
Less: Excise Duty	11.51	**201.23**	26.87	458.04
Less : Other Levies				
Royalty	21.56		49.49	
Stowing Excise Duty	0.34		0.73	
Central Sales Tax	2.79		7.68	
Clean Energy Cess	7.18		8.10	
State Sales Tax/VAT	3.66		4.48	
Additional Royalty	0.29		-	
Other Levies	2.26		5.57	
Total		**38.08**		**76.05**
Net Sales (A)		**163.15**		**381.99**
Facilitation charges for coal import		0.38		0.30
Subsidy for sand stowing and protective works		0.05		0.65
Loading and additional transportation charges	2.14		4.56	
Less: Excise duty	0.12		0.26	
Less: Other levies	0.07	1.95	0.12	4.18
Other operating Revenue		**2.38**		**5.13**
Revenue From Operations		**165.53**		**387.12**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 21 : OTHER INCOME	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Income From Non-Current Investments		
Dvidend from Subsidiaries	16140.09	13011.72
Income From Current Investments		
Dividend from Mutual Fund Investments	70.72	100.45
Income From Others		
Interest (Gross) :-		
- From Deposit with Banks [TDS ₹ 85.00 crore (₹ 94.16 crore)]	558.83	771.18
-From Loans and Advances to Employees	0.07	0.07
-Others [TDS ₹ 0.61 crore (₹1.50 crore)]	9.91	12.85
Apex Charges [TDS ₹26.80 crore (₹ 23.34 crore)]	268.01	233.36
Profit on Sale of Assets	-	0.05
Lease Rent [TDS ₹ 0.18 crore (₹ 0.15 crore)]	1.80	1.53
Liability/Provision Write Back	15.95	0.77
Liquidated damage/penalty/other recovery	9.97	0.74
Other non-operating Income	51.75	10.68
Total	**17127.10**	**14143.40**

1. Final dividend of 2014-15 received from CCL ₹ 254.74 Crore, WCL ₹ 188.06 Crore and interim dividend of 2015-16 received from MCL ₹ 3608.45 Crore, SECL ₹ 6390.32 Crore, NCL ₹ 3659.92 Crore, CCL ₹ 1457.00 Crore, WCL ₹ 581.60 Crore has been accounted for during the year.

2. Dividend from mutual fund investments/ interest from deposits with Banks above also includes on investments of amount lying in Current Account with IICM.

(₹ in Crore)

NOTE 22 : COST OF MATERIALS CONSUMED	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Explosives	4.31	10.39
Timber	0.56	0.66
Oil and Lubricants	2.02	2.98
HEMM Spares	0.15	0.14
Other Consumable Stores & Spares	3.28	2.70
Total	**10.32**	**16.87**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
Closing Stock of Coal	150.98		56.43	
Less: Deterioration of Coal	0.06	**150.92**	0.06	**56.37**
Opening Stock of Coal	56.43		38.58	
Less: Deterioration of Coal	0.06	**56.37**	0.44	**38.14**
Change in Inventory of Stock in trade		**(94.55)**		**(18.23)**

(₹ in Crore)

NOTE 24 : EMPLOYEE BENEFITS EXPENSES	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Salary, Wages, Allowances, Bonus etc.	255.74	252.78
Ex-Gratia	13.20	11.73
Performance Related Pay	7.69	15.16
Contribution to P.F. & Other Funds	27.73	26.59
Gratuity	9.21	7.95
Leave Encashment	16.25	14.92
Medical Expenses for existing employees	8.41	9.99
Medical Expenses for retired employees	23.63	14.35
Grants to School & Institutions	1.74	1.53
Sports & Recreation	0.53	0.24
Canteen & Creche	0.77	0.21
Power (Township)	7.59	5.98
Hire Charge of Bus, Ambulance, etc.	1.21	0.96
Other Employee Benefits	5.62	4.19
Total	**379.32**	**366.58**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 25 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
CSR Expenses	73.26	24.72
Donation to Nepal Earthquake Relief Fund	6.00	-
Total	**79.26**	**24.72**

In persuance of Section 135 of Companies Act 2013, an amount of ₹ 19.69 crore (being 2% of the average net profit of the company made during the three immediately preceding financial years) was required to be spent during 2015-16 towards CSR activities. The company has spent ₹ 73.26 crore including ₹ 10.97 crore spent through BCCL, a subsidiary of Coal India Limited.

(₹ in Crore)

NOTE 26 : REPAIRS	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Building	8.70	6.74
Plant & Machinery	0.41	0.50
Others	0.47	0.49
Total	**9.58**	**7.73**

(₹ in Crore)

NOTE 27 : CONTRACTUAL EXPENSES	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Transportation Charges :		
- Coal	0.04	0.09
Wagon Loading	0.16	2.46
Hiring of P&M	90.39	123.36
Other Contractual Work	0.64	0.72
Total	**91.23**	**126.63**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 28 : FINANCE COSTS	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Interest Expenses		
Interest to Subsidiaries on surplus fund parked	110.02	243.48
Others	0.09	0.10
Total	**110.11**	**243.58**
Other Finance Cost		
Bank commitment and allocation charges	-	0.24
Total	**-**	**0.24**
Total	**110.11**	**243.82**

Interest to Subsidiaries paid on Surplus Fund

Interest has been paid on surplus fund parked by Subsidiaries. Such interest is paid at annualised average yield rate at which CIL earns from its investment in Fixed Deposits/Mutual Funds.

(₹ in Crore)

NOTE 29 : PROVISIONS (NET OF REVERSAL)	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
(A) PROVISION MADE FOR		
Doubtful debts	-	0.01
Doubtful Advances & Claims	52.50	10.89
Stores & Spares	0.09	-
Mine Closure expenses	3.56	3.39
Fixed Assets	0.05	-
	.	
Total	**56.20**	**14.29**
(B) PROVISION REVERSAL		
Doubtful Advances & Claims	0.10	0.01
Stores & Spares	-	0.03
Others	1.91	-
Total	**2.01**	**0.04**
Total	**54.19**	**14.25**

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 30 : WRITE OFF (Net of past provisions)	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
Doubtful advances	39.91		7.47	
Less :- Provided earlier	39.91	-	7.47	-
Others	1.75		0.38	
Less :- Provided earlier	1.75	-	0.38	-
Total		**-**		**-**

(₹ in Crore)

NOTE 31 : OTHER EXPENSES	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Travelling expenses		
- Domestic	12.70	9.70
- Foreign	0.72	0.10
Training Expenses	4.09	9.91
Telephone & Postage	1.42	1.05
Advertisement - Others	14.10	7.89
Freight Charges	0.01	0.00
Demurrage	0.05	0.04
Donation/Subscription	0.71	0.72
Security Expenses	5.43	5.23
Hire Charges	4.75	4.66
CMPDI Expenses	1.68	1.58
Legal Expenses	11.61	4.66
Bank Charges	0.28	0.10
Guest House Expenses	0.66	0.69
Consultancy Charges	23.20	10.48
Under Loading Charges	1.77	2.41
Auditor's Remuneration & Expenses		
- For Audit Fees (including ₹ 0.07 crore for previous year)	0.19	0.05
- For Taxation Matters	-	-
- For Company Law Matters	-	-
- For Management Services	-	-
- For Other Services	0.14	0.23
- For Reimbursement of Expenses	0.03	0.02
Internal & Other Audit Expenses	0.70	0.49
Rent	5.38	5.92
Rates & Taxes	1.90	0.90
Wealth Tax	-	0.12

NOTES TO THE ACCOUNTS - STANDALONE

(₹ in Crore)

NOTE 31 : OTHER EXPENSES (Contd.)	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Insurance	0.49	0.33
Loss on Exchange Rate Variance	0.03	-
Rescue/Safety Expenses	0.05	0.08
Dead Rent/Surface Rent	0.27	0.27
Siding Maintenance Charges	0.10	0.34
Printing & stationery	2.08	2.30
Meeting expenses	3.26	2.18
Brokerage & Commission	1.71	1.56
Excise duty on stock	5.61	0.60
R&D Expenses	0.01	0.14
Environmental and Tree Plantation Expenses	0.16	0.18
Miscellaneous expenses	8.33	5.35
Total	**113.62**	**80.28**

(₹ in Crore)

NOTE 32 : PRIOR PERIOD ADJUSTMENT	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Expenditure		
Rent	-	0.78
Total	**-**	**0.78**

STANDALONE

NOTE 33 : SIGNIFICANT ACCOUNTING POLICIES (STANDALONE)

1.0 Accounting Convention:

Financial statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013, including accounting standards notified therein, except otherwise stated.

1.1 Use of estimate

In preparing the financial statements in conformity with Accounting Principles generally accepted in India, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

2.0 Subsidies / Grants from Government:

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

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

2.3 Subsidies / Grants from Government received as an implementing agency

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

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

3.0 Fixed Assets:

3.1 **Land:**

Value of land includes cost of acquisition, cash rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons.

3.2 **Plant & Machinery:**

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

3.3 **Development:**

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

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

(b) 2 years of touching of coal, or

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

- Whichever event occurs first.

3.4 **Prospecting & Boring and other Development Expenditure:**

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

3.5 Leases:

3.5.1 Operating Lease

i) Assets given on lease are capitalised and depreciated as per the depreciation policy. Lease rentals received are recognised as income over the lease period.

ii) Lease rentals paid for assets taken on lease are recognised as expense over the lease period.

3.5.2 Finance Lease

i) Assets taken on finance lease are capitalized at lower of the fair value of the asset and present value of the minimum lease payments.

An amount equal to the capitalized amount is shown as lease liability.

The principal component in lease rental is adjusted against lease liability and interest component is charged to the Statement of Profit & Loss as finance cost.

The asset is depreciated as per the depreciation policy. If the leased asset is returnable to the lessor on expiry of lease period, full cost is depreciated over its useful life or lease period, whichever is less.

ii) Assets given on finance lease are shown as lease receivables at an amount equal to net investment in the leased asset. Principal component of the lease receipts are adjusted against outstanding lease receivables and interest is recognised as income.

4.0 **Railway Sidings pending commissioning:**

Pending commissioning, payments made to the railway authorities for construction of railway sidings are shown in Note 12 – "Long Term Loans & Advances" under Advances for Capital.

5.0 Investments:

Long term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments.

Current investments are carried at lower of cost or fair value.

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

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

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

STANDALONE (Contd.)

6.2 **Stores & Spares:**

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

6.2.2 Stock of stores & spare parts (which also includes loose tools) at central & area stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres, initially charged off, are valued at issue price of Area Stores, Cost / estimated cost. Workshop jobs including work-in-progress are valued at cost. Similarly stock of stationary at printing press and medicines at central hospital are valued at cost.

6.2.3 Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

6.2.4 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.

7.0 Depreciation/amortisation:

7.1 Depreciation on fixed assets is provided on straight line method on the basis of useful life specified in Schedule II of Companies Act 2013 except for assets mentioned below, for which depreciation is provided on the basis of technically estimated useful life which are lower than that envisaged as per schedule II of Companies Act, 2013 to depict a more true and fair rate of depreciation:

Telecommunication equipment	: -	6 years and 9 years
Photocopying machine	: -	4 years
Fax machine	: -	3 years
Mobile phone	: -	3 years
Digitally enhance cordless telephone	: -	3 years
Printer & Scanner	: -	3 years
Earth Science Museum	: -	19 years
High volume respiratory dust samplers	: -	3 years
Certain equipment /HEMM	: -	7 years and 6 years as applicable.
SDL (equipment)	: -	5 years
LHD (equipment)	:-	6 years

7.2 The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the asset except those item of assets covered under Para 7.3

7.3 In case of assets namely Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps the technically estimated useful life has been determined to be one year with a nil residual value.

7.4 Depreciation on the assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets with one year useful life and nil residual value as mention under Para 7.3, which are fully depreciated in the year of their addition. These Assets are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.

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

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

7.7 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.

8.0 Impairment of Asset:

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the statement of profit and loss if the carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. An impairment loss recognised on asset is reversed when conditions warranting impairment provision no longer exists.

9.0 Foreign Currency Transactions:

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rate prevailing as at the end of reporting period.

Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting an monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

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

10.0 Employee benefits:

10.1 Short term benefits

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

10.2 Post-employment benefits and other long term employee benefits:

a) Defined contributions plans:

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

b) Defined benefits plans:

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

c) Other employee benefits:

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

STANDALONE (Contd.)

11.0 Revenue Recognition:

11.1 Sales

a. Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer and there is no significant uncertainty as to its realisability.

b. Sale of coal is net of statutory dues and accepted deduction made by customer on account of quality of coal.

11.2 Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

11.3 Dividend

Dividend income is recognised when right to receive is established.

11.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty that the claims are realizable.

12.0 Borrowing Costs:

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalised. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 Taxation:

Provision of current income tax is made in accordance with the Income Tax Act., 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, as on the balance sheet date, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of additional information.

Contingent asset are neither recognised nor disclosed in the financial statements.

15.0 Earning per share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

STANDALONE (Contd.)

16.0 Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non - Current Assets/ Long Term Provisions as the case may be.

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

Annual Quantum of OBR Of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (in Mill.Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	Nil

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

17.0 Prior Period Adjustments and Prepaid Expenses:

Income / expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 Crore in each case, are treated as income / expenditure of current year.

STANDALONE (Contd.)

NOTE – 34 : ADDITIONAL NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016 (STANDALONE)

1. Contingent Liabilities & Commitments

a) Capital commitment : ₹ 79.97Crore (₹ 21.28 Crore)

b) Revenue commitment : ₹ 68.53 Crore (₹ 327.04 Crore)

c) Claims against the company not acknowledged as debt : 33.37Crore (₹ 1806.13 Crore)

(₹ in Crore)

Claims against the company not acknowledged as debt			
		2015-16	**2014-15**
1	Central Govt.	-	-
2	State Govt. and Local authorities	12.34	12.24
3	Central Public Sector Enterprises	8.18	8.18
4	Others	12.85	1,785.71
	Total	**33.37**	**1,806.13**

d) The Competition Commission of India (CCI), on the basis of complaints by few coal customers against certain conducts of Coal India Limited, Western Coalfields Limited, South Eastern Coalfields Limited and Mahanadi Coalfields Limited, heard the case and vide its order dated 09.12.2013, had *inter-alia* imposed a penalty of ₹ 1773.05 Crore against which appeal was filed in the Competition Appellate Tribunal which directed to deposit ₹ 50 Crore there against.

Subsequently vide order dated 17th May, 2016, the Tribunal has set aside the order of CCI and directed to hear the case afresh as a result the penalty of ₹ 1773.05 stands cancelled.

e) The company has given guarantee for loans obtained by subsidiaries from Export Development Bank of Canada and Liebherr France the outstanding balance of which as on 31.03.2016 stood at ₹ 174.14 Crore (₹ 170.21 Crore) and ₹ 7.77 Crore (₹ 7.40 Crore) respectively.

f) As on 31.03.2016 outstanding letters of credit is ₹ NIL (₹ 0.13 Crore) and bank gaurantee issued is ₹ 11.40 Crore (Nil).

2. Employee Benefits: Recognition and Measurement (AS-15)

a) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at predetermined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹ 27.73 Crore (₹ 26.59 Crore) has been recognized in the Statement of Profit & Loss (Note 24).

b) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(i) Funded

- Gratuity
- Leave Encashment

(ii) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

STANDALONE (Contd.)

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 31.03.2016

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in Crore)

Statement of changes in Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of obligations at beginning of the year	144.71	146.98
Interest Cost	9.83	9.30
Past Service Cost	0.00	0.00
Current Service Cost	10.78	7.44
Benefits Paid	43.60	61.44
Actuarial (Gain) / Loss on obligations	19.22	42.43
Present Value of Obligation as at 31.03.2016	140.94	144.71

(₹ in Crore)

Statement of changes in Fair Value of Plan Assets	As at 31.03.2016	As at 31.03.2015
Fair Value of Plan Asset at beginning of the year	125.83	169.83
Expected Return on Plan Asset	10.06	13.59
Contributions	46.60	5.17
Benefits Paid	43.60	61.44
Actuarial Gain/(Loss) on Plan Asset	0.58	-1.32
Fair Value of Plan Asset as at 31.03.2016	139.47	125.83

(₹ in Crore)

Statement showing reconciliation of Fair Value of Plan Asset and Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of Obligation at end of the year	140.94	144.71
Fair Value of Plan Asset as at 31.03.2016	139.47	125.83
Funded Status	-1.47	-18.88
Unrecognized actuarial (gain) / loss as at 31.03.2016	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	-1.47	-18.88

(₹ in Crore)

Statement showing Expense Recognized in statement of Profit/Loss	As at 31.03.2016	As at 31.03.2015
Current Service Cost	10.78	7.44
Past Service Cost	0.00	0.00
Interest Cost	9.83	9.30
Expected Return on Plan Asset	10.06	13.58
Actuarial (Gain) / Loss recognised in the year	18.64	43.75
Expense recognised in Statement of Profit/Loss	29.19	46.91

STANDALONE (Contd.)

Statement showing Actuarial Assumptions:	As at 31.03.2016	As at 31.03.2015
Mortality Table :	IALM –(2006-2008) ULT.	IALM –(2006-2008) ULT.
Superannuation Age:	60	60
Early Retirement & Disablement:	10 Per Thousand P.A.	10 Per Thousand P.A.
	6 above age 45	6 above age 45
	3 between 29 and 45	3 between 29 and 45
	1 below age 29	1 below age 29
Discount Rate:	8.00%	8.00%
Inflation Rate:	6.25%	6.25%
Return on Asset	8.00%	8.00%
Remaining Working Life:	9 years	10 years
FORMULA USED:	Project Unit Credit Method	Project Unit Credit Method

(₹ in Crore)

Movements in the Liability Recognised in Balance Sheet	As at 31.03.2016	As at 31.03.2015
Opening Net Liability	18.88	-22.86
Expenses as above	29.19	46.91
Contributions	46.60	5.17
Closing Net Liability	1.47	18.88
Closing Fund / Provision as at 31.03.2016	140.94	144.71

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/ HPL) AS AT 31.03.2016

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in Crore)

Statement of changes in Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of obligations at beginning of the year	54.54	52.85
Acquisition Adjustment	0.00	0.00
Interest Cost	4.04	3.79
Past Service Cost	0.00	0.00
Current Service Cost	8.23	8.05
Benefits Paid	8.04	11.04
Actuarial (Gain) / Loss on obligations	-1.73	0.89
Present Value of Obligation as at 31.03.2016	57.04	54.54

STANDALONE (Contd.)

(₹ in Crore)

Statement of changes in Fair Value of Plan Assets	As at 31.03.2016	As at 31.03.2015
Fair Value of Plan Asset at beginning of the year	0.00	0.00
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Asset	0.00	0.00
Contributions	43.05	0.00
Benefits Paid	8.05	0.00
Actuarial Gain/(Loss) on Plan Asset	0.00	0.00
Fair Value of Plan Asset as at 31.03.2016	35.00	0.00

(₹ in Crore)

Statement showing reconciliation of Fair Value of Plan Asset and Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of Obligation at end of the year	57.04	0.00
Fair Value of Plan Asset as at 31.03.2016	35.00	0.00
Funded Status	-22.04	0.00
Unrecognized actuarial (gain) / loss as at 31.03.2016	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	-22.04	0.00

(₹ in Crore)

Statement showing Expense Recognized in statement of Profit/Loss	As at 31.03.2016	As at 31.03.2015
Current Service Cost:	8.23	8.05
Past Service Cost:	0.00	0.00
Interest Cost:	4.04	3.79
Expected Return on Plan Asset:	0.00	0.00
Actuarial (Gain) / Loss recognized in the year:	-1.73	0.89
Expenses Recognized in Statement of Profit/Loss:	10.54	12.73

Statement showing Actuarial Assumptions:	As at 31.03.2016	As at 31.03.2015
Mortality Table:	IALM –(2006-08) ULT	IALM –(2006-08) ULT
Superannuation Age:	60	60
Early Retirement & Disablement:	10 Per Thousand P.A.	10 Per Thousand P.A.
	6 above age 45	6 above age 45
	3 between 29 and 45	3 between 29 and 45
	1 below age 29	1 below age 29
Discount Rate:	8.00%	8.00%
Inflation Rate:	6.25%	6.25%
Return on Asset:	8.00%	N/A
Remaining Working Life:	9 years	10 years
FORMULA USED:	Projected Unit Credit Method	Projected Unit Credit Method

STANDALONE (Contd.)

(₹ in Crore)

Movements in the Liability Recognised in Balance Sheet	As at 31.03.2016	As at 31.03.2015
Opening Net Liability	54.54	0.00
Expenses as above	10.54	12.73
Contributions	43.05	0.00
Closing Net Liability	22.03	12.73
Closing Fund / Provision as at 31.03.2016	57.04	54.54

3. Provisions

The position and movement of various provisions (other than the employee benefits which are based on actuarial valuation), as on 31.03.2016 are given below:

(₹ in Crore)

Provisions	Opening Balance as on 1.04.2015	Addition during the year	Write back/Adj. during the year	Closing Balance as on 31.03.2016
Note 5 & 9 :- Long Term & Short Term Provision :				
Performance Related Pay :	105.04	7.69	14.29	98.44
Mine Closure Plan:	25.39	7.62*	-	33.01
Note 10A:- Fixed Assets :				
Provision and Impairment of Assets :	24.46	0.05	-	24.51
Against Surveyed off Assets :	0.28	-	0.02	0.26
Note 10B:- Capital Work in Progress :				
Against CWIP :	0.07	-	-	0.07
Note 10C:- Intangible Assets under Development:				
Against Intangible Assets under Development :	4.09	-	3.66	0.43
Note 12:- Long Term Loans & Advances :				
Against advances for Capital :	3.58	-	3.58	-
Against advances for Revenue :	2.61	-	1.11	1.50
Against advances for P&T, Elec. Etc :	0.72	-	0.55	0.17
Note 13:- Other Non-Current Assets :				
Against Exploratory Drilling Work :	108.09	-	29.75	78.34
Against Other Receivables :	0.31	-	-	0.31
Note 15:-Inventories :				
Against Stock of Coal :	0.06	-	-	0.06
Against Stock of Stores & Spares :	1.06	0.09	-	1.15
Note 16:-Trade Receivable :				
Provision for bad & doubtful debts :	10.78	-	-	10.78
Note 18:- Short Term Loans & Advances :				
Against Advance to suppliers for revenue :	0.22	-	-	0.22
Against Advance payment of Sales Tax and others:	0.02	-	-	0.02
Against Claim receivables :	2.71	-	0.76	1.95
Note 19:- Other Current Assets :				
Against Other Advances :	0.06	-	-	0.06
Against Deposit for customs duty etc :	0.79	-	-	0.79
Against Other Deposit :	0.06	-	0.06	0.00
Against receivable for transaction on behalf of ex-coal board :	2.37	-	2.37	0.00
Against Other Receivables :	2.60	-	1.83	0.77

*Includes ₹1.76 Crore capitalized during the year at North Eastern Coalfields and interest earned on Escrow Fund of ₹ 2.30 Crore.

STANDALONE (Contd.)

4. Segment Reporting

The Company is primarily engaged in a single segment business of production and sale of Coal and there is significant income from dividend from Subsidiaries also. The details are given below:

(₹ in Crore)

Description	Coal Mining		Other Incidental Activities		Total	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Revenue :						
External sales:	163.15	381.99	-	-	163.15	381.99
Dividend Income:	-	-	16210.81	13112.17	16210.81	13112.17
Total Revenue :	163.15	381.99	16210.81	13112.17	16373.96	13494.16
Segment Result (before tax and interest)	(60.56)	26.87	16210.81	13112.17	16150.25	13139.04
Add: Prior period adjustment	-	-	-	(0.78)	-	(0.78)
Net Segment Result (before tax and interest):	(60.56)	26.87	16210.81	13111.39	16150.25	13138.26
Unallocated Income/Expenditure (Net)	-	-	-	-	(205.53)	(270.47)
Operating Profit	-	-	-	-	15944.72	12867.79
Interest Income	0.84	2.31	567.97	781.79	568.81	784.10
Income Tax	-	-	-	-	170.00	268.50
Profit from Ordinary Activities:	0.84	2.31	567.97	781.79	16343.53	13383.39
Other Information						
Segment Assets	363.95	299.81	-	-	363.95	299.81
Unallocated Corporate Assets	-	-	-	-	9916.15	11254.78
Total Assets :	363.95	299.81	0.00	0.00	10280.10	11554.59
Segment Liabilities:	287.09	310.84	-	-	287.09	310.84
Unallocated Corporate Liabilities:	-	-	-	-	5041.34	5104.81
Total Liabilities :	287.09	310.84	0.00	0.00	5328.43	5415.65
Segment Capital Expenditure:	7.96	5.43	-	-	7.96	5.43
Unallocated Capital Expenditure:	-	-	-	-	238.05	36.41
Total Capital Expenditure :	7.96	5.43	0.00	0.00	246.01	41.84
Depreciation (Including provision for impairment):	114.19	111.15	-	-	114.19	111.15
Unallocated Depreciation (Including Other provisions):	-	-	-	-	213.37	202.76
Total Depreciation (Including provision for impairment) :	114.19	111.15	0.00	0.00	327.56	313.91

5. Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
i)	Net profit after tax attributable to Equity Share Holders.	₹16343.53 Crore	₹13383.39 Crore
ii)	No. of Shares Outstanding during the year ended 31.03.2016	6,31,63,64,400	6,31,63,64,400
iii)	Basic and Diluted Earning per Share in Rupees (Face value ₹ 10/- per share)	₹ 25.87	₹ 21.19

STANDALONE (Contd.)

6. Related party disclosure

(a) Related parties and their relationship

Key Management Personnel:

Mr. S. Bhattacharya, Chairman-Cum-Managing Director

Mr. R. Mohan Das, Director (P&IR)

Mr. C.K. Dey, Director (Finance)

Mr. N. Kumar. Director (Technical)

Mr. B. K. Saxena, Director (Marketing) (upto 31.01.2016)

Mr. S.N. Prasad, Director (Marketing) (w.e.f. 01.02.2016)

Mr. M Viswanathan, Company Secretary

(b) Transactions with related parties for the year ending 31.03.2016

(₹ in Crore)

Sl. No.	Payment to KMPs	For the year ended 31.03.2016	For the year ended 31.03.2015
i)	Salaries and Perquisites	2.07	1.41
ii)	Contribution to P.F. & other fund	0.16	0.12
iii)	Medical Benefits	0.07	0.02
	TOTAL	**2.30**	**1.55**

Note:

(i) Provision on the basis of actuarial valuation of defined benefits have not been considered in the above Director's remuneration.

(ii) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹ 520 per month as per service conditions.

(c) Balance as on 31.03.2016

Sl. No.	Particulars	As on 31.03.2016	As on 31.03.2015
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

7. Taxation

An amount of ₹170.00 Crore (₹ 230.00 Crore) is provided in the accounts during current year towards income tax.

The Company is having a deferred tax asset (net) on the basis of calculation as per Accounting for Taxes on Income (AS-22), issued by Institute of Chartered Accountants of India. Since as per existing provisions of tax laws the dividend received from subsidiaries, which accounts for the income of Coal India Ltd, is tax free w.e.f. financial year 2003-04 and since without considering such dividend there is no virtual certainty of generation of future taxable income, as a prudent practice no deferred tax asset is recognised in the accounts.

Deferred Tax Asset / (Liability) as at 31st March, 2016 is given below:-

	As at 31.03.2016
Deferred Tax Liability:	
Related to Fixed Assets	13.56
Deferred Tax Asset:	
Related to Provision for Current Assets, Loans & Advances and Others	6.07
Related to Provision for Other Non Current Assets	27.22
Total Deferred Tax Assets	33.29
Net Deferred Tax Asset/ (Deferred Tax Liability)	**19.73**

8. Goods procured by Coal India Ltd. on behalf of Subsidiaries

As per existing practice, goods purchased by Coal India Ltd. on behalf of subsidiary companies are accounted for in the books of respective subsidiaries directly.

9. Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

10. 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.

11. Micro, Small and Medium Enterprises

There is no reported Micro, Small and Medium Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006", to whom the company owes dues.

12. 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.

13. Current Liabilities

Estimated liability has been provided where actual liability could not be measured including municipal tax in some of the buildings pending assessment by the collecting authority.

14. Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

15. Classification as per Schedule III of the Companies Act 2013

The classification of Assets and Liabilities into "Current & Non-current" has been made in Balance Sheet as per below mentioned prescribed guidelines:-

STANDALONE (Contd.)

Current Assets

An asset has been classified as current when it satisfies any of the following criteria:-

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle i.e. one year.
- It is held primarily for the purpose of being traded.
- It is expected to be realized within twelve months after the reporting date.
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Non-Current Assets

All assets other than current assets are Non- Current Assets

Current Liabilities

A liability has been classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle i.e. one year.
- It is held primarily for the purpose of being traded.
- It is due to be settled within twelve months after the reporting date.
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Non-Current Liabilities

All liabilities other than current liabilities are Non- Current Liabilities.

Operating Cycle for Coal India Limited

As there is no normal Operating cycle the same is considered to be 12 months period.

16. During the financial year 2013-14, a case of misappropriation of Company's fund for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹1.17 Crore approximately.

17. Pursuant to notification no. G.S.R 632 E dated 14.08.2015 issued by the Ministry of Mines (Government of India) regarding formation of National Mineral Exploration Trust Fund u/s 9C of the Mines & Minerals (Development and Regulation) Amendment Act, 2015 (MMDR Act), Company has collected from customers additional royalty @ 2% on royalty amounting ₹ 0.29 Crore upto 31.03.2016 which will be deposited on allotment of code by collecting authority. However, pending notification by the Assam State Government, the provisions of Section 9B of the MMDR Act, 2015 regarding formation of District Mineral Foundation has not been implemented.

STANDALONE (Contd.)

18. Value of imports on CIF basis

(₹ in Crore)

Particulars		For the year ended 31.03.2016	For the year ended 31.03.2015
(i)	Raw Material	NIL	NIL
(ii)	Capital Goods	NIL	46.91
(iii)	Stores, Spares & Components	NIL	46.72

19. Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars		For the year ended 31.03.2016	For the year ended 31.03.2015
(i)	Travelling/Training Expenses	0.28	0.11

20. Earning in Foreign Exchange: NIL

21. Total Consumption of Stores during the year

(₹ in Crore)

Particulars		For the year ended 31.03.2016		For the year ended 31.03.2015	
		Amount	% of total consumption	Amount	% of total consumption
(i)	Imported Materials	NIL	--	0.34	2.02%
(ii)	Indigenous	10.32	100%	16.53	97.98%

22. Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal

(₹ in Crore and Quantity in '000 MT)

	For the year ended 31.03.2016		For the year ended 31.03.2015	
	Qty.	Value	Qty.	Value
Opening Stock	215.22	56.37	174.27	38.14
Production	486.53	257.71	779.02	--
Sales	341.87	163.15	732.90	381.99
Own Consumption	0.01	0.01	0.01	--
Write Off	--	--	5.16	--
Closing Stock	359.87	150.92	215.22	56.37

STANDALONE (Contd.)

23. Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

Loans given and Investments made are given under the respective heads.

Corporate guarantees given by the company in respect of loans as at 31st March, 2016

(₹ in Crore)

Name of the Company	As at 31.03.2016	As at 31.03.2015
1. Eastern Coalfields Limited (Loan taken from Export Development Bank of Canada)	174.14	170.21
2. Mahanadi Coalfields Limited (Loan taken from Liebherr France)	7.77	7.40

24. Significant accounting policy

Significant accounting policy (Note-33) has been suitably modified / re-drafted over previous year, as found necessary to elucidate the accounting policies adopted by the Company.

25. Others

a) Previous year's figures have been regrouped and rearranged wherever considered necessary.

b) Previous year's figures in Note No. 1 to 34 are in brackets.

c) Note 1 to 19 form part of the Balance Sheet as at 31st March, 2016 and 20 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note – 33 represents Significant Accounting Policies and Note – 34 represents Additional Notes on the Accounts.

Signature to Note 1 to 34.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

Annual Accounts 2015-16

(Consolidated CIL & its Subsidiaries)



CONSOLIDATED BALANCE SHEET

As at 31st March, 2016

(₹ in Crore)

			Note No.	As at 31.03.2016		As at 31.03.2015	
I	**EQUITY AND LIABILITIES**						
(1)	**Shareholders' Fund**						
	(a)	Share Capital	1	6,316.36		6,316.36	
	(b)	Reserves & Surplus	2	27,581.24	**33,897.60**	34,036.71	**40,353.07**
(2)	**Share Application money pending allotment**				-		-
(3)	**Non-Current Liabilities**						
	(a)	Long Term Borrowings	3	263.06		201.83	
	(b)	Other Long Term Liabilities	4	4,334.96		3,999.44	
	(c)	Long Term Provisions	5	40,165.53	**44,763.55**	36,511.79	**40,713.06**
(4)	**Minority Interest**				**104.81**		**65.83**
(5)	**Current Liabilities**						
	(a)	Short Term Borrowings	6	929.00		200.11	
	(b)	Trade Payables	7	978.50		920.76	
	(c)	Other Current Liabilities	8	21,521.05		20,596.67	
	(d)	Short Term Provisions	9	8,025.16	**31,453.71**	7,691.96	**29,409.50**
	Total				**110,219.67**		**110,541.46**
II	**ASSETS**						
(1)	**Non-Current Assets**						
	(a)	Fixed Assets					
		i) Tangible Assets - Gross Block	10A	44,443.93		40,951.95	
		Less : Depreciation, Impairment & Provisions		26,917.59		25,605.99	
		Net carrying Value			17,526.34		15,345.96
		ii) Intangible Assets - Gross Block	10A	3,974.21		3,856.03	
		Less : Depreciation, Impairment & Provisions		3,139.78		3,086.95	
		Net carrying Value			834.43		769.08
		iii) Capital Work-in-Progress	10B		3,518.88		3,104.60
		iv) Intangible Assets under Development	10C		2,375.28		2,054.77
	(b)	Non-Current Investments	11		961.98		963.05
	(c)	Deferred Tax Assets (Net)			2,044.54		1,959.62

CONSOLIDATED BALANCE SHEET

As at 31st March, 2016

(₹ in Crore)

		Note No.	As at 31.03.2016		As at 31.03.2015	
(d)	Long Term Loans & Advances	12		2,031.90		1,688.22
(e)	Other Non-Current Assets	13		8,421.41		6,776.65
(2)	**Current Assets**					
(a)	Current Investments	14	1,939.96		1,850.39	
(b)	Inventories	15	7,595.34		6,183.82	
(c)	Trade Receivables	16	11,463.70		8,521.88	
(d)	Cash & Bank Balance	17	38,312.77		47,268.89	
(e)	Short Term Loans & Advances	18	8,278.92		8,826.80	
(f)	Other Current Assets	19	4,914.22	**72,504.91**	5,227.73	**77,879.51**
	Total			**110,219.67**		**110,541.46**
	Significant Accounting Policies	**33**				
	Additional Notes on Accounts	**34**				

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

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

CONSOLIDATED STATEMENT OF PROFIT & LOSS

For the Year Ended 31st March, 2016

(₹ in Crore)

		Note No.	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015
	INCOME				
	Revenue from Operations	20			
A.	Sale of Coal		108,150.03		95,434.76
	Less: Excise Duty		5,429.90	4,863.06	
	Other Statutory Levies		27,075.86	18,557.08	
	Net Sales (A)		75,644.27		72,014.62
B	Other Operating Revenue (Net)		2,365.85		2,105.45
(I)	**Revenue from Operations (A+B)**		78,010.12		74,120.07
(II)	Other Income	21	5,728.45		6,570.64
(III)	**Total Revenue (I+II)**		**83,738.57**		**80,690.71**
(IV)	**EXPENSES**				
	Cost of Materials Consumed	22	7,082.55		7,256.44
	Purchases of Stock-in-Trade		-		-
	Changes in inventories of finished goods/work in progress and Stock in trade	23	(1,444.21)		(530.48)
	Employee Benefits Expenses	24	29,659.83		29,874.12
	Power & Fuel		2,503.51		2,347.28
	Corporate Social Responsibility Expenses	25	1,082.07		298.10
	Repairs	26	1,242.33		1,122.73
	Contractual Expenses	27	11,129.24		8,512.62
	Finance Costs	28	20.65		7.32
	Depreciation/Amortization/ Impairment		2,466.44		2,319.80
	Provisions (Net)	29	1,575.93		963.44
	Write off (Net)	30	127.36		30.36
	Overburden Removal Adjustment		2,811.42		3,826.70
	Other Expenses	31	3,933.81		3,083.36
	Total Expenses		**62,190.93**		**59,111.79**
(V)	**Profit before prior period, exceptional and extraordinary items and Tax**		**21,547.64**		**21,578.92**
(VI)	Prior Period Adjustment {charge/(income)}	32	(41.45)		(5.00)
(VII)	Exceptional Items		-		-
(VIII)	**Profit before Extraordinary Items and Tax**		**21,589.09**		**21,583.92**
(IX)	Extraordinary Items {charges/(income)}		-		-
(X)	**Profit before Tax (VIII-IX)**		**21,589.09**		**21,583.92**

CONSOLIDATED STATEMENT OF PROFIT & LOSS

For the Year Ended 31st March, 2016

(₹ in Crore)

		Note No.	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
(XI)	Less/(Add) : Tax expenses			
	- Current period		7,592.16	7,742.91
	- MAT credit entitlement		(38.71)	(174.62)
	- Deferred Tax		(84.92)	121.86
	- Earlier years		(153.74)	167.15
(XII)	**Profit for the period from continuing operations (X-XI)**		**14,274.30**	**13,726.62**
(XIII)	Profit/(Loss) from discontinuing operations		(0.01)	(0.01)
(XIV)	Tax expenses of discontinuing operations		-	-
(XV)	Profit/(Loss) from discontinuing operations (after Tax) (XIII-XIV)		(0.01)	(0.01)
(XVI)	**Profit for the Period (XII+XV)**		**14,274.29**	**13,726.61**
(XVII)	Less:- Share of Minority		(0.04)	(0.09)
(XVIII)	**Profit for the Group (XVI+XVII)**		**14,274.33**	**13,726.70**
(XIX)	Earnings per share (in ₹)			
	(Face Value of ₹10/- per share)			
	(1) Basic		22.60	21.73
	(2) Diluted		22.60	21.73
	Significant Accounting Policies	33		
	Additional Notes on Accounts	34		

The Notes referred to above form an integral part of Statement of Profit & Loss.

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
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(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

For the year ended 31st March, 2016

(₹ in Crore)

		For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		21,589.12	21,584.00
Adjustment for :			
Depreciation / Impairment of fixed assets		2,458.57	2,322.03
Interest from Bank Deposits		(4,112.65)	(4,933.20)
Finance cost related to financing activity		20.65	7.32
Interest / Dividend from investments		(348.09)	(381.95)
Profit / Loss on sale of fixed assets		(1.73)	(4.97)
Provisions made & write off during the year		1,703.29	993.80
Liability write back during the year		(143.27)	(108.84)
OBR Adjustment made		2,811.42	3,826.70
Operating Profit before Current/Non Current Assets and Liabilities		**23,977.31**	**23,304.89**
Adjustment for :			
Trade Receivables		(2,941.82)	(280.85)
Inventories		(1,411.52)	(615.75)
Short/Long Term Loans/Advances & Other Current Assets		(2,077.95)	(1,609.65)
Short/Long Term Liablities and Provisions		864.62	3,154.94
Cash Generated from Operation		**18,410.64**	**23,953.58**
Income Tax Paid/Refund		(7,012.35)	(9,572.05)
Net Cash Flow from Operating Activities	(A)	**11,398.29**	**14,381.53**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(5,445.13)	(4,901.40)
Investment in Bank Deposit		8,878.05	(452.87)
Change in investments		(88.50)	961.46
Interest pertaining to Investing Activities		4,679.68	4,887.95
Interest / Dividend from investments		354.83	399.16
Net Cash from Investing Activities	(B)	**8,378.93**	**894.30**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(6.60)	(6.31)
Short Term Borrowings		728.89	199.79
Interest & Finance cost pertaining to Financing Activities		(20.65)	(7.32)
Receipt of Shifting & Rehabilitation Fund		273.22	384.39
Dividend & Dividend Tax		(20,830.15)	(15,596.26)
Net Cash used in Financing Activities	(C)	**(19,855.29)**	**(15,025.71)**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)		**(78.07)**	**250.12**
Cash & Bank Balance (opening balance)		**9,689.25**	**9,439.13**
Cash & Bank Balance (closing balance)		**9,611.18**	**9,689.25**

(All figures in bracket represent outflow.)

As per our report annexed
For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 1 : SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
Authorised		
(i) 8,00,00,00,000 Equity Shares of ₹10/- each	8,000.00	8,000.00
(ii) 90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹1000/- each	904.18	904.18
Total	**8,904.18**	**8,904.18**
Issued, Subscribed and Paid-up		
6,31,63,64,400 Equity Shares of ₹10/- each	6,316.36	6,316.36
Total	**6,316.36**	**6,316.36**

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

Name of Shareholder	No.of Shares Held (Face value of ₹10 each)	% of Total Shares
Hon'ble President of India	503,09,70,582 (503,10,53,686)	79.649 (79.65)
Life Insurance Corporation of India	36,43,17,692 (45,76,19,536)	5.77 (7.24)

2 During the year there is no change in the number of shares.

3 Listing of shares of Coal India Ltd. In Stock Exchange.

The shares of Coal India Ltd. is listed in two major stock exchanges of India, viz. Bombay Stock Exchange and National Stock Exchange on and from 4th November,2010.
The details of disinvestment of shares by Govt. of India is furnished below:

Sl. No.	Financial year of Disinvestment	% of shares disinvested	No. of shares disinvested	Mode
1	2010-11	10.00%	63,16,36,440	IPO
2	2013-14	0.35%	2,20,37,834	CPSE-ETF
3	2014-15	10.00%	63,16,36,440	OFS
4	2015-16	0.001%	83,104	CPSE-ETF

Hence, the number of shares held by Govt. of India as on 31.03.2016 stood at 5,03,09,70,582 i.e. 79.649% of the Total share capital.

4. The Company has only one class of equity shares having a face value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 2 : RESERVES & SURPLUS

(₹ in Crore)

		As at 31.03.2016	As at 31.03.2015
RESERVES :			
A	**Capital Reserve**		
	As per last Balance Sheet	9.74	12.60
	Add: Addition during the period	10.04	0.27
	Less: Adjustment During the period	1.60	3.13
	Total (A)	**18.18**	**9.74**
B	**Capital Redemption Reserve**		
	As per last Balance Sheet	1,808.36	1,808.36
	Add: Addition during the period	-	-
	Less: Adjustment During the period	-	-
	Total (B)	**1,808.36**	**1,808.36**
C	**Reserve for Foreign Exchange Transactions**		
	As per last Balance Sheet	-	-
	Add: Addition during the period	-	-
	Less: Transfer to surplus in statement of Profit & Loss (Appropriation)	-	-
	Total (C)	**-**	**-**
D	**CSR Reserve**		
	As per last Balance Sheet	-	370.92
	Add: Addition during the period	-	-
	Less: Transfer to General Reserve (utilisation)	-	370.92
	Total (D)	**-**	**-**
E	**Sustainable Development Reserve**		
	As per last Balance Sheet	-	42.47
	Add: Addition during the period	-	-
	Less: Transfer to General Reserve (utilisation)	-	42.47
	Total (E)	**-**	**-**
F	**General Reserve**		
	As per last Balance Sheet	21,511.02	18,378.14
	Add: Transfer from Profit & Loss Account	1,628.51	2,578.50
	Add: Transfer from CSR Reserve	-	370.92
	Add: Transfer from Sustainable Development Reserve	-	42.47
	Add/(Less): Adjustment for Deferred Tax	-	140.99
	Add: Transfer from Foreign Exchange Reserve	-	-
	Total (F)	**23,139.53**	**21,511.02**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 2 : RESERVES & SURPLUS (Contd.)

(₹ in Crore)

		As at 31.03.2016	As at 31.03.2015
G	**Surplus in statement of Profit & Loss**		
	As per last Balance Sheet	10,754.00	15,515.36
	Less: Adjustment for depreciation impact	7.77	410.13
	Add: Profit after Tax During the period	14,274.33	13,726.70
	Profit available for Appropriation	**25,020.56**	**28,831.93**
	APPROPRIATION		
	Transfer to General Reserve	1,628.51	2,578.50
	Transfer to CSR Reserve	-	-
	Transfer to Sustainable Development Reserve	-	-
	Interim Dividend	17,306.84	13,074.88
	Corporate Dividend Tax	3,433.85	2,424.55
	Total (G)	**2,651.36**	**10,754.00**
H	**Miscellaneous Expenditure**		
	(to the extent not written off)		
	Preliminary Expenses	1.54	1.53
	Pre-Operational Expenses	34.60	44.84
	Total (H)	**36.14**	**46.37**
	Sub -Total (A+B+C+D+E+F+G-H) :	**27,581.29**	**34,036.75**
I	**Reserves & Surplus of Joint Ventures**		
	Surplus / (Deficit), as per last balance sheet.	(0.04)	(0.04)
	Adjustment for earlier years	(0.01)	
	Sub -Total	**(0.05)**	**(0.04)**
	Total	**27,581.24**	**34,036.71**

1 Corporate Social Responsibility Reserve

The amount spent on CSR activity is higher than the minimum requirement in the Companies Act, 2013 and hence no reserve is created.

2 Preliminary Expenses

Preliminary Expenses of ₹1.54 Crore is in respect of the Subsidiaries of Mahanadi Coalfields Limited, and Pre-Operational Expenses of ₹ 34.60 Crore is in respect of Coal India Africana Limitada, Mozambique.

3 Interim Dividend

During the year the company has paid interim dividend of ₹27.40 (₹ 20.70) per equity share of face value of ₹ 10/- each for the year 2015-16 amounting to ₹17306.84 crore (₹13704.88 crore).

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 3 : LONG TERM BORROWING

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
Term Loan		
Export Development Corp., Canada	168.00	164.33
Liebherr France S.A., France	7.21	6.90
IRCON International Ltd.	63.92	30.60
Chattisgarh State Infrastructure Development Corpn Ltd.	23.93	-
Total	**263.06**	**201.83**
Classification 1		
Secured	87.85	30.60
Unsecured	175.21	171.23
CLASSIFICATION 2		
1 Loan Guaranteed by Directors & Others		
Particulars of Loan	**Amount in ₹ Crores**	**Nature of Guarantee**
Export Development Corp., Canada	168.00	Guarantee executed by the President of India
Liebherr France S.A., France	7.21	The GOI provided an irrevocable and un-conditional guarantee in relation to all our payment obligations.

Current maturities of these long term borrowing are shown under note-8 for ₹ 6.14 Crore and ₹ 0.56 Crore in respect of EDC, Canada and Liebherr France S.A., France loan, which are also guaranteed as above.

Repayment Schedule:
Export Development Corp. Canada: Repayment of instalments is made semi-annually i.e. on January 31 and on July 31. Liebherr France S.A. France: Repayment under these loan facilities will be completed on September 30, 2028 and September 30, 2030.

2 **Loan from IRCON International Ltd:** The subsidiary companies of SECL M/s Chattisgarh East Railway Limited (CERL) & M/s Chattisgarh East-West Railway Limited (CEWRL) has taken loan from IRCON International Ltd amounting to ₹ 39.00 crore (₹ 30.00 crore) and ₹ 19.50 crore (₹ 0.00 crore), which are secured by first charge on all infrastructures to be created/developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding 5 years from the date of signing of Loan Agreement.Interest due as on Balance sheet date are ₹ 5.03 crore (₹ 0.60 crore) & ₹ 0.39 crore (₹ Nil) for CERL & CEWRL respectively. Rate of interest are @12%p.a with compounding at quaterly rest.

3 **Loan from CSIDCL:** The subsidiary companies of SECL M/s Chattisgarh East Railway Limited (CERL) & M/s Chattisgarh East-West Railway Limited (CEWRL) has taken loan from CSIDCL amounting to ₹15.00 crore (₹ 0.00 crore) and ₹ 7.50 crore (₹ 0.00 crore), which are secured by first charge on all infrastructures to be created/developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding 5 years from the date of signing of Loan Agreement. Interest due as on Balance sheet date are ₹ 1.25 crore (₹ 0.00 crore) & ₹ 0.18 crore (₹ Nil) for CERL & CEWRL respectively. Rate of interest are @12%p.a with compounding at quaterly rest.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 4 : OTHER LONG TERM LIABILITIES

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Shifting & Rehabilitation Fund				
Opening balance	2,904.44		2,520.05	
Add: Interest from investment of the fund (Net of TDS)	267.01		222.73	
Add: Contribution received	319.15		297.42	
Less: Amount released	312.94		135.76	
		3,177.66		**2,904.44**
Security Deposits		**566.71**		**575.06**
Others		**590.59**		**519.94**
Total		**4,334.96**		**3,999.44**

1 **Shifting and Rehabilitation Fund**

Following the direction of the Ministry of Coal the company has setup a fund for implementation of action plan for shifting & rehabilitation dealing with fire & stabilization of unstable areas of Eastern Coal Fields Ltd. & Bharat Coking Coal Ltd. The fund is utilized (by ECL and BCCL) based on implementation of approved projects in this respect. The subsidiaries of CIL [except CMPDIL and Coal India Africana Limitada] are making a contribution of ₹ 6/- per tonne of their respective coal despatch per annum to this fund, which remains in the custody of CIL, till they are disbursed/utilised by subsidiaries/agencies implementing the relevant projects.

2 **Others**

This includes cess on Coal of Mahanadi Coalfields Limited including principal of ₹ 8.40 Crore (net of payments) and interest of ₹ 9.47 Crore (net of payments) against receipts from Government of Orissa in the year 2005-06, as per directive of Hon'ble Supreme Court judgement dated 31.7.2001. The money is refundable to the customers. During the year, the Company has provided interest of ₹1.01 Crore (₹1.01 Crore) calculated at the rate of 12% for the unpaid principal amount of the Cess liability. The Total liability thus included therein becomes ₹ 28.50 Crore (₹ 27.49 Crore) as at 31.03.2016. The Company has not identified the customers / parties to whom the refund is to be made. Finalisation of modalities for refunding the same to the customers / parties is yet to be done.

This also includes ₹ 536.60 Crore (₹ 474.39 Crore) of South Eastern Coalfields Ltd., relating to amount realized from customers and employees on account of cases pending before various courts/ arbitration with interest earned on bank deposits related to such liabilities.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 5 : LONG TERM PROVISIONS

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
For Employee benefits		
- Gratuity	66.49	381.34
- Leave encashment	2,751.10	2,757.32
- Other employee benefits	1,534.05	1,343.00
OBR Adjustment Account	31,452.83	28,641.41
Mine closure	4,360.44	3,388.10
Others	0.62	0.62
Total	**40,165.53**	**36,511.79**

Provision for Mine Closure

Following the guidelines from Ministry of Coal, GOI for preparation of mine closure plan a provision is made in the accounts. Such provision is made as per CMPDIL's (a subsidiary of Coal India Ltd.) technical assessment wherever available. Otherwise the same is provided considering the cost at a standard rate of ₹ 6.00 lakhs per hectare for OCP and ₹ 1.00 lakh per hectare for UG mines as outlaid in the aforesaid guidelines and the pro-rata yearly provision is further compounded by 5% from the year following which the same is started.

As per the above guidelines escrow account has been opened by CIL & in respect of most of the projects of its subsidiary companies.Balance in the said account is ₹ 4257.81 Crore (₹3256.63 Crore) & ₹ 129.84 Crore (₹ 108.60 Crore) has been seperately disclosed in Note 13 & 17 respectively.

OBR Adjustment Account does not include any adjustment for Gare Palma IV/2 &3 mine for which Coal India Limited has been appointed as custodian (through SECL)akin to a designated custodian w.e.f. 01.04.2015

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 6 : SHORT TERM BORROWING

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
Loan from bank	929.00	-
Loans repayable on demand	-	-
Overdraft against pledge of Term Deposit	-	200.10
Sub - Total	**929.00**	**200.10**
Short Term Borrowing of Joint Ventures		
Other loans and advances	-	0.01
Sub - Total	**-**	**0.01**
Total	**929.00**	**200.11**
CLASSIFICATION		
Secured	929.00	200.10
Unsecured	-	0.01

1 **Cash Credit**

Pending finalisation of formalities for transfer of assets and liabilities of erstwhile Coal Mine Authorities Ltd. and its divisions, now Coal India Ltd, the bank borrowings of Coal India Ltd. has been secured by creating charge against stock of coal, stock of stores and spare parts and book debts and other assets of CIL and its Subsidiary Companies.

The total working capital credit available to CIL is ₹ 550.00 Crore, out of which fund based limit is ₹250.00 Crore. The balance ₹ 300.00 Crore limit is non-fund based and Coal India Limited is contingently liable to the extent such facility is actually utilised by the Subsidiaries. There is no credit balance in the Cash Credit account.

2 Details of Loan from Bank (Central Coalfields Limited)

Name of Bank	**FD Amount**	**Loan Amount**
Andhra Bank (FD No. 47820100065217)	312.00	283.50
Bank of India (FD No. 490045110007578)	285.00	285.00
Bank of Baroda (FD No. 170300016047)	80.00	63.50
Syndicate Bank (FD No. 7520/458/28(1))	285.00	166.18
Oriental Bank of Commerce (FD No. 00033091000666)	128.00	116.33
Oriental Bank of Commerce (FD No. 00033091000710)	16.00	14.49
Total	**1106.00**	**929.00**

NOTE - 7

(₹ in Crore)

TRADE PAYABLES

	As at 31.03.2016	As at 31.03.2015
Dues to :		
Micro, Small & Medium enterprises	108.43	105.17
Others	870.07	815.59
Total	**978.50**	**920.76**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 8 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Current Maturities of Long Term Borrowings				
Term Loan From Export Development Corp., Canada		6.14		5.88
Term Loan From Liebherr France S.A., France		0.56		0.50
For Capital Expenses		1,297.16		1,162.56
For Expenses				
Salary Wages & Allowances	2,126.34		2,159.97	
Power & Fuel	409.49		381.97	
Others	2,932.34	5,468.17	2,611.14	5,153.08
Statutory Dues				
Sales Tax/Vat	152.54		131.37	
Provident Fund & Pension Fund	443.51		427.70	
Central Excise Duty	52.62		64.51	
Royalty & Cess on Coal	597.85		610.77	
Stowing Excise Duty	128.51		121.09	
Clean Energy Cess	2,514.70		919.13	
Additional Royalty	505.19		-	
Other Statutory Levies	802.13		1,078.88	
Income Tax deducted at Source	264.49	5,461.54	251.17	3,604.62
Security Deposits		882.95		705.49
Earnest Money		285.34		327.17
Advance from Customers**		5,171.32		6,983.53
Interest accrued but not due on borrowings		10.06		-
Cess Equilisation Account		1,521.54		1,410.51
Current account with IICM		186.85		177.61
Unpaid dividend*		7.79		12.34
Interim dividend		24.82		-
Others liabilities		1,196.29		1,051.51
Sub- Total		**21,520.53**		**20,594.80**
Other Current Liabilities of Joint Ventures				
For Expenses		-		0.01
Others liabilities		0.52		1.86
Sub- Total		**0.52**		**1.87**
Total		**21,521.05**		**20,596.67**

*No amount is due for payment to Investor Education & Protection Fund

** Includes Advances of ₹ 30.53 Crores for Coal Import.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE - 8 (Contd.)

1 Current Maturities of Long Term Borrowings : Refer Note 3

2 Current Account with IICM

Current account balance with Indian Institute of Coal Management (IICM) represents the fund accumulated by receiving ₹ 0.50 per tonne of productions of NEC and the subsidiaries, net of expenditure made / fund remitted on behalf of IICM. During this period total contribution received from NEC and the subsidiaries on this account amounted to ₹26.82 Crore. Further ₹ 15.78 Crore (net) were remitted to IICM during the period; and hire charges/ lease rent recovered from IICM amounted to ₹ 1.80 crore (excluding service tax applicable thereon).

3 In the process of making payment of cess by Eastern Coalfields Limited on the annual value of coal bearing land based on average production of preceding two years valuing at a rate prevailing as on 1st April of each year and realization made from customers on the value of despatches of coal, considering the sale price prevailing on 31st March of the previous financial year, there remains a balance accumulating to ₹ 1521.54 crore (₹ 1410.51 crore), which has been shown under Cess Equalisation Account.

4 Other Statutory levies includes Bazaar fee amounting to ₹ 156.51 Cr. As on 31.03.2016 (₹ 200.01 Cr.) which is related to liability accrued during the period from Jan-March 2016 and unrealised amount of Bazaar fee from DVC (₹ 75.01 Cr) & SAIL (₹70.87 Cr). Realised amount of Bazaar Fee upto 31.12.2015 amounting to ₹ 269.44 Cr has been released to Mining Area Development Authority (MADA).

5 In Bharat Coking Coal Limited, revised agreement in respect of price of rejects and power tariff with DLF is not yet finalized. However, interest receivable/payable at this stage is not accounted for. The matter is also pending before Dhanbad Court and Appellate Tribunal for Electricity New Delhi. However, interest due to delay in payment to DLF has been provisionally determined at ₹23.57 Crore (₹21.51 Crore) upto 31.03.2016.

6 By virtue of enactment of Cess and Other Taxes on Mineral Validation Act, 1992, Western Coalfields Limited & Central Coalfields Limited raised supplementary bills on customers' upto 4.4.1991. An amount of ₹ 103.29 Crore (Previous Year ₹ 103.29 Crore) has been shown as liability for Cess on Royalty under the head Other Current Liabilities. In view of the judgment of Hon'ble High Court, Patna and Ranchi Bench, in writ petition No. CWJC/1280 of 1992, the said Cess is not payable. However, a Special Leave Petition is pending in Supreme Court against it.

NOTE 9 : SHORT TERM PROVISIONS

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
For Employee Benefits		
- Gratuity	814.70	871.59
- Leave Encashment	360.53	365.16
- Exgratia	1,482.12	1,257.66
- Performance Related Pay	3,116.09	3,237.03
- Other Employee Benefits	1,586.97	1,409.09
For Corporate Dividend Tax	-	89.46
For Excise Duty on Closing Stock of Coal	532.77	395.15
For Mine closure	130.07	62.18
Others	1.91	4.64
Total	**8,025.16**	**7,691.96**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE10A : FIXED ASSETS

(₹ in Crore)

PARTICULARS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS & PROVISION				Total Depreciation, Impairment Loss & Provision	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Tangible Assets															
Land															
(a) Freehold	318.30	97.72	(49.36)	366.66	0.01	-	-	0.01	-	-	-	-	0.01	366.65	318.29
(b) Others	5,366.80	1,566.03	45.33	6,978.16	1,715.30	274.66	(0.17)	1,989.79	-	-	-	-	1,989.79	4,988.37	3,651.50
Building/Water Supply/Road & Culverts	4,256.28	428.89	(0.39)	4,684.78	2,014.64	127.51	0.65	2,142.80	3.92	-	-	3.92	2,146.72	2,538.06	2,237.72
Plant & Equipments	27,973.12	2,196.12	(733.83)	29,435.41	19,473.18	1,792.39	(660.09)	20,605.48	102.40	0.01	(3.49)	98.92	20,704.40	8,731.01	8,397.54
Telecommunication	219.49	41.61	(9.57)	251.53	139.99	18.93	(6.36)	152.56	-	-	-	-	152.56	98.97	79.50
Railway Sidings	478.83	41.93	(0.49)	520.27	352.74	21.13	0.29	374.16	0.10	-	-	0.10	374.26	146.01	125.99
Furniture & Fixtures/ Office Tools & Equipments/ Electrical Fittings/ Fire Arms	480.72	161.40	0.21	642.33	366.52	48.29	(5.53)	409.28	2.67	0.04	-	2.71	411.99	230.34	111.53
Vehicle	278.95	28.64	(8.63)	298.96	223.67	11.58	(7.96)	227.29	0.02	-	-	0.02	227.31	71.65	55.26
Aircraft	19.95	-	-	19.95	17.65	-	-	17.65	1.72	-	-	1.72	19.37	0.58	0.58
Development	918.51	26.21	3.54	948.26	698.93	19.70	(9.82)	708.81	65.98	5.19	1.12	72.29	781.10	167.16	153.60
Assets taken on Nationalisation	28.70	-	-	28.70	27.81	-	-	27.81	-	-	-	-	27.81	0.89	0.89
Total Tangible Assets	**40,339.65**	**4,588.55**	**(753.19)**	**44,175.01**	**25,030.44**	**2,314.19**	**(688.99)**	**26,655.64**	**176.81**	**5.24**	**(2.37)**	**179.68**	**26,835.32**	**17,339.69**	**15,132.40**
Tangible Assets As on 31.03.2015	37,175.70	3,946.04	(782.09)	40,339.65	23,139.58	2,229.77	(338.91)	25,030.44	172.95	3.02	0.84	176.81	25,207.25	15,132.40	13,863.17
Tangible Assets of Joint Ventures															
Plant & Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures/ Office Tools & Equipments/ Electrical Fittings/ Fire Arms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Tangible Assets of Joint Ventures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE10A : FIXED ASSETS (Contd.)

(₹ in Crore)

PARTICULARS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT LOSS & PROVISION				Total Depreciation, Impairment Loss & Provision	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Tangible Assets of Joint Ventures As on 31.03.2015	0.02	-	(0.02)	-	-	-	-	-	-	-	-	-	-	-	0.02
Total Consolidated Tangible Assets	**40,339.65**	**4,588.55**	**(753.19)**	**44,175.01**	**25,030.44**	**2,314.19**	**(688.99)**	**26,655.64**	**176.81**	**5.24**	**(2.37)**	**179.68**	**26,835.32**	**17,339.69**	**15,132.40**
Total Consolidated Tangible Assets As on 31.03.2015	37,175.72	3,946.04	(782.11)	40,339.65	23,139.58	2,229.77	(338.91)	25,030.44	172.95	3.02	0.84	176.81	25,207.25	15,132.40	13,863.19
Surveyed off Assets	**612.30**	**28.78**	**(372.16)**	**268.92**	**-**	**-**	**-**	**-**	**398.74**	**51.92**	**(368.39)**	**82.27**	**82.27**	**186.65**	**213.56**
Surveyed off Assets As on 31.03.2015	582.36	35.95	(6.01)	612.30	-	-	-	-	392.90	2.22	3.62	398.74	398.74	213.56	189.46
Grand Total Tangible Assets	**40,951.95**	**4,617.33**	**(1,125.35)**	**44,443.93**	**25,030.44**	**2,314.19**	**(688.99)**	**26,655.64**	**575.55**	**57.16**	**(370.76)**	**261.95**	**26,917.59**	**17,526.34**	**15,345.96**
Grand Total Tangible Assets As on 31.03.2015	37,758.08	3,981.99	(788.12)	40,951.95	23,139.58	2,229.77	(338.91)	25,030.44	565.85	5.24	4.46	575.55	25,605.99	15,345.96	14,052.65
Intangible Assets															
Computer Software	10.22	6.31	-	16.53	5.69	3.46	-	9.15	-	-	-	-	9.15	7.38	4.53
Development	3,331.04	191.72	(101.71)	3,421.05	2,155.43	53.50	(52.07)	2,156.86	530.76	39.83	(2.44)	568.15	2,725.01	696.04	644.85
Prospecting & Boring	514.77	35.14	(13.28)	536.63	317.18	16.47	(6.80)	326.85	77.89	1.74	(0.86)	78.77	405.62	131.01	119.70
Total	**3,856.03**	**233.17**	**(114.99)**	**3,974.21**	**2,478.30**	**73.43**	**(58.87)**	**2,492.86**	**608.65**	**41.57**	**(3.30)**	**646.92**	**3,139.78**	**834.43**	**769.08**
Intangible Assets As on 31.03.2015	3,721.38	166.39	(31.74)	3,856.03	2,403.36	101.22	(26.28)	2,478.30	586.28	20.55	1.82	608.65	3,086.95	769.08	731.74

NOTES TO THE ACCOUNTS - CONSOLIDATED

Note:

1 Title deeds for land acquired, in some cases, have not been executed in favour of the company and mutation in certain cases are yet to be executed.

2 Land- Others also includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984.

3 As per last accounts, land in possession of North Eastern Coalfields, Margherita, Assam included 8069.70 hectares of leasehold land for which no value was shown. A reconciliation was carried out during the year and actual land area was found to be 5558.23 hectares after deducting the leasehold area of 2500 hectares which was not renewed by Meghalaya Govt. in the earlier years and some other adjustments of 11.47 hectares and reconciliation is under process for 137.46 hectares of land with the existing records for which Hon'ble High Court of Guwahati in RFA No. 17/2004 has given verdict in favour of NEC vide court order dated 25.08.2015. Further, no value is recorded in the books for freehold land of 935.51 hectares.

4 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.

5 The transfer formalities from the Holding Company and other subsidiaries have not been completed and consequently some documents continue to be held in the name of the Holding Company and other subsidiaries.

6 Fixed assets comprising plant & machinery and related building and other assets having written down value as on 31.03.2016 of ₹13.01 crore have been let out to Indian Institute of Coal Management, a registered society under Societies Registration Act, 1860 for an annual lease rent of ₹1.80 crore under cancellable operating lease agreement.

7 Furniture & Fixtures/Office Tools & Equipments/Electrical Fittings/Fire Arms :

The figures of office equipments included in the above head of fixed assets could not be segregated as per requirements of Scedule III of Companies Act, 2013 due to presence of some old balances appearing as clubbed figure as per previous Schedule VI format.

8 Depreciation has been provided as per Schedule II of the Companies Act, 2013. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life applicable as per Schedule II of the Companies Act, 2013 for the un-segregated class of asset.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE - 10 B : CAPITAL WORK IN PROGRESS

(₹ in Crore)

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Tangible Assets															
Building/Water Supply/ Road & Culverts	669.69	407.97	(453.34)	624.32	22.18	0.91	(0.39)	22.70	0.04	-	-	0.04	22.74	601.58	647.47
Plant & Equipments	2,151.42	1,032.99	(918.00)	2,266.41	91.65	14.33	(3.95)	102.03	8.02	9.87	-	17.89	119.92	2,146.49	2,051.75
Railway Sidings	240.00	76.04	(3.46)	312.58	48.65	3.85	(0.33)	52.17	-	-	-	-	52.17	260.41	191.35
Development	147.59	311.85	(25.44)	434.00	33.61	2.50	(0.03)	36.08	3.14	4.35	(1.12)	6.37	42.45	391.55	110.84
Others	105.34	192.16	(176.32)	121.18	1.33	0.07	(0.06)	1.34	0.94	0.05	-	0.99	2.33	118.85	103.07
Total Tangible Assets	**3,314.04**	**2,021.01**	**(1,576.56)**	**3,758.49**	**197.42**	**21.66**	**(4.76)**	**214.32**	**12.14**	**14.27**	**(1.12)**	**25.29**	**239.61**	**3,518.88**	**3,104.48**
Tangible Assets As on 31.03.2015	2,839.37	1,718.92	(1,244.25)	3,314.04	185.91	15.52	(4.01)	197.42	11.16	1.92	(0.94)	12.14	209.56	3,104.48	2,642.30
Tangible Assets of Joint Ventures	**0.12**	**-**	**(0.12)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.12**
Tangible Assets of Joint Ventures As on 31.03.2015	4.72	-	(4.60)	0.12	-	-	-	-	-	-	-	-	-	0.12	4.72
Total Consolidated Tangible Assets	**3,314.16**	**2,021.01**	**(1,576.68)**	**3,758.49**	**197.42**	**21.66**	**(4.76)**	**214.32**	**12.14**	**14.27**	**(1.12)**	**25.29**	**239.61**	**3,518.88**	**3,104.60**
Total Consolidated Tangible Assets As on 31.03.2015	2,844.09	1,718.92	(1,248.85)	3,314.16	185.91	15.52	(4.01)	197.42	11.16	1.92	(0.94)	12.14	209.56	3,104.60	2,647.02

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE - 10 C : INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

PARTICULARS	COST				PROVISION				IMPAIRMENT LOSS				Total Provision & Impairment Loss	NET CARRYING VALUE	
	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16	As on 01.04.15	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.16		As on 31.03.16	As on 31.03.15
Intangible Assets															
Software	4.74	-	(4.74)	-	-	-	-	-	-	-	-	-	-	-	4.74
Development	900.90	235.71	(257.74)	878.87	13.86	0.84	(3.81)	10.89	29.66	8.34	(2.48)	35.52	46.41	832.46	857.38
Prospecting & Boring	1,200.42	391.50	(42.78)	1,549.14	6.39	(0.27)	(1.18)	4.94	1.38	-	-	1.38	6.32	1,542.82	1,192.65
Total	**2,106.06**	**627.21**	**(305.26)**	**2,428.01**	**20.25**	**0.57**	**(4.99)**	**15.83**	**31.04**	**8.34**	**(2.48)**	**36.90**	**52.73**	**2,375.28**	**2,054.77**
Intangible Assets (As on 31.03.2015)	1,720.64	515.69	(130.27)	2,106.06	22.24	0.28	(2.27)	20.25	29.61	1.78	(0.35)	31.04	51.29	2,054.77	1,668.79

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 11 : NON CURRENT INVESTMENTS

(₹ in crores)

	No. of shares/units	FV per share	Total value	
	As on 31.03.2016	As on 31.03.2015	31.03.2016	31.03.2015
Investment in Co-operative shares (unquoted)				
Ramgarh Karanpura Coalfield Colliery Workers Central Cooperative Stores Ltd.	100 (100)	25 (25)	-	-
"B" class shares in Coal Mines Officers Cooperative Credit Society Ltd.	500 (500)	1000 (1000)	0.05	0.05
"D" class shares in Dishergarh Colly Worker's Central Co-opt Store Ltd.	1000 (1000)	100 (100)	0.01	0.01
Shares of Rs 25/- each in the Mugma Coalfield Colly Worker's Central Co-opt Store Ltd	4000 (4000)	25 (25)	0.01	0.01
"B" class shares in Sodepur Colly Employee's Co-opt Credit Society Ltd.	500 (500)	100 (100)	0.005	0.005
"B" class shares in Dhenomain Colly. Employees' Co-opt Credit Society Ltd.	500 (500)	100 (100)	0.005	0.005
Consumer Cooperative Societies Ltd Baikunthpur	250 (250)	10 (10)	-	-
Sub Total (A)			**0.08**	**0.08**
Non Trade Investments (quoted)				
7.55 % Secured Non convertible IRFC Tax free 2021 series 79 bonds	20000 (20000)	100000 (100000)	200.00	200.00
8% Secured Non convertible IRFC bonds Tax free	1087537 (1087537)	1000 (1000)	108.75	108.75
7.22 % Secured Non convertible IRFC bond Tax free	4999 (4999)	1000100 (1000100)	499.95	499.95
7.22 % Secured Redeemable REC bond Tax free	1500000 (1500000)	1000 (1000)	150.00	150.00
Sub Total (B)			**958.70**	**958.70**
Equity Shares in Joint Venture Companies (Unquoted)				
ICVL Mauritus (510127.65 shares @ $1 each)			3.20	4.27
Sub Total (C)			**3.20**	**4.27**
Total (A+B+C)			**961.98**	**963.05**
Market Value of Quoted Investment			**993.69**	**978.68**
Provision made for diminution in the value of Investment			-	-

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 12 : LONG TERM LOANS & ADVANCES

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Advances				
For capital				
- Secured considered good	70.79		69.66	
- Unsecured considered good	1,469.85		1,140.50	
- Doubtful	9.32		15.40	
	1,549.96		1,225.56	
Less : Provision for doubtful advances	9.32	1,540.64	15.40	1,210.16
For revenue				
- Secured considered good	-		-	
- Unsecured considered good	83.11		100.25	
- Doubtful	2.29		3.96	
	85.40		104.21	
Less :Provision for doubtful advances	2.29	83.11	3.96	100.25
Security deposits				
- Secured considered good	-		-	
- Unsecured considered good	2.34		7.39	
- Doubtful	1.52		1.52	
	3.86		8.91	
Less : Provision for doubtful loans and advances	1.52	2.34	1.52	7.39
Security Deposit for utilities				
- Secured considered good	-		-	
- Unsecured considered good	353.06		328.99	
- Doubtful	2.58		3.44	
	355.64		332.43	
Less :Provision for doubtful deposits	2.58	353.06	3.44	328.99
Other Advances				
Loan to employees				
For House Building				
- Secured considered good	32.91		40.92	
- Unsecured considered good	-		-	
- Doubtful	0.01		0.01	
	32.92		40.93	
Less : Provision for doubtful advances	0.01	32.91	0.01	40.92
For Motor Car and other conveyance				
- Secured considered good	0.35		0.41	
- Unsecured considered good	-		-	
- Doubtful	-		-	
	0.35		0.41	
Less : Provision for doubtful advances	-	0.35	-	0.41
For Others				
- Secured considered good	-		-	
- Unsecured considered good	19.49		0.10	
- Doubtful	0.34		0.24	
	19.83		0.34	
Less : Provision for doubtful advances	0.34	19.49	0.24	0.10
Total		**2,031.90**		**1,688.22**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 13 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Exploratory drilling work (for Eastern Coalfields Ltd)				
- Secured considered good	-		-	
- Unsecured considered good	-		-	
- Doubtful	78.34		108.09	
	78.34		108.09	
Less: Provision	78.34	-	108.09	-
Deposit in Escrow account under MCP		4,257.81		3,256.63
Receivable for Mine Closure Expenses		84.36		29.25
Deposit accounts under Shifting & Rehabilitation Fund scheme		3,047.73		2,567.00
Other Receivables				
- Secured considered good	-		-	
- Unsecured considered good	1,031.51		923.77	
- Doubtful	11.92		16.56	
	1,043.43		940.33	
Less: Provision	11.92	1,031.51	16.56	923.77
Total		8,421.41		6,776.65
CLASSIFICATION				
Secured		-		-
Unsecured - Considered Good		8,421.41		953.02
- Considered Doubtful		90.26		124.65

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 14 : CURRENT INVESTMENTS (UNQUOTED) AT COST

	No: of Units	NAV/FV per unit (in ₹)	Amount (₹ in Crore)	
	As at 31.03.2016	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
NON-TRADE INVESTMENTS				
BOI AXA Mutual fund	1028632.478 (243069.170)	1002.65 (1002.65)	103.13	24.36
Canara robeco Mutual fund	711832.567 (1383825.708)	1005.50 (1005.50)	71.57	139.15
SBI Mutual Fund	11221351.782 (9888548.470)	1003.25 (1003.25)	1125.78	992.06
Union KBC Mutual fund	668499.775 (825756.030)	1000.65 (1000.65)	66.88	82.64
UTI Mutual Fund	5616635.396 (3918338.282)	1019.45 (1019.45)	572.60	399.46
Sub Total (A)			**1939.96**	**1637.67**
TRADE INVESTMENTS				
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) : Uttar Pradesh	- (2)	- (165000.00)	-	0.03
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) :Uttar Pradesh	- (2)	- (69280000.00)	-	13.86
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) :Uttar Pradesh	- (80900)	- (1000)	-	8.09
8.5% Tax Free Special Bonds (fully paid up)(on securitization of sundry debtors) :Uttar Pradesh	- (2)	- (57280000.00)	-	11.46
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) : Haryana	- (13330)	- (1000)	-	1.33
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) : Maharastra	- (567190)	- (1000)	-	56.71
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) :West Bengal	- (113160)	- (1000)	-	11.32
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) : Madhya Pradesh	- (747710)	- (1000)	-	74.77
8.5% Tax Free Special Bonds (fully paid up) (on securitization of sundry debtors) :Gujarat	- (351480)	- (1000)	-	35.15
Sub Total (B)			**-**	**212.72**
Total (A + B)			**1939.96**	**1850.39**
Market Value of Quoted Investment			-	-
Provision made for diminution in the value of Investment			-	-

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 15 : INVENTORIES

(₹ in Crore)

		As at 31.03.2016		As at 31.03.2015	
	Stock of Coal	6,625.36		5,164.13	
	Coal Under Development	-		8.20	
		6,625.36		5,172.33	
	Less : Provision	462.82		460.17	
A	**Stock of Coal (Net)**		**6,162.54**		**4,712.16**
	Stock of Stores & Spares (at cost)	1,432.54		1,442.73	
	Stores-in-Transit	47.09		65.93	
		1,479.63		1,508.66	
	Less : Provision	267.66		263.49	
B	**Net Stock of Stores & Spares (at cost)**		**1,211.97**		**1,245.17**
	Workshop Jobs				
	Work-in-progress and Finished Goods	190.60		197.49	
	Less : Provision	1.57		1.57	
C	**Net Stock of Workshop Jobs**		**189.03**		**195.92**
D	**Press**				
	Work-in-Progress and Finished Goods		**0.99**		**0.97**
E	**Stock of Medicine at Central Hospital**		**3.93**		**2.72**
F	**Prospecting & Boring/ Development Exp./Coal Blocks meant for Sale**		**26.88**		**26.88**
	Total (A + B + C + D + E + F)		**7,595.34**		**6,183.82**

Note: In Amgaon Mine of Bishrampur area & Jampali Mine of Raigarh area of SECL the measured stock is short by 0.01 million tonnes & 0.07 million tonnes respectively (beyond 5%) from book stock and in Orient & Talcher Area of MCL, the measured stock is short by 0.01 million tonnes (beyond 5%) from book stock (Refer para 6.1 of Significant Accounting Policies- Note-33.)

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 16 : TRADE RECEIVABLE

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Debts outstanding for a period exceeding six months from the due date				
- Secured considered good	0.48		-	
- Unsecured considered good	3,140.53		3,332.53	
- Doubtful	1,975.99		2,374.33	
	5,117.00		5,706.86	
Less : Provision for bad & doubtful debts	1,975.99		2,374.33	
		3,141.01		3,332.53
Other Debts				
- Secured considered good	184.58		180.43	
- Unsecured considered good	8,138.11		5,008.92	
- Doubtful	244.21		135.99	
	8,566.90		5,325.34	
Less : Provision for bad & doubtful debts	244.21		135.99	
		8,322.69		5,189.35
Total		**11,463.70**		**8,521.88**
CLASSIFICATION				
Secured		185.06		180.43
Unsecured - Considered Good		11,278.64		8,341.45
- Considered Doubtful		2,220.20		2,510.32

The Government of Madhya Pradesh by Gazette Notification dated 30.09.2005 has imposed a new tax under "Madhya Pradesh Gramin Avsanrachana Tatha Sadak Vikas Adhiniyam, 2005" (MPGATSVA 2005), with effect from 30.09.2005. This Adhiniyam provides for charging of tax @ 5% on annual value w.e.f. 30.09.2005. Some consumers as well as WCL moved to the Hon'ble High Court of Madhya Pradesh, Jabalpur and obtained interim relief. As per the interim order dated 15.02.2006, the Hon'ble High Court, Jabalpur had directed the Company not to deposit this tax to the State Government but to keep it in a fixed deposit. The matter was later dismissed by the Jabalpur High Court in favour of MP Government. WCL has filed an SLP before the Hon'ble Supreme Court and the matter is still sub judice. The Hon'ble Supreme Court of India vide its order dated 02.08.2010 directed the Company to file its returns for all the years under protest as per MPGATSVA (2005). The Hon'ble Supreme Court directed the assessing officer under the Act to complete the assessments of returns filed by the Company. In compliance with the Supreme Court directions the assessing officers raised Total demand of ₹487.48 Crore against the Company upto 31.03.2016. The Company, as per legal advice, has deposited full amount of demand amounting to ₹ 487.48 Crore upto 31.03.2016. and has preferred Appeals against the assessment orders with Competent Appellate Authority, Jabalpur and Bhopal.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 17 : CASH & BANK BALANCE

(₹ in Crore)

	As at 31.03.2016	As at 31.03.2015
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	7,155.50	8,218.70
- In Current Accounts	2,279.11	1,450.90
- In Cash Credit Accounts	4.13	9.27
In Account with Banks outside India	0.14	1.14
Remittance - in transit	1.30	0.88
Cheques, Drafts and Stamps in hand	168.79	6.20
Cash in hand	2.15	1.96
Other Bank Balances		
Balances with Scheduled Banks		
- In deposit accounts with maturity of more than 3 months *	28,474.26	37,145.76
- In deposit accounts under Shifting and Rehabilitation Fund Scheme with maturity of more than 3 months	64.88	312.94
Balance in unpaid dividend accounts	7.79	12.34
Balance in dividend account (Interim dividend 2015-16)	24.82	-
Escrow Account with Bank for Mine Closure Fund	129.84	108.60
Sub-Total	**38,312.71**	**47,268.89**
Cash & Bank Balance in Joint Ventures		
Cash & Cash Equivalent		
Balances with Scheduled Banks		
- In Current Accounts	0.06	0.20
Sub-Total	**0.06**	**0.20**
Total	**38,312.77**	**47,268.89**

* This includes deposits of ₹1088.74 Crore (₹2206.01 Crore) of maturity more than 12 months from the date of acquisition.
Deposits includes ₹36.46 Crore (₹90.59 Crore) held as margin money or security against the borrowing/others.

In Mahanadi Coalfields Ltd. balance with Scheduled Bank in Deposit Account includes ₹ 1.67 Crore (₹1.54 Crore), which is under lien to Hon'ble District Court of Sundergarh.

Fixed deposit amounting to ₹ 13.35 Crore has been placed under lien of State Bank of India for issuing letter of comfort for issuance of Bank Guarantee in favour of President of India to fulfil the terms of allocation of blocks on behalf of Subsidiary group - M/s. MJSJ Coal Ltd.

NOTES TO THE ACCOUNTS - CONSOLIDATED

Annexure to Note - 17

(₹ in Crore)

	Amount	Amount
Cash & Bank balance as on 31.03.2016 (Consolidated)		**38,312.77**
Out of which, the distribution is		
Cash & Bank Balance of BCCL & ECL which are having accumulated losses in the Balance Sheet	5,728.29	
Cash & Bank balance in WCL & CMPDIL (which are not having any significant yearly cash surplus generation)	2,788.37	8,516.66
Earmarked Funds		
Deposit under Mine Closure Plan Scheme	129.84	
Deposit under Shifting and Rehabilitation Fund Scheme	64.88	
Unpaid Dividend Account	32.61	227.33
Cash in hand / current account/ cash credit account / cheques, drafts and stamps on hand etc for day to day activities		1,892.58
Cash & Bank balance to be utilised for		
Working capital Capex (including Railway projects) Other contingencies	}	**27,676.20**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 18 : SHORT TERM LOANS & ADVANCES

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
ADVANCE				
Advance to suppliers				
For capital				
- Secured considered good	-		-	
- Unsecured considered good	0.38		-	
- Doubtful	-		-	
	0.38		-	
Less : Provision for doubtful advances	-	0.38	-	-
For revenue				
- Secured considered good	-		-	
- Unsecured considered good	640.62		480.53	
- Doubtful	6.25		6.06	
	646.87		486.59	
Less : Provision for doubtful advances	6.25	640.62	6.06	480.53
Advance payment of statutory dues				
Sales tax				
- Secured considered good	-		-	
- Unsecured considered good	260.23		148.20	
- Doubtful	0.02		0.02	
	260.25		148.22	
Less : Provision for doubtful advances	0.02	260.23	0.02	148.20
MAT credit entitlement		-		174.62
Advance income tax / Tax deducted at source (Net of Provisions)		6,321.79		6,709.15
Others				
- Secured considered good	-		-	
- Unsecured considered good	178.78		183.26	
- Doubtful	0.42		0.20	
	179.20		183.46	
Less : Provision for Doubtful Advances	0.42	178.78	0.20	183.26
Advance to employees				
- Secured considered good	-		-	
- Unsecured considered good	449.60		722.42	
- Doubtful	0.58		1.84	
	450.18		724.26	
Less : Provision for doubtful advances	0.58	449.60	1.84	722.42
Advance for R&D		22.31		25.87
Claims receivables				
- Secured considered good	-		-	
- Unsecured considered good	372.45		360.90	
- Doubtful	23.22		15.80	
	395.67		376.70	
Less : Provision for doubtful claims	23.22	372.45	15.80	360.90
Prepaid expenses		32.76		21.84
Sub-Total		**8,278.92**		**8,826.79**
Short Term Loans & Advances in Joint Ventures				
Advance income tax / Tax deducted at source (ICVL)		-		0.01
Sub-Total		**-**		**0.01**
Total		**8,278.92**		**8,826.80**
CLASSIFICATION				
Secured		-		-
Unsecured - Considered good		8,278.92		8,826.80
- Considered doubtful		30.49		23.92

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 19 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2016		As at 31.03.2015	
Interest accrued				
- Investment	38.42		45.16	
Deposit with banks	1,400.35		1,967.38	
- Others	2.74	1,441.51	3.15	2,015.69
Other advances	394.36		388.91	
Less: Provision	3.46	390.90	8.17	380.74
Deposits				
Deposit for customs duty, port charges etc.	6.65		4.21	
Less: Provision	0.79	5.86	0.79	3.42
Deposit with Coal India Limited		-		-
Deposit for Royalty, Cess & Sales Tax	544.19		582.29	
Less: Provision	40.25	503.94	40.25	542.04
Others	1,608.44		1,551.85	
Less: Provision	0.39	1,608.05	0.64	1,551.21
Amount receivable from Govt of India for transactions on behalf of Ex-Coal Board	-		2.37	
Less: Provision	-		2.37	
		-		-
Other receivables	1,019.95		790.17	
Less: Provision	56.07	963.88	55.60	734.57
Sub -Total		**4,914.14**		**5,227.67**
Other Current Assets in Joint Venture				
Other advances		0.08		0.06
Sub -Total		**0.08**		**0.06**
Total		**4,914.22**		**5,227.73**

Commercial Tax Department, Madhya Pradesh and Uttar Pradesh has raised a demand of ₹1322.06 Crore (previous year ₹ 1040.06 Crore) till 31.03.2016 for Sales Tax and Entry tax, against which an appeal has been filed and ₹ 322.10 Crore (previous year ₹ 248.56 crore) has been deposited under protest by Northern Coalfields Limited and the claim of ₹ 1322.06 Crore has been shown as Contingent Liability.

Parbatpur (Central) Coal Mine (Bokaro) had been allocated to Coal India through its operating subsidiary Bharat Coking Coal Limited as a designated Custodian in terms of the provisions of the Coal Mines (Special Provisions) Second Ordinance, 2014 (DO No. 13016/36/2015-CA-III dated 31.03.2015 issued by the Joint Secretary MOC). Subsequently vide OM no.13016/77/2015-CA-III dated 06.10.2015 of Govt of India,MOC the said mines has been alloted to Steel Authority of India. The handover of the posession of this mine to SAIL is under process. BCCL has so far spent ₹ 3.82 crores on maintaining the possession of this mine as custodian which has been booked as receivable from SAIL

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE - 20 : REVENUE FROM OPERATIONS

(₹ in Crore)

		For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
A.	**Sales of Coal**	108,150.03		95,434.76	
	Less: Excise Duty	5,429.90		4,863.06	
			102,720.13		90,571.70
	Less :Other Statutory Levies				
	Royalty	7,887.11		7,596.80	
	Cess on Coal	2,073.25		1,891.11	
	Stowing Excise Duty	517.51		475.61	
	Central Sales Tax	1,082.94		1,003.57	
	Clean Energy Cess	11,312.47		4,575.54	
	State Sales Tax/VAT	2,559.84		2,124.85	
	Additional Royalty	870.90		-	
	Other Levies	771.84		889.60	
	Total Levies		**27,075.86**		**18,557.08**
	Net Sales (A)		**75,644.27**		**72,014.62**
B.	Facilitation charges for coal import		0.38		0.30
	Subsidy for Sand Stowing & Protective Works		126.85		78.19
	Loading and additional transportation charges	2,446.96		2,217.37	
	Less: Excise Duty	131.85		122.37	
	Less : Other Statutory Levies	76.49	2,238.62	68.04	2,026.96
	Other Operating Revenue (B)		**2,365.85**		**2,105.45**
	Revenue From Operations (A+B)		**78,010.12**		**74,120.07**

Net sales includes ₹ 228.89 crores sale of 2.15 MT coal related to Gare Palma IV/2&3 Mine for which Coal India Ltd. has been appointed akin to a designated custodian w.e.f 01.04.2015(through SECL)

Sales includes Export Sales to Bhutan of 0.11 LT (0.04 LT) amounting to ₹ 5.99 Crores (₹ 1.33 Crores).

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 21 : OTHER INCOME

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Income From Non-Current Investments		
Interest from		
Government Securities (8.5% Tax Free Special Bonds) - Trade	2.05	14.74
Non Convertible IRFC/ REC Tax Free Bonds 2021 Series (Non Trade)	70.92	70.72
Income From Current Investments		
Dividend from Mutual Fund Investments	263.61	279.60
Interest from		
Government Securities (8.5% Tax Free Special Bonds) - Trade	11.51	16.89
Income From Others		
Interest		
From Deposit with Banks	4,112.65	4,933.20
From Loans and Advances to Employees	1.12	2.18
From Income Tax Refunds	160.29	35.85
Others	182.05	224.31
Profit on Sale of Assets	3.39	10.80
Exchange Rate Variance	-	1.79
Lease Rent	27.45	17.55
Liability / Provision Write Backs	143.27	108.84
Excise Duty on Decrease in Stock	6.50	34.63
Other non-operating Income	743.64	819.54
Total	**5,728.45**	**6,570.64**

Dividend from Mutual Fund investments/interest from Fixed Deposits with banks, also includes that received from investments of amount lying in Current Account with IICM.

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 22 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Explosives	1,793.94	1,541.48
Timber	35.31	38.68
Oil & Lubricants	2,467.26	2,970.66
HEMM Spares	1,385.98	1,252.96
Other Consumable Stores & Spares	1,400.06	1,452.66
Total	**7,082.55**	**7,256.44**

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Crore)

		For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
	Opening Stock of Coal	5,161.64		4,583.06	
	Add: Adjustment of opening stock	8.20		-	
	Less: Deterioration of Coal	460.17	4,709.67	432.32	4,150.74
	Less:-				
	Closing Stock of Coal	6,623.57		5,161.64	
	Less: Deterioration of Coal	462.82	6,160.75	460.17	4,701.47
A	Change in Inventory of Coal		(1,451.08)		(550.73)
	Opening Stock of Workshop made finished goods and WIP	197.49		217.61	
	Add: Adjustment of Opening Stock	-		-	
	Less: Provision	1.57	195.92	1.65	215.96
	Less:				
	Closing Stock of Workshop made finished goods and WIP	190.60		197.49	
	Less: Provision	1.57	189.03	1.57	195.92
B	Change in Inventory of workshop		6.89		20.04
	Press Opening Job				
	i) Finished Goods	0.45		0.72	
	ii) Work in Progress	0.52	0.97	0.46	1.18
	Less: Press Closing Job				
	i) Finished Goods	0.47		0.45	
	ii) Work in Progress	0.52	0.99	0.52	0.97
C	Change in Inventory of Closing Stock of Press Job		(0.02)		0.21
	Change in Inventory of Stock in trade (A+B+C) { Decretion / (Accretion) }		**(1,444.21)**		**(530.48)**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 24 : EMPLOYEE BENEFITS EXPENSES

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Salary, Wages, Allowances ,Bonus etc.	21,761.12	21,217.34
Ex-Gratia	1,641.49	1,421.48
Performance Related Pay	273.59	470.60
Contribution to P.F. & Other Funds	2,635.03	2,563.73
Gratuity	457.11	1,121.60
Leave Encashment	754.79	949.42
VRS	3.05	4.38
Workman Compensation	4.49	11.42
Medical Expenses for existing employees	384.71	361.22
Medical Expenses for retired employees	70.43	61.07
Grants to Schools & Institutions	135.24	115.03
Sports & Recreation	25.05	22.13
Canteen & Creche	4.11	3.55
Power - Township	854.13	789.59
Hire Charges of Bus, Ambulance etc.	53.05	52.92
Other Employee Benefits	602.43	708.64
	29,659.82	**29,874.12**
Employee benefit expenses in Joint Ventures		
Salary, Wages, Allowances ,Bonus etc.	0.01	-
Total	**29,659.83**	**29,874.12**

NOTE 25 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
CSR Expenses	1,076.07	298.10
Donation to Nepal Earthquake Relief Fund	6.00	-
Total	**1,082.07**	**298.10**

NOTES TO THE ACCOUNTS - CONSOLIDATED

Details of subsidiary wise CSR expenditure vis-à-vis amount required to be spent u/s 135 of the Companies Act,2013.

Subsidiary	Amount required to be spent in accordance with Section 135 of the Companies Act,2013	Actual CSR Expenditure for FY 2015-16
ECL	33.17	62.61
BCCL	33.00	50.67
CCL	53.00	212.79
NCL	76.60	153.97
WCL	8.66	65.27
SECL	127.68	270.85
MCL	112.97	184.64
CMPDIL	0.46	2.01
CIL	19.69	73.26
Total	**465.23**	**1,076.07**

NOTE 26 : REPAIRS

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Building	401.95	365.37
Plant & Machinery	775.40	694.42
Others	64.98	62.94
Total	**1,242.33**	**1,122.73**

NOTE 27 : CONTRACTUAL EXPENSES

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Transportation Charges :		
- Sand	61.88	71.26
- Coal	2,916.09	2,733.37
- Stores & Others	3.64	2.56
Wagon Loading	173.07	180.73
Hiring of P&M	6,856.74	4,564.60
Other Contractual Work	1,117.82	960.10
Total	**11,129.24**	**8,512.62**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 28 : FINANCE COSTS

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Interest Expenses		
Deferred Payments	0.09	0.08
Bank Overdraft / Cash Credit	2.07	0.10
Others	18.49	6.90
Sub Total (A)	**20.65**	**7.08**
Other Finance Cost		
Bank commitment and allocation charges	-	0.24
Sub Total (B)	**-**	**0.24**
Total (A+B)	**20.65**	**7.32**

NOTE 29 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

		For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
(A)	**PROVISION MADE FOR**		
	Doubtful debts	781.82	362.59
	Doubtful Advances & Claims	10.17	35.17
	Stores & Spares	8.10	10.91
	Reclamation of Land/Mine Closure Expenses	834.59	739.55
	Surveyed of Fixed Assets/Capital WIP	57.05	5.66
	Others	145.13	1.24
	Sub Total(A)	**1,836.86**	**1,155.12**
(B)	**PROVISION REVERSAL**		
	Doubtful debts	200.41	157.56
	Doubtful Advances & Claims	7.01	6.82
	Stores & Spares	4.07	7.27
	Reclamation of Land/Mine Closure expenses	44.01	-
	Surveyed of Fixed Assets/Capital WIP	5.43	20.00
	Others	-	0.03
	Sub Total(B)	**260.93**	**191.68**
	Total (A-B)	**1,575.93**	**963.44**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 30 : WRITE OFF (Net of past provisions)

(₹ in Crore)

	For the Year Ended 31.03.2016		For the Year Ended 31.03.2015	
Doubtful debts	994.94		265.61	
Less :- Provided earlier	871.94	123.00	236.72	28.89
Doubtful advances	48.33		11.75	
Less :- Provided earlier	48.26	0.07	10.28	1.47
Stock of Coal	-		0.38	
Less :- Provided earlier	-	-	0.38	-
Others	6.04		2.27	
Less :- Provided earlier	1.75	4.29	2.27	-
Total		**127.36**		**30.36**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 31 : OTHER EXPENSES

(₹ in Crore)

	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Travelling expenses		
- Domestic	161.04	143.21
- Foreign	1.84	0.89
Training Expenses	45.12	46.28
Telephone & Postage	37.30	29.40
Advertisement & Publicity	62.73	56.65
Freight Charges	49.55	24.86
Demurrage	59.74	61.11
Donation/Subscription	1.79	1.46
Security Expenses	580.21	526.93
Hire Charges	242.35	211.68
Legal Expenses	28.29	23.55
Bank Charges	1.51	1.77
Guest House Expenses	10.69	8.25
Consultancy Charges	38.73	31.09
Under Loading Charges	461.68	332.06
Loss on Sale/Discard/Surveyed of Assets	1.66	5.83
Auditor's Remuneration & Expenses		
- For Audit Fees	1.62	1.01
- For Taxation Matters	-	-
- For Other Services	1.83	1.59
- For Reimbursement of Exps.	1.24	0.99
Internal & Other Audit Expenses	16.08	14.79
Rehabilitation Charges	319.17	297.45
Royalty & Cess	823.99	450.89
Central Excise Duty	151.92	63.61
Rent	11.60	11.81
Rates & Taxes	72.04	87.04
Insurance	4.49	3.89
Loss on Exchange Rate Variance	24.84	14.14
Lease Rent	0.05	0.02
Rescue/Safety Expenses	58.95	40.81
Dead Rent/Surface Rent	14.48	16.61
Siding Maintenance Charges	88.66	71.98
Land/Crops Compensation	0.46	0.26
R & D expenses	9.32	95.74
Environmental & Tree Plantation Expenses	87.32	69.05
Miscellaneous expenses	461.50	336.66
Total	**3,933.79**	**3,083.36**
Other Expenses in Joint Ventures		
Miscellaneous expenses	0.02	-
	3,933.81	**3,083.36**

NOTES TO THE ACCOUNTS - CONSOLIDATED

NOTE 32 : PRIOR PERIOD ADJUSTMENT

(₹ in Crore)

		For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
(A)	**Expenditure**		
	Consumption of Stores & Spares	(9.77)	2.77
	Employees Remuneration & Benefits	21.80	0.86
	Power & Fuel	(8.07)	(12.48)
	Welfare Expenses	1.67	1.28
	Repairs	0.12	(3.73)
	Contractual Expenses	(18.72)	2.70
	Rent	-	0.78
	Other Expenditure	(45.96)	2.40
	Interest and other Financial charges	-	3.82
	Depreciation	(7.87)	2.23
	Sub Total (A)	**(66.80)**	**0.63**
(B)	**Income**		
	Sale of Coal & Coke	(32.03)	5.77
	Other Income	6.68	(0.14)
	Sub Total (B)	**(25.35)**	**5.63**
Total (A - B) {Charge/(Income)}		**(41.45)**	**(5.00)**

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NOTE – 33 SIGNIFICANT ACCOUNTING POLICIES (CONSOLIDATED)

1.0 Accounting Convention:

Financial statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013, including accounting standards notified therein, except otherwise stated.

1.1 Use of estimate

In preparing the financial statements in conformity with Accounting Principles generally accepted in India, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

2.0 Subsidies / Grants from Government:

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

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

2.3 Subsidies / Grants from Government received as an implementing agency

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

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

3.0 Fixed Assets:

3.1 **Land:**

Value of land includes cost of acquisition, cash rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons.

3.2 **Plant & Machinery:**

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

3.3 **Development:**

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

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

(b) 2 years of touching of coal, or

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

- Whichever event occurs first.

3.4 Prospecting & Boring and other Development Expenditure:

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

3.5 Leases:

3.5.1 Operating Lease

i) Assets given on lease are capitalised and depreciated as per the depreciation policy. Lease rentals received are recognised as income over the lease period.

ii) Lease rentals paid for assets taken on lease are recognised as expense over the lease period.

3.5.2 Finance Lease

i) Assets taken on finance lease are capitalized at lower of the fair value of the asset and present value of the minimum lease payments.

An amount equal to the capitalized amount is shown as lease liability.

The principal component in lease rental is adjusted against lease liability and interest component is charged to the Statement of Profit & Loss as finance cost.

The asset is depreciated as per the depreciation policy. If the leased asset is returnable to the lessor on expiry of lease period, full cost is depreciated over its useful life or lease period, whichever is less.

ii) Assets given on finance lease are shown as lease receivables at an amount equal to net investment in the leased asset. Principal component of the lease receipts are adjusted against outstanding lease receivables and interest is recognised as income.

4.0 Railway Sidings pending commissioning:

Pending commissioning, payments made to the railway authorities for construction of railway sidings are shown in Note 12 – "Long Term Loans & Advances" under Advances for Capital.

5.0 Investments:

Long term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments.

Current investments are carried at lower of cost or fair value.

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

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

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

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6.2 **Stores & Spares:**

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

6.2.2 Stock of stores & spare parts (which also includes loose tools) at central & area stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres, initially charged off, are valued at issue price of Area Stores, Cost / estimated cost. Workshop jobs including work-in-progress are valued at cost. Similarly stock of stationary at printing press and medicines at central hospital are valued at cost.

6.2.3 Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

6.2.4 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.

7. Depreciation/amortisation:

7.1 Depreciation on fixed assets is provided on straight line method on the basis of useful life specified in Schedule II of Companies Act 2013 except for assets mentioned below, for which depreciation is provided on the basis of technically estimated useful life which are lower than that envisaged as per schedule II of Companies Act, 2013 to depict a more true and fair rate of depreciation:

Telecommunication equipment	: -	6 years and 9 years
Photocopying machine	: -	4 years
Fax machine	: -	3 years
Mobile phone	: -	3 years
Digitally enhance cordless telephone	: -	3 years
Printer & Scanner	: -	3 years
Earth Science Museum	: -	19 years
High volume respiratory dust samplers	: -	3 years
Certain equipment /HEMM	: -	7 years and 6 years as applicable.
SDL (equipment)	: -	5 years
LHD (equipment)	:-	6 years

7.2 The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the asset except those item of assets covered under Para 7.3

7.3 In case of assets namely Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps the technically estimated useful life has been determined to be one year with a nil residual value.

7.4 Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets with one year useful life and nil residual value as mention under Para 7.3, which are fully depreciated in the year of their addition. These Assets are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.

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

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

7.7 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.

8.0 Impairment of Asset:

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the statement of profit and loss if the carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. An impairment loss recognised on asset is reversed when conditions warranting impairment provision no longer exists.

9.0 Foreign Currency Transactions:

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rate prevailing as at the end of reporting period.

Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting an monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

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

10.0 Employee benefits:

10.1 Short term benefits

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

10.2 Post-employment benefits and other long term employee benefits:

a) Defined contributions plans:

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

b) Defined benefits plans:

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

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c) Other employee benefits:

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

11.0 Revenue Recognition:

11.1 Sales

a. Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer and there is no significant uncertainty as to its realisability.

b. Sale of coal is net of statutory dues and accepted deduction made by customer on account of quality of coal.

11.2 Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

11.3 Dividend

Dividend income is recognised when right to receive is established.

11.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty that the claims are realizable.

11.5 Revenue from Consultancy Services by CMPDIL, a subsidiary of Coal India Limited

Recognition of revenue arising out of Consultancy Services for exploration, mine planning/project reports, environmental plans and other Engineering services is based on the pricing formula adopted for different categories of customers. The services rendered to Holding company and its other subsidiaries are priced uniformly at cost plus service charges of 10% for P&D service and 7.5% for Departmental drilling services, for drilling services performed by outsourced agencies service charges range from 7.5% to 20%. Environment monitoring jobs are carried out at 90% of Central Pollution Control Board (CPCB) rate.

12.0 Borrowing Costs:

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalised. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 Taxation:

Provision of current income tax is made in accordance with the Income Tax Act., 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, as on the balance sheet date, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of additional information.

Contingent asset are neither recognised nor disclosed in the financial statements.

15.0 Earning per share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

16. Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non - Current Assets/ Long Term Provisions as the case may be.

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

Annual Quantum of OBR Of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (in Mill.Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	Nil

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

17.0 Prior Period Adjustments and Prepaid Expenses:

Income / expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 Crore in each case, are treated as income / expenditure of current year.

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NOTE – 34 : ADDITIONAL NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016 (CONSOLIDATED)

1. Contingent Liabilities & Commitments

i) Capital commitment : ₹4967.28 Crore (₹3816.89 Crore)

ii) Revenue commitment : ₹25877.57 Crore (₹21032.70 Crore)

iii) Claims against the company not acknowledged as debt : ₹31027.84 Crore (₹29471.15 Crore)

(₹ in Crore)

Claims against the company not acknowledged as debt			
		2015-16	**2014-15**
1	Central Govt.	16566.37	17036.24
2	State Govt. and Local authorities	10605.94	7356.57
3	CPSEs	63.54	296.45
4	Others	3791.99	4781.89
	Total	**31027.84**	**29471.15**

iv) The Competition Commission of India (CCI), on the basis of complaints by few coal customers against certain conducts of Coal India Limited, Western Coalfields Limited, South Eastern Coalfields Limited and Mahanadi Coalfields Limited, heard the case and vide its order dated 09.12.2013, had inter-alia imposed a penalty of ₹1773.05 Crore against which appeal was filed in the Competition Appellate Tribunal which directed to deposit ₹50 Crore there against.

Subsequently vide order dated 17th May, 2016, the Tribunal has set aside the order of CCI and directed to hear the case afresh as a result the penalty of ₹1773.05 stands cancelled.

v) Outstanding letters of credit amounted to ₹158.46 Crore (₹347.12 Crore).

vi) Outstanding Deferred Payment Guarantee issued by banks amounted to ₹75.61 Crore (₹7.11 Crore).

2. Principles of Consolidation and Financial Reporting of Interest in Joint Ventures and Subsidiaries

i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Parent Company, i.e. the year ending 31st March, 2016.

ii) The consolidated financial statements relate to Coal India Limited, its wholly owned subsidiary companies, namely, Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Northern Coalfields Limited (NCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Mahanadi Coalfields Limited (MCL), Central Mine Planning & Design Institute Limited (CMPDIL) & Coal India Africana Limitada (Overseas Subsidiary), proportionate stake in International Coal Venture Pvt. Limited (ICVL), CIL- NTPC Urja Pvt. Limited and Rashtriya Coal Gas Fertilizers Limited.

iii) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with the principles and procedures for the preparation and presentation of Consolidated Accounts as set out in the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Company (Accounts) Rules, 2014 (as amended).

iv) CIL has entered into a Memorandum of Understanding (vide approval from its Board in 237th meeting held on 24th November, 2007) regarding formation of Special Purpose Vehicle (SPV) through joint venture involving CIL/SAIL/RINL/NTPC & NMDC for acquisition of coking coal properties abroad. The formation of the SPV had been approved by the Cabinet, Govt. of India, vide its approval dated 8thNovember, 2007.The aforesaid SPV viz. International Coal Ventures Pvt. Ltd. has been formed by incorporation under Companies Act, 1956 on 20th May, 2009 with an authorised capital of ₹1.00 Crore and paid up capital of ₹0.70 Crore. The authorised Capital and paid up Capital as on 31.03.2016 stood at ₹3500.00 Crore and ₹1061.95 Crore respectively. Out of above paid up capital, Coal India Ltd. owns 0.26% share i.e. worth ₹2.80 Crore face value of equity shares.

v) The consolidated financial statements include the interest of the company in the above joint venture (International Coal Ventures Pvt. Ltd.) which has been accounted by using the proportionate consolidation method of accounting and reporting whereby the company's share of each asset, liability of a jointly controlled entity has been considered. Such accounting has been carried out considering the latest available un-audited financial statements as on 31.03.2016.

vi) CIL NTPC Urja Pvt. Ltd., a 50 : 50 joint venture company was formed on 27th April 2010 between CIL & NTPC and CIL has invested ₹0.08 Crore upto 31.03.2016. The un-audited Accounts of the above joint venture company upto the year ended 31st March, 2016 have been considered in consolidation.

vii) A joint venture company named Rashtriya Coal Gas Fertilizers Limited was incorporated on 13th November, 2015 under the Companies Act, 2013 by virtue of a joint venture agreement among Coal India Limited (CIL), Rashtriya Chemicals and Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited dated 27th October, 2015. The joint venture company has authorised share capital of ₹50 Crore and issued capital of ₹0.05 Crore out of which Coal India Ltd. owns 15000 shares worth ₹0.015 Crore face value of equity shares as on 31.03.2016. The un-audited Accounts of the joint venture company for the year ended 31st March, 2016 have been considered in consolidation.

viii) The financial statement of MCL has been consolidated with its four subsidiary companies – MNH Shakti Limited, MJSJ Coal Limited, Mahanadi Basin Power Limited and Mahanadi Coal Railway Limited.

ix) On incorporation of subsidiaries on the basis of joint venture agreement as per directives from the Ministry of Coal, Mahanadi Coalfields Ltd has deposited money / transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2016 is as under:-

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Minority Interest as on 31.03.2016
MNH Shakti Ltd	70%	16.07.2008	Ananda Vihar, Burla, Sambalpur	₹25.53 Crore
MJSJ Coal Ltd.	60%	13.08.2008	House No. 42,1st Floor, Anand Nagar, Hakim Para, Angul	₹38.07 Crore
Mahanadi Basin Power Limited	100%	02.12.2011	Plot No. G-3, Mancheswar Railway Colony, Bhubaneswar	--
Mahanadi Coal Railway Limited	64%	31.08.2015	MDF Room, Corporate Office, MCL HQ, Jagriti Vihar, Burla, Sambalpur	₹0.02 Crore
Total				**₹63.62 Crore**

All the subsidiaries are in development stage and the related expenditure has been consolidated.

x) In Mahanadi Coalfields Ltd. (MCL), a joint venture company named Neelanchal Power Transmission Group Pvt. Limited was incorporated by virtue of a joint venture agreement between the MCL and Odisha Power Transmission Corporation Limited on 8th January, 2013. Upto 31.03.2016, MCL has incurred ₹0.02 Crore (₹0.02 Crore) for miscellaneous expenses incidental for incorporation and the same has been included in Loans & Advances (Note 18). There is no investment in the joint venture company upto 31.03.2016.

xi) On incorporation of subsidiaries, in terms of Memorandum of Understanding (MOU) signed on 03.11.2012 between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh (GoCG) for establishment of two Railway Corridors viz., East Corridor and East West Corridor, 2 (two) Subsidiary Companies of SECL have been Incorporated under the Companies Act, 1956 viz., M/s Chhattisgarh East Railway Limited (CERL) and M/s Chhattisgarh East-West Railway Limited (CEWRL) has deposited money/transferred debits for capital and other expenditure.

The position of investment and other current account as at 31.03.2016 is as under:-

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Minority Interest as on 31.03.2016
M/s Chhattisgarh East Railway Limited	71.11%	12.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹40.09 Crore
M/s Chhattisgarh East-West Railway Limited.	71.02%	25.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹1.10 Crore

All the subsidiaries are in development stage and the related expenditure has been consolidated.

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xii) In terms of Memorandum of Understanding signed on 07.05.2015 between Central Coalfields Limited (CCL), IRCON International Limited (IRCON) and the Govt. of Jharkhand for development, financing and implementation of Railway Infrastructure works in the State of Jharkhand, a Joint Venture Company named as Jharkhand Central Railway limited (JCRL) is formed on 31.08.2015 under the Companies Act, 2013. As on Balance Sheet date i.e. 31.03.2016 JCRL has not issued any equity in the name of CCL. The committed equity share holding percentage, as per MOA, of CCL, IRCON International Limited and Govt. of Jharkhand are 64%, 26% and 10% respectively.

As per MOU Clause no. 13, CCL shall take necessary steps for formation of the joint venture company in consultation with IRCON and Govt. of Jharkhand. The expenditure on formation of the joint venture company shall be funded by CCL and IRCON in the proportion of their shareholding in the joint venture company. Accordingly, CCL has paid ₹0.05 Crore and the same has been shown under Loans & Advances (Note 18).

xiii) Investment in Subsidiary (Overseas)

Coal India Ltd., formed a 100% owned subsidiary in Republic of Mozambique, named "Coal India Africana Limitada" (CIAL). The initial paid up capital on such formation (known as "Quota Capital") was ₹0.01 Crore (USD 1000). The financial statements upto 31.03.2016 of CIAL has been prepared in accordance with General Accounting Plan for small entities in Mozambique (PGC-PE) and has been audited by other auditor of Mozambique which has been considered for consolidation. Adjustment for difference with Indian GAAP, if any, being insignificant has not been considered.

xiv) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from individual financial statements, which fairly present the needed disclosure.

xv) Additional information relating to Subsidiaries/ Joint Ventures

(As per schedule III of Companies Act, 2013)

Name of the entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹ in Crore)	As % of Consolidated Profit or Loss	Amount (₹ in Crore)
Coal India Limited	45.93	15568.41	1.71	243.34
Subsidiaries				
Indian				
Eastern Coalfields Ltd.	(5.45)	(1847.98)	6.08	868.02
Bharat Coking Coal Ltd.	(2.26)	(766.87)	5.38	768.20
Central Coalfields Ltd.	14.85	5,033.47	13.41	1,914.70
Northern Coalfields Ltd.	11.85	4,017.19	19.07	2722.50
Western Coalfields Ltd.	8.43	2,860.10	2.08	296.60
South Eastern Coalfields Ltd.	14.11	4781.91	22.75	3247.76
Mahanadi Coalfields Ltd.	12.37	4194.92	29.32	4184.72
Central Mine Planning & Design Institute Ltd.	0.58	195.94	0.20	28.48
Foreign				
Coal India Africana Limitada Mozambique	(0.10)	(34.60)	0.00	0.00
Less: Minority Interest in all Subsidiaries	0.31	104.81	0.00	(0.04)
Total (A)	**100.00**	**33,897.68**	**100.00**	**14,274.36**
Joint Ventures				
Indian				
International Coal Ventures Private Ltd.	0.00	(0.03)	0.00	(0.03)
CIL NTPC Urja Private Ltd.	0.00	(0.05)	0.00	0.00
Rashtriya Coal Gas Fertilizers Ltd.	0.00	0.00	0.00	0.00
Total (B)	**0.00**	**(0.08)**	**0.00**	**(0.03)**
Total (A+B)	**100.00**	**33897.60**	**100.00**	**14274.33**

3. Employee Benefits

Liability of certain other employee benefits like Gratuity, Earned Leave, Life Cover Scheme, Settlement Allowance, Group Personal Accident Insurance Scheme, Leave Travel Concession, Medical Benefits for Retired Executives, Compensation to dependents in case of mine accidental death are valued on actuarial basis. Total liability as on 31.03.2016 based on valuation made by the Actuary, details of which are mentioned below is ₹17686.55 Crore.

The actuarial liability as on 31.03.2016:

(₹ in Crore)

Head	Opening Actuarial Liability as on 01.04.2015	Incremental Liability during the Period	Closing Actuarial Liability as on 31.03.2016
Gratuity	**13130.03**	-253.84	**12876.19**
Earned Leave	**2586.33**	79.51	**2665.84**
Half Pay Leave	**456.36**	-14.40	**441.96**
Life Cover Scheme	**86.97**	-4.22	**82.75**
Settlement Allowance Executives	**8.12**	36.83	**44.95**
Settlement Allowance Non-executives	**283.21**	-134.19	**149.02**
Group Personal Accident Insurance Scheme	**1.20**	-0.06	**1.14**
Leave Travel Concession	**250.74**	33.87	**284.61**
Medical Benefits Executives	**909.71**	23.57	**933.28**
Medical Benefits Non-Executives	**1.90**	15.80	**17.70**
Compensation to dependents in case of mine accidental death	**203.31**	-14.20	**189.11**
Total	**17917.88**	**-231.33**	**17686.55**

Against Actuarial liability of Gratuity and Leave Encashment, fair value of plan assets at the end of the year is ₹12397.15 Crore (₹12209.02 Crore) and ₹35 Crore (Nil) respectively.

Summary of actuarial assumptions are as under:-

Formula used	Projected Unit Credit Method
Discount Rate	8.00%
Return on Assets	8.00%
Inflation Rate	6.25%
Mortality Table	IALM-(2006-08) ULT.

4. Disclosure for employee benefits

a) Provident Fund:

Company pays fixed contribution to provident fund and pension fund at predetermined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹2635.03 Crore (₹2563.73 Crore) has been recognized in the statement of profit & loss (Note 24).

b) The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment are given below:-

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ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2016

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in Crore)

Statement of changes in Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of obligations at beginning of the year	**13130.03**	**12642.74**
Acquisition Adjustment	0.00	0.00
Interest Cost	983.23	939.54
Past Service Cost	0.00	0.00
Current Service Cost	851.83	641.03
Benefits Paid	1679.24	1796.54
Actuarial (Gain) / Loss on obligations	-409.66	703.26
Present Value of Obligation as at 31.03.2016	**12876.19**	**13130.03**

(₹ in Crore)

Statement of changes in Fair Value of Plan Assets	As at 31.03.2016	As at 31.03.2015
Fair Value of Plan Asset at beginning of the year	**12209.02**	**10678.95**
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Asset	976.71	854.32
Contributions	860.19	2327.18
Benefits Paid	1679.23	1781.61
Actuarial Gain/(Loss) on Plan Asset	30.46	130.17
Fair Value of Plan Asset as at 31.03.2016	**12397.15**	**12209.02**

(₹ in Crore)

Statement showing reconciliation of Fair Value of Plan Asset and Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of Obligation at end of the year	**12876.20**	**13008.65**
Fair Value of Plan Asset as at 31.03.2016	12397.15	12209.02
Funded Status	-479.05	-799.62
Unrecognized actuarial (gain) / loss as at 31.03.2016	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	**-479.05**	**-799.62**

(₹ in Crore)

Statement showing Expense Recognized in statement of Profit/Loss	As at 31.03.2016	As at 31.03.2015
Current Service Cost	851.83	641.03
Past Service Cost	0.00	0.00
Interest Cost	983.23	939.54
Expected Return on Plan Asset	976.71	854.31
Actuarial (Gain) / Loss recognised in the year	-440.13	573.07
Expense recognised in Statement of Profit/Loss	**418.22**	**1299.33**

(₹ in Crore)

Movements in the Liability Recognized in Balance Sheet:	As at 31.03.2016	As at 31.03.2015
Opening Net Liability:	921.01	1841.06
Expenses as above:	418.21	1299.33
Contributions:	520.40	2326.69
Closing Net Liability:	818.84	813.20
Closing Fund / Provision as at 31.03.2016:	**12876.19**	**13008.65**

Formula used	Projected Unit Credit Method
Discount Rate	8.00%
Return on Assets	8.00%
Inflation Rate	6.25%
Mortality Table	IALM-(2006-08) ULT.

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/ HPL) AS AT 31.03.2016

CERTIFICATES AS PER ACCOUNTING STANDARD 15 (Revised 2005)

(₹ in Crore)

Statement of changes in Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of obligations at beginning of the year	**3042.69**	**2715.13**
Acquisition Adjustment	0.00	0.00
Interest Cost	218.30	191.68
Past Service Cost	0.00	0.00
Current Service Cost	481.42	319.55
Benefits Paid	628.21	638.19
Actuarial (Gain) / Loss on obligations	-6.37	454.52
Present Value of Obligation as at 31.03.2016	**3107.83**	**3042.69**

(₹ in Crore)

Statement of changes in Fair Value of Plan Assets	As at 31.03.2016	As at 31.03.2015
Fair Value of Plan Asset at beginning of the year	**0.00**	**0.00**
Acquisition Adjustment	0.00	0.00
Expected Return on Plan Asset	0.00	0.00
Contributions	43.05	0.00
Benefits Paid	8.05	0.00
Actuarial Gain/(Loss) on Plan Asset	0.00	0.00
Fair Value of Plan Asset as at 31.03.2016	**35.00**	**0.00**

(₹ in Crore)

Statement showing reconciliation of Fair Value of Plan Asset and Present Value of defined benefit obligations	As at 31.03.2016	As at 31.03.2015
Present Value of Obligation at end of the year	57.04	0.00
Fair Value of Plan Asset as at 31.03.2016	35.00	0.00
Funded Status	-22.04	0.00
Unrecognized actuarial (gain) / loss as at 31.03.2016	0.00	0.00
Net Asset (Liability) recognized in Balance Sheet	**-22.04**	**0.00**

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(₹ in Crore)

Statement showing Expense Recognized in statement of Profit/Loss	As at 31.03.2016	As at 31.03.2015
Current Service Cost	481.42	319.55
Past Service Cost	0.00	0.00
Interest Cost	218.30	191.68
Expected Return on Plan Asset	0.00	0.00
Actuarial (Gain) / Loss recognized in the year	-6.37	454.52
Expenses Recognized in Statement of Profit/Loss	**693.35**	**965.75**

(₹ in Crore)

Movements in the Liability Recognised in Balance Sheet	As at 31.03.2016	As at 31.03.2015
Opening Net Liability	593.01	459.42
Expenses as above	693.34	965.75
Contributions	43.05	0.00
Closing Net Liability	861.70	1425.17
Closing Fund / Provision as at 31.03.2016	**3107.83**	**3042.69**

Formula used	Projected Unit Credit Method
Discount Rate	8.00%
Return on Assets	8.00%
Inflation Rate	6.25%
Mortality Table	IALM-(2006-08) ULT.

5. In Eastern Coalfields Limited (ECL), during the year ended 31st March, 2015 the Company was required to pay Minimum Alternative Tax (MAT) as the same exceeded the normal income tax payable for that year. The "MAT Credit entitlement" being the excess of MAT over the normal Income Tax payable as per Income Tax Return furnished for the F.Y. 2014-15 (A.Y. 2015-16) has been reviewed on the Balance Sheet date and utilized against the normal Income Tax payable for the year.

6. Discontinuing Operation

i) CBE Plant, Bhandra – Western Coalfields Limited.

Consequent to decision of the Government of India to discontinue / ban production of NG-based explosives in the country the plant was closed on 28.04.2003. Thereafter as per the approval of CIL Board dt. 19.04.2006 the P&M along with related stores & spares have been disposed of during 2006-07 except certain assets with Net Block of ₹0.08 Crore.

Since there is no operation at Plant, there is no Profit or Loss and Cash Flow for the year (NIL). The liability towards overheads after closure of the Plant till 31.03.2016 for maintenance and upkeep of the Plant is ₹0.37 Crore.

ii) DFD Plant, Hinganghat, Western Coalfields Limited.

Due to non-viability of the plant to manufacture Coal Briquettes from raw coal for domestic fuel purposes, as per the decision of the Board of the Company, the Plant was closed in 1994.

The disposal of the Plant is under process. The Net Block of assets pending disposal is ₹0.03 Crore. The liability towards Municipal Taxes is ₹0.05 Crore against which the Company has applied for waiver to the Hinganghat Nagar Palika of the Municipal Taxes on the ground that the Plant is no more in operation. The revenue expenses incurred during the current year is ₹0.01 Crore (₹0.01 Crore). Since the Plant is in-operative, there is no cash outflow attributable to operating, investing and financing of discontinuance.

7. a) During the financial year 2013-14, a case of misappropriation of Company's fund (in CIL-Standalone) for personal gain came to the notice of the management. The matter has been investigated by different agencies and appropriate action for recovery is underway. As per the estimate of the internal audit department of Coal India Limited, the amount involved is ₹1.17 Crore approximately.

b) In some of the subsidiaries some cases of misappropriation of company's funds for personal gain/excess payment/theft had been noticed by the management during the year and earlier years involving ₹2.94 Crore which are under investigation by different agencies.

c) Fraudulent payment to the tune of ₹0.80 Crore to some contractors has been detected in Central Coalfields Limited (CCL) which is under investigation by Vigilance department. The said amount of ₹0.80 Crore has been shown as Other Receivables (Note- 19) and corresponding provision has also been created.

8. Pursuant to notification no. G.S.R 632 E dated 14.08.2015 issued by the Ministry of Mines (Government of India) regarding formation of National Mineral Exploration Trust Fund u/s 9C of the Mines & Minerals (Development and Regulation) Amendment Act, 2015 (MMDR Act), company has collected from customers additional royalty @ 2% on royalty. However pending notification by some of the State Government, the provisions of section 9B of the MMDR Act which provides for royalty to be imposed by State Govt. has not been implemented.

9. CIL in its 310th Board Meeting held on 08.11.2014 has approved the revised cost estimate of ₹3571.69 Crore (₹1588.65 Crore for Tori-Shivpur Section and ₹1983.04 Crore for Shivpur-Kathotia Section) for construction of Tori-Shive-Kathotia New BG Rail line project and funding the amount by CCL. CCL has deposited ₹958.19 Crore to EC Railways as on 31.03.2016 against which grant of ₹161.14 Crore has been received during the period from CCDAC.

10. Custodian Mines

The Company has been appointed as Custodian / akin to Custodian for a few mines as per the Coal Mines (Special Provision), Second Ordinance and accordingly operates these mines through its jurisdictional subsidiaries/units. Based on legal opinion obtained in this regard, the production of 2.28 million tonnes and sales of 2.15 million tonnes and corresponding revenue/expenses related to Gare Palma IV/2&3 mines operated through SECL have been considered in the net results for the year.

11. Bharat Coking Coal Limited has received grant against Master Plan for fire projects and rehabilitation of persons dwelling in coal bearing / fire affected area of BCCL leasehold. The Company has received grant as nodal/implementing agency in BCCL houses and are accounted for on the basis of receipts and disbursement. Position as on 31.03.2016 is as under:

(₹ in Crore)

Particulars	Amount
Opening balance of unutilized grant as on 01.04.2015	74.19
Grant received during the year ended 31.03.2016	312.94
Utilisation/adjustment during the year ended 31.03.2016	163.33
Closing balance of unutilized grant as on 31.03.2016	223.80

12. Leases

a) South Eastern Coalfields Limited in terms of License Agreement dated 19th day of March 2001 executed with M/s Apollo Hospital Enterprises Ltd., Chennai has granted the latter a right to occupy and use the fully constructed main hospital building measuring 2,97,099.74 Sq.ft. (27611.50 Sqm) and the residential quarters measuring 55,333 Sq.ft. (5142.47 Sqm) together with superstructures on the land such as substation building, sewerage treatment plant and pump house. The License Agreement provides for a lease period of 30 periods from the effective date of the commencement of the lease i.e. November 2001. The lease rental payable by the Apollo Hospital is accounted for as per the agreement. As per the agreement, the lease rental receivable from Apollo Hospital on the Balance Sheet date, for main hospital building is ₹4/- per Sq.ft. per month (₹4/- per Sq.ft per month) ₹1.43 Crore or 1/3rd of net profit arrived from the operation of this division of the hospital of the

CONSOLIDATED (Contd.)

licensee, whichever is more and for residential quarters the rate is ₹2/- per Sq.ft. per month (₹2/- per Sq.ft per month) ₹0.13 Crore. The lease rental paid by Apollo Hospital for the period ended 31.03.2016 accounted for is ₹1.56 Crore (₹1.56 Crore) towards minimum rental.

The cost of the gross assets leased to Apollo Hospital Enterprises Ltd. furnished under the schedule of Fixed Assets is ₹31.32 Crore (₹31.32 Crore) accumulated depreciation as on 31.03.2016 is ₹9.20 Crore (₹8.66 Crore), the depreciation recognized in the Statement of Profit & Loss for the period ended 31.03.2016 is ₹0.41 Crore (₹0.41 Crore).

The future minimum lease receivable in the aggregate as on 31.03.2016 is ₹23.37 Crore (₹24.93 Crore) for each of the following periods are as under:

(₹ in Crore)

		As at 31.03.2016	As at 31.03.2015
(I)	Not later than one year	1.56	1.56
(II)	Later than one year and not later than five years	6.23	6.23
(III)	Later than five years and till the period of lease	15.58	17.14

b) SECL has granted a right to use the fully constructed Railway Siding Junadih No. 3 and 4 to M/s Aryan Coal Benefications Pvt. Ltd., New Delhi and Railway Siding Junadih No. 5 to M/s Gujarat State Electricity Board, Vadodra, Gujarat for a period of 20 years. Lease Rent ₹2.55 Crore (₹1.30 Crore) received / receivable for the period ended 31.03.2016.

Leased out Assets to M/s Aryan Coal Benefications Pvt. Ltd. and M/s Gujarat State Electricity Board valued ₹7.13 Crore (₹7.13 Crore) and accumulated depreciation as on Balance Sheet date is ₹6.81 Crore (₹6.73 Crore), the depreciation recognized in the Statement of Profit & Loss for the year is ₹0.08 Crore (₹0.08 Crore).

The company has also granted a right to use the fully constructed railway siding line no. 2 to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) for an applied lease period of 30 years. Lease Rent ₹1.15 Crore (₹1.09 Crore) received/receivable for the period ended 31.03.2016.

Leased out Assets to M/s Spectrum Coal and Power Limited costing ₹15.74 Crore and accumulated depreciation as on Balance Sheet date is ₹9.60 Crore (₹8.49 Crore).

The future minimum lease receivable in the aggregate as on 31.03.2016 is ₹44.06 Crore (₹34.73 Crore) for each of the following periods are as under:

(₹ in Crore)

		As at 31.03.2016					As at 31.03.2015
		Junadih Siding No. 3	Junadih Siding No. 4	Junadih Siding No. 5	Line No. 2	Total	Total
(I)	Not later than one year	1.00	1.02	0.53	1.15	**3.70**	**2.39**
(II)	Later than one year and not later than five years	4.01	2.46	2.12	5.75	**14.34**	**10.67**
(III)	Later than five years and till the period of lease	5.19	-	2.43	18.40	**26.02**	**21.67**

c) Bharat Coking Coal limited has leased out 2nd line of Damagoria Railway Siding to Maithon Power Limited (MPL) for the extended period from 01.04.2015 to 31.03.2016 at a lease rent of ₹2.06 Crore. Leased out Assets costing ₹0.11 Crore and accumulated depreciation as on Balance Sheet date is ₹0.10 Crore.

d) In BCCL, as per lease agreement dated 18th March 2010 lease rent@ ₹6.60 Crore per annum was receivable from the lessee M/s OSD Coke (Consortium) Pvt. Ltd. towards lease of Captive power plant of Western Jharia area. The lease was valid for 20 years. The lessee has filed a writ petition in the Jharkhand high Court on disputes over tariff valuation etc. and has stopped operating the power plant as well as has not paid the lease rent amounting to ₹6.60 Crore for the year 2014-15 and ₹4.67 Crore for the year 2015-16 (upto 15th Dec'2015). The Plant has been handed over to BCCL from 16th Dec'2015 as per decision of Arbitrator appointed by Jharkhand High Court. Accordingly, the said lease rent for ₹11.27 Crore has not been accounted for. Cost of the said asset is ₹92.19 Crore and accumulated depreciation as on Balance Sheet date is ₹39.27 Crore.

13. Earnings per share

Sl. No.	Particulars	For the year ended 31st March'2016	For the year ended 31st March'2015
i)	Profit after Taxation (₹ in Crore)	14274.33	13726.70
ii)	Net profit after tax attributable to Equity shareholders (₹ in Crore)	14274.33	13726.70
iii)	Weighted average No. of shares outstanding during the year ended 31.03.2016	6316364400	6316364400
iv)	Basic and Diluted Earning per Share in Rupees (Face value of ₹10/- per share)	22.60	21.73

14. Deferred Tax Asset/Liability:

i) Deferred Tax Assets and Liability are being offset as they relate to taxes on income levied by the same governing taxation laws.

ii) Deferred Tax Asset / (Liability) as at 31st March, 2016 given below:

(₹ in Crore)

	As at 31.03.2016
Deferred Tax Liability:	
Related to Fixed Assets	294.89
Others	350.75
Total Deferred Tax Liability	**645.64**
Deferred Tax Asset:	
Provision for Doubtful Advances, Claims & Debts	816.54
Provision for Employee Benefits	999.90
Others	873.74
Total Deferred Tax Assets	**2690.18**
Net Deferred Tax Asset/ (Deferred Tax Liability)	**2044.54**

15. Remuneration of Key Management Personnel

(₹ in Crore)

Particulars	For the year ended 31st March'2016	For the year ended 31st March'2015
Salary & Allowances, Contribution to Provident Fund, FPF, Leave Encashment, PRP & Other Benefits	14.82	11.03

16. Value of imports on CIF basis

(₹ in Crore)

Sl. No.	Particulars	For the year ended 31st March'2016	For the year ended 31st March'2015
i)	Raw Material	NIL	NIL
ii)	Capital Goods	237.49	173.11
iii)	Stores, Spares & Components	113.53	417.83

17. Expenditure in Foreign Exchange

(₹ in Crore)

Sl. No.	Particulars	For the year ended 31st March'2016	For the year ended 31st March'2015
i)	Interest & commitment charges	0.09	0.08
ii)	Travelling/Training Expenses	2.01	6.69
iii)	Others	264.22	200.78

18. Earning in Foreign Exchange : NIL

19. Total Consumption of Stores during the period

(₹ in Crore)

		For the year ended 31st March'2016		For the year ended 31st March'2015	
		Amount	% of total consumption	Amount	% of total consumption
i)	Imported	104.86	1.48	43.17	0.59
ii)	Indigenous	6977.69	98.52	7213.27	99.41

20. The Company is primarily engaged in a single segment business of production and sale of Coal. The income from interest and other income is less than 10% of the total revenue; hence no separate segment is recognized for the same.

21. Others

a) Previous year's figures have been regrouped and rearranged wherever considered necessary.

b) Previous year's figures in Note No. 1 to 34 are in brackets.

c) Note 1 to 19 form part of the Balance Sheet as at 31st March, 2016 and 20 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note – 33 represents Significant Accounting Policies and Note – 34 represents Additional Notes on the Accounts.

Signature to Note 1 to 34

As per our report annexed

For Chaturvedi & Co.
Chartered Accountants
FR No. 302137E

(CA S.C.Chaturvedi)
Partner
Membership No. 012705

On behalf of the Board

(S. Bhattacharya)
Chairman- Cum-Managing Director & CEO
DIN-00423572

(CA C.K.Dey)
Director (Finance) & CFO
DIN-03204505

(CA M.K.Gupta)
General Manager(Finance)

(CS M.Viswanathan)
Company Secretary

Dated : 28th May, 2016
Place : Kolkata

GREEN INITIATIVE APPEAL TO THE SHAREHOLDERS

The Shareholders holding shares in demat form are requested to register their e-mail id with their Depository. Shareholders holding shares in physical form are requested to send their consent to our Registrar and Transfer Agent, M/s Alankit Assignments Limited. on the following format.

Date: _____

M/s. Alankit Assignments Limited.
Unit: COAL INDIA
Alankit Height, 1E/13, Jhandewalan Extension,
New Delhi – 110 055
Phone No: 011-4254-1234/2354-1234
Fax No: 011-4154-3474
E-mail id: alankit_rta@alankit.com
Website: www.alankit.com

I/We _____ holding _____ shares of the Company in physical form intend to receive all communications including notices, annual reports, through my/our e-mail id given hereunder:

Folio No _____ E-mail id _____

_____
Signature of the first holder

Notes

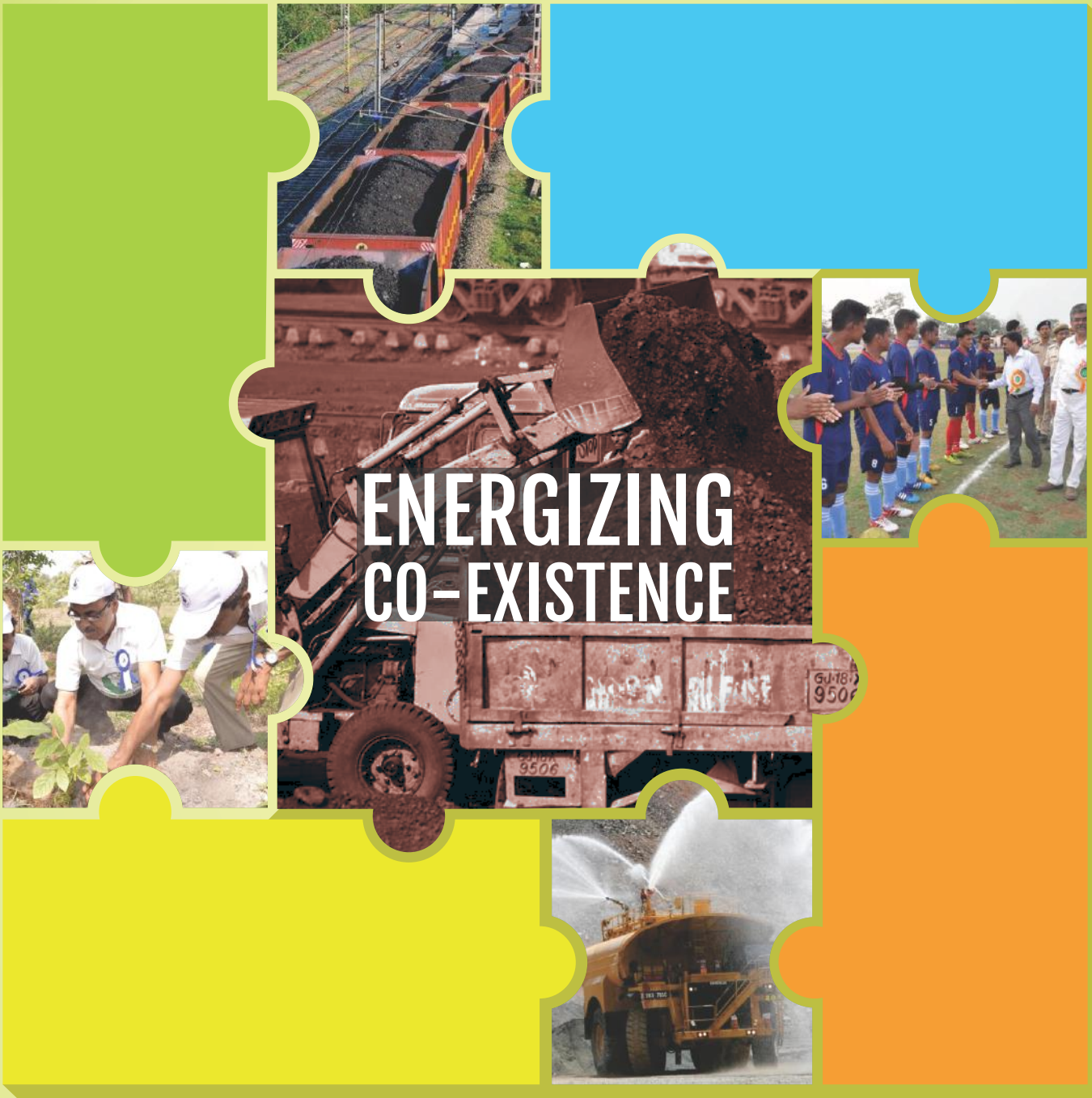
COAL INDIA LIMITED

A Maharatna Company

Coal Bhawan
Premise No-04 MAR,
Plot No-AF-III, Action Area-1A,
Newtown, Rajarhat, Kolkata-700 156

www.coalindia.in

कोल इण्डिया लिमिटेड
Coal India Limited
भारत सरकार का उपक्रम
A Government of India Undertaking
एक महारत्न कंपनी A Maharatna Company



ENERGIZING CO-EXISTENCE

Sustainability Report 2015-16



Plantation near CHP of Umrer, WCL

VISION

To emerge as one of the 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.

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.

Values

Our core values include equality, justice, transparency and accountability.These are practiced in all spheres of our business activities. As we put emphasis on dual development, the values are monitored for the entire workforce by five Central Trade Unions. Wherever the values are not being followed, the issue is discussed with the management to reach a mutually agreed upon solution. These solutions often have necessary corrective measures that are taken if required.



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ABOUT THE REPORT: MINE TO MARKET SUSTAINABILITY

Report Context: Transparency for Sustainability

Our 5th Annual Sustainability Report for 2015 - 16 has ushered in a whole new context as far as our evolution in terms of sustainability goes. We have based our future role in this regard on coexisting in a more focused and active way with the environment around us. Accordingly, our corporate vision has been aligned with transparency. Why transparency, you may ask. With responsibility as our middle name, we have embarked on a path where disclosure of our sustainability performance to all stakeholders will help us attain a bond with the stakeholders. At the very centre of this bond, we have sowed the seeds of trust with transparency at its core.

Audience: Building a Culture of Trust

With this report, it is our hope and endeavor to provide answers regarding Coal India Limited. We seek to address the queries and concerns of the stakeholders even as make a useful document for employees, local communities, the Government as well as the media and those who have any business interest in us, including business partners, stakeholders and other industry players.

Scope and Boundary: Covering all Exits

The scope of this year's sustainability report covers CIL and its eight fully owned subsidiaries in India including 413 mines (207underground mines, 176 opencast mines and 30 mixed mines); 15 coal washeries (12 coking coal and three non-coking coal) and other establishments managed by CIL including workshops, hospitals etc., along with 27 training institutes.

Content of the Report

The content of this report has to do with the period of 1st April 2015 - 31st March 2016. It has been compiled as per the guidelines of GRI G4 'in accordance' Core criteria while the previous year report published in 2014-15 was as per GRI G3.1 guidelines. The theme for the current report is "Energising Co-existence."

The report entails three distinct sections to depict CIL's role in enhancing sustainability and impacting the triple bottom line of People, Planet and Profit. You will find insights on the material aspects identified at a company level and our varied attempts to manage these aspects in an effective manner. Also, this report contains factual data based on the progress of the long term goals and targets that were set in the last reporting period. For these material aspects, we have attempted to project our targets for the coming year as well.

The reported data has been reviewed for completeness and accuracy at the operations level. We have represented the quantitative data in the metric system and the currency has been reported as Indian National Rupees. There are no specific restatements of the previous reported information. The GRI Index on pages 76-85 provides a list of GRI indicators and Disclosures (as per GRI G4 'in accordance' Core criteria guidelines) and their location within this report. The report has been assured by Bureau Veritas Certification (India) Pvt. Ltd., Eastern Region using AA1000 AS standards.

For Further Details Contact:

Mr. N. Das,
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Environment Division, Coal India Limited,
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Plot No: AF III, Action Area 1A,
New Town, Rajharhat, Kolkata, West Bengal
PIN- 700156
E-mail: cgmenv.cil@coalindia.in
www.coalindia.in
CIN L23109WB1973GOI028844



Technical Reclamation - Benching, Nigahi Project, NCL



Highwall Mining in SECL

FROM THE CHAIRMAN'S DESK

Dear Friends,

I am happy to release this fifth consecutive Sustainability Report, 2015 – 2016. This report discloses information on our economic, environmental and social performance. With this report, we aim to reach out to our stakeholders by invoking transparency. In this report compiled as per the Global Reporting Initiative (GRI) G4 guidelines, we intend to convey details of our sustainability journey in an endeavour to satisfy the country's energy need. Being well aware of our responsibility to cater to around 81% of the entire power generated, we strengthen our continued efforts by adopting a socio-ecofriendly approach.

During the reporting year 2015 - 2016, we earned Rs. 21,589.09 Crores, pre-tax profit against previous year's figure of Rs. 21,583.92 Crores. This consistent growth profile is attributed to the unique relationship we share with our stakeholders. For us, the main stakeholders are the local commune in the vicinity of our mining activity zone and the land losers. Hence, to satisfy the needs of the Project Affected Persons and other stakeholders in the neighbouring community, we take utmost care to improve the Resettlement & Rehabilitation (R&R) Policy while we strengthen the Corporate Social Responsibility (CSR) activities.

We value our employees as the back bone of our industry, and as one of our most valuable assets. Hence, the safety of our workforce remains our top priority and we have imbibed this thought into our mission statement, thereby making it an integral aspect of our overall business strategy. With a well-defined Safety Policy, and the establishment of multi-disciplinary internal safety organisations at all our subsidiaries, we ensure effective implementation of safety measures. We have devised 'Safe Operating Procedures' (SOP) as well as improved safety standards and enhanced safety trainings for implementation of the best safety practices to eliminate work place injuries and occupational hazards. Besides safety, we also try to make the lives of our employees and their families comfortable in the remote areas of our operations by undertaking appropriate welfare measures.

We understand our responsibility towards the environment and hence we conduct Environment Impact Assessment studies before the start of any project. These studies help us arrive on



the mitigation measures to be adopted for minimising the impact on the environment. This, in turn, guides us for the dual benefit of the environment and community at large. With the use of fully mechanised technologies like the Continuous Miners and Power Support Long Wall System for Underground Mining and the Surface Miner, High Wall Miners and high capacity equipment for open cast mining, we are tuned towards eco-friendly mining for safe and enhanced productivity.

Lastly, we thank 'YOU' – our stakeholders - for all your support and co-operation in meeting the energy needs of the nation and helping us foster a resilient relationship by 'Energising Coexistence'.

SD /-
(Sutirtha Bhattacharya)
Chairman



Coal Mining : Industry Outlook

Coal India

Coal India - the biggest coal producing company in the world is at the vanguard of the India's coal production, producing about 84.5 % of the entire coal output. Coal India virtually empowers the power sector of the country with nearly 76 % of entire supplies catering to Power (U) of the country. 100 Thermal Power Stations in the country receive coal from Coal India. For achieving the ambitious target of 908.10 MT to production by 2020, it is imperative for us at Coal India to facilitate Sustainable development and focus on 'Energizing Coexistence' for all our stakeholders.



Global Market

Coal is the most abundant of fossil fuels. It is used for electricity generation, and it also finds itself as a key input into steel and aluminium production as well as in cement manufacture.

Global consumption of coal is growing and is expected to increase even more as developing countries expand their energy needs. However, the future use of coal depends on how well the coal producers mitigate its environmental impact and contribute to holistic sustainable development.

Whilst the demand for this sector is always on the rise with the increasing rate of development in countries such as India and China, there is an increasing pressure from renewable energy as a climate-change friendly and an increasingly cost efficient option.

Indian Scenario

India is the world's third largest energy consumer, and its energy use is projected to grow at a rapid pace supported by economic development, urbanisation, improved electricity access and an expanding manufacturing base. Despite increased growth in other sources, coal will remain the major source of electricity generation. In India's energy sector, coal accounts for the majority of primary commercial energy supply. With the economy poised to grow at the rate of 8–10% per annum, energy requirements will also rise at a reasonable level. Foreseeing the high demand of coal in the country, the Government has set a goal of reducing coal imports to zero by 2020. This in turn will help to lower the reliance on expensive coal imports and result in tremendous savings in forex for the country.

Business Opportunities and Risks

Due to reforms initiated by the Government and its cascading impact on demand from Power we expect a strong demand curve build up. To increase its geographic proliferation, CIL is exploring the possibility to export coal in neighbouring countries and is striking supply deals. Investments in related industries such as solar and fertilizer are also being explored. Since logistics are crucial to coal supply, CIL is also investing in railway infrastructure projects to create better coal linkage facilities for consumers. Land acquisition and R&R continue to remain as key challenges for us at CIL. Emergence of pet-coke as a substitute of coal is another significant challenge. The thrust on increase of production is coupled with falling grades of coal which does not augur well in the increase in CIL's revenues.

COAL INDIA LIMITED – AN OVERVIEW

Coal India Limited (CIL) is a state owned coal mining corporate that comes under the purview of the Ministry of Coal, Government of India. The company is headquartered from Kolkata, West Bengal. Today, it is the single largest coal producer in the world and caters to the coal requirement of the Power and Steel sectors of the country. It is also one of the largest corporate employers in the country with an employee strength of 3, 22,404 people as on 1st April 2016. CIL is an apex body with eight wholly owned coal producing subsidiaries along with one Mine Planning and Consultancy Company spread over eight provincial states of India. We operated through 82 mining areas with 413 operational mines in 2015-16 and through 430 mines in the previous year 2014-15. Our operational mines for 2015-16 comprise of underground (207), opencast (176), and mixed mines (30). We also manage 15 coal washeries (12 coking coal and 3 non-coking coal) and manage other establishments like workshops, hospitals and more, along with 27 training institutes.

In April 2011, CIL was granted the "Maharatna" Status by the Indian Government, a privileged status held by only five PSUs currently, and is conferred by the Government of India to select state owned enterprises to empower to expand their operations and emerge as global giants.

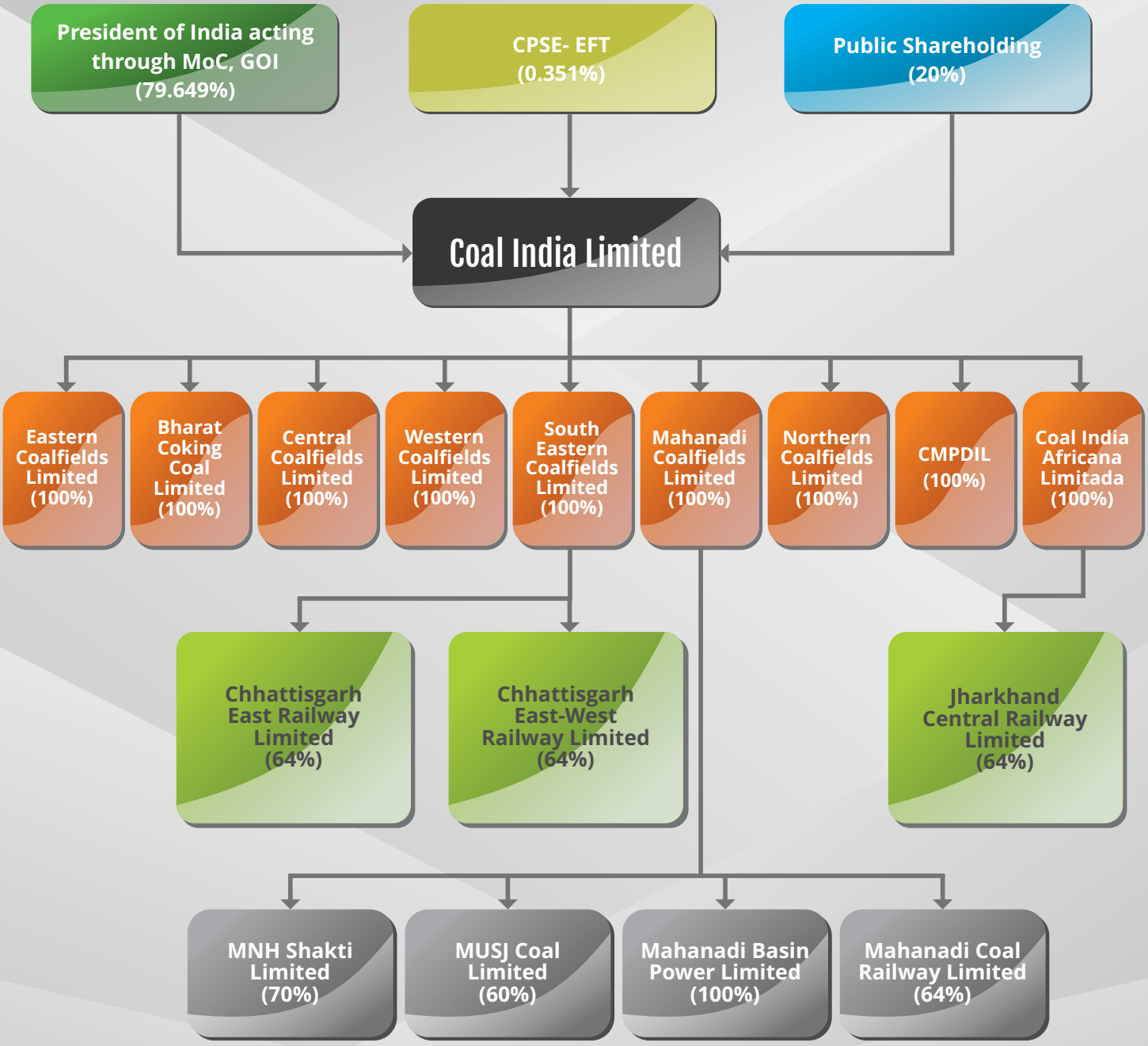


Corporate Office of CIL at Kolkata

Organisational Structure

The organisational structure of CIL encompasses eight subsidiaries in India with a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL). The government shareholding in CIL stands at 79.649% with the remaining held by institutional investors and individual shareholders. Besides this, North Eastern Coalfields (Assam) is also managed directly by CIL. Similarly, Dankuni Coal Complex is on lease with South Eastern Coalfields Limited and Mahanadi Coalfields Limited consists of four Joint Venture Companies as well as a SPV. Jharkhand Central Railway Limited is a Joint Venture Company between Central Coalfields Limited, M/s Ircon International Limited and Govt. of Jharkhand incorporated on 31st August 2015 with 64% holding for evacuation of Coal.

Corporate Structure



Product Profile



Coking Coal
Description: When heated in the absence of air, forms coke
Uses: Steel Making and Metallurgical Industries



Semi Coking Coal
Description: Blended with coking coal in adequate proportion to make coke
Uses: As blend-able coal in Steel making, Merchant Coke Manufacturing and other Metallurgical Industries



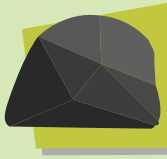
NLW Coking Coal
Description: With high ash content
Uses: Power utilities and non-core sector consumers



Non Coking Coal
Description: Coal without coking properties
Uses: Thermal grade coal for Power utilities, Cement, Fertilizer, Glass, Ceramic, Paper, Chemical and Brick manufacturing, and other heating purposes



Washed & Beneficiated Coal
Description: Coal after washing and beneficiation
Uses: Manufacturing of hard coke for Steel Making and Power Generation



Middlings
Description: By-product of the three stage coal washing/beneficiation process
Uses: Power generation, Brick Manufacturing Units, and Cement Plants



Rejects
Description: Products of coal beneficiation process after separation of cleans and/or middlings
Uses: In Fluidized Bed Combustion (FBC) boilers for Power Generation, Road repairs, Briquette (domestic fuel) Making, Land filling, and more.



CIL Coke/ LTC Coke
Description: Environment friendly product of the Dankuni Coal Complex, obtained through low temperature carbonisation.
Uses: In the furnaces and kilns of industrial units and as domestic fuel by halwais, hotels, and more



Coal Fines/ Coke Fines
Description: Screened fractions of raw feed coal and LTC coke, obtained from the Dankuni Coal Complex and other coke oven plants
Uses: Industrial furnaces and domestic purposes.



Tar/ Heavy Oil/ Light Oil/ Soft Pitch
Description: From the Dankuni Coal Complex made using low temperature carbonisation of non-coking coal in vertical retorts
Uses: Furnaces and boilers of Industrial Plants; Power houses, Oil, Dye, Pharmaceutical Industries, and more.

Corporate Governance

CIL is governed by a Board of Directors who assume responsibility for effective, ethical and prudent management that can deliver the long term success for the company. The responsibilities of the Board include zeroing in on the company's strategic aims, providing the relevant leadership to put them into effect, supervising the management of the business and reporting to the shareholders on their stewardship. They make a review of various global charters (e.g. UNGC Principles), the composition, annual calendar for meetings and performance of all the sub-committees of the board.

Board of Directors

FUNCTIONAL DIRECTORS



Shri S. Bhattacharya
Chairman
(DIN-00423572) (From 05.01.2015)



Shri R. Mohan Das
Director (Personnel & Industrial Relation)
(DIN-01594255) (From 01.06.2007)



Shri N. Kumar
Director (Technical)
(DIN-02624808) (From 01.02.2012)



Shri Chandan Kumar Dey
Director (Finance)
(DIN-ADIPD7247D) (From 01.03.2015)



Shri S. N. Prasad
Director (Marketing)
(DIN-07408431) (From 01.02.2016)

INDEPENDENT DIRECTORS



Ms. Loretta M. Vas
(DIN-02544627) (From 17.11.15)



Dr. S. B. Agnihotri
(DIN-03390553) (From 17.11.15)



Dr. D. C. Panigrahi
(DIN-07355591) (From 17.11.15)



Dr. Khanindra Pathak
(DIN-07348780) (From 17.11.15)



Shri Vinod Jain
(DIN-00003572) (From 17.11.15)

PERMANENT INVITEES



Shri R. R. Mishra
CMD, WCL
(From 06.11.15)



Shri Shekhar Saran
CMD, CMPDIL
(From 01.01.16)

GOVERNMENT NOMINEE DIRECTORS



Dr. A. K. Dubey
Special Secretary, Ministry of Coal
(DIN-02766755) (From 03.04.13)

Subcommittees

The CIL Board operates through various committees that are assigned with specific roles and responsibilities. The various committees include the Audit Committee, the Nomination and Remuneration Committee, the Share Transfer Committee, the Risk Management Committee, the Corporate Social Responsibility Committee and the Stakeholder Relationship Committee. During the year 2015-16, one meeting of the CSR committee was held on 04-03-2016.





Longwall Machinery in ECL

Code of Conduct

Our practices are guided by an exclusive Code of Business Conduct and Ethics which acts towards enhancing the ethical and transparent behaviour of the organisation as far as the corporate world goes. Prepared to imbibe a culture of accountability with due control systems in place, this Code applies to all our Directors and Senior Management. With the play of its control systems, this code of conduct also seeks to deal with the risks involved and play a key role in value creation. The code touches all aspects of ethical risk even as it sets standards of ethical and legal behavior by providing guidance on ethical issues. It also provides reporting mechanisms for known or suspected unethical conduct and helps foster a culture of honesty and accountability.

Human Rights

As a responsible Corporate Citizen, we recognise the importance of children's rights and have a clear stance on the issue of child labour. As per The Mines Act, 1952, the employment of children below 18 years of age in a mine is prohibited. We follow proper checks and audits as per the Act. We do not make any verbal agreement; instead, all our contracts are in written form with various contractors. This ensures that no children get employed in our coal mines. We are fully committed to abide by the rules on Human Rights across our operations and this reflects in our dealing with our different stakeholders. All suppliers / contractors / vendors who undertake to provide services enter into a comprehensive formal agreement with CIL, which contains stipulations and conditions requiring them to ensure the compliance of various applicable labour statutes in respect of their employees / workers. These include the Payment of Wage Act - 1936, the Minimum Wages Act -1948, Equal Remuneration Act - 1976, the Industrial Dispute Act - 1947, the Employees State Insurance Act - 1948, the Coal Mines Provident Fund and Misc. Provisions Act - 1948, the Child Labour (Prohibition and Regulation) Act -1986 and the Contact Labour (Regulation & Abolition) Act -1970. CIL ensures that the contractor's labour is treated fairly as per the law. The contractors are advised to pay the wages to its workers through bank and settle the issues in accordance with the law. We are also committed to the principles of the United Nations Global Compact on Human Rights.

During the reporting period, no cases of anti-competitive behavior, anti-trust and monopoly practices were filed. Awareness on human rights is included in our training programmes. During the year 2015-16 we don't have any reported case of human rights violation. A more comprehensive Human Rights Policy pertaining to all sectors of CIL is being structured, wherein child labour will be one of the thrust areas. The Human Rights Policy of CIL is expected to be implemented shortly.



Employees of Ananya Vatilka in SECL

Vigilance and Anti-Corruption

We have streamlined anti-corruption efforts by setting up Vigilance Departments at CIL and in each of our subsidiaries. These departments are headed by a Chief Vigilance Officer (CVO), appointed by the Government of India in consultation with the Central Vigilance Commission (CVC) on a tenure basis, drawn from various government services. During the year 2015-16, 115 Intensive Examination of Works/Contracts (Major Works) were undertaken by CIL (HQ) and our subsidiary companies. 244 surprise checks were carried out and 66 departmental inquiries were disposed of, which resulted in disciplinary action against 310 officials.

Electronic Surveillance

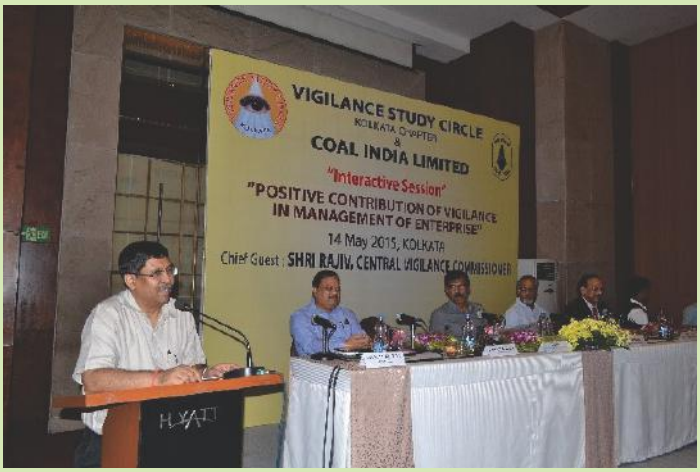
Besides this, we have developed a robust electronic surveillance system to keep watch on coal stock and track the coal loaded vehicles. The initiatives taken in this regard include:

- GPS/GPRS based VTS (Vehicle Tracking System) on coal transport vehicles
- OITDS (Operator Independent Truck Dispatch System)
- Installation of CCTV at vulnerable points like entry/exit points, coal stock yards, railway sidings, material stores, explosive magazines and important offices
- RFID based boom barriers
- Wide Area Networking for connecting all the mines, projects, sidings, weigh bridges and HQ through dedicated network for data transfer and coal net implementation
- Installation of in-motion weigh bridges with RFID tags
- Weigh Bridge connectivity for weight tracking
- Geo-fencing of mine areas

Systemic Improvements

In order to enhance the systematic improvements within our operational process, we have arrived at a policy involving a preventive approach. During the reporting period, the following initiatives have been undertaken to put transparency at the very core of our organisation:

- Improvements in Online Grievance Management System: We are now listed in the online PG Portal. We also have a Grievance Redressal Committee formed both at CIL and the subsidiary HQs. The grievances received in hard copy are scanned and linked to the system. The actions taken by the Departments is reviewed by the committee. Unresolved grievances are escalated to the functional directors.
- Online Bill Tracking System: A new Bill tracking system has been introduced in the coal net system. This system enables the vendors to view the status of their bills even as it helps the senior officers monitor delays in the processing of bills.
- Implementation of E-Procurement Reverse Auction: E-Procurement has been made compulsory for all tenders above Rs. 2 Lakh. Reverse Auction has been taken up for tenders above Rs. 1 Crore and the business process has also been standardised.



Vigilance Awareness

"Preventive Vigilance as a Tool of Good Governance" became our theme for the Vigilance Awareness Week in 2015. Drives such as these are a part of our endeavor to promote the cause of vigilance and anti-corruption. During this drive, the employees were put through a series of activities that helped them get a flavor of transparent and responsible conduct. In the meantime, informal modes gave rise to feedback from the stakeholders on the subjects of transparency and governance in the varied activities within the organisation, which were all duly noted. Some of the major activities hosted during this week included:

- Vigilance Pledge
- Publicity through Banners, Posters, Vigilance related slogans, message through sms, mass messaging system, and more
- Competitions: Speech Competition, Quiz Competition, Essay writing, Group discussions for the employees of CIL; One day orientation program for Junior Level Managers
- Seminar on "Preventive Vigilance as a tool of Good Governance"

Whistle Blower Policy

In a bid to provide our employees with a secure and a fearless working environment, we have established the "Whistle Blower Policy" as per Regulation 22 of SEBI. The clause states that a listed company shall establish a mechanism for directors and employees to report concerns about unethical behavior to the management. These reports may also include actual or suspected fraud, and violation of the company's code of conduct or ethics policy. We have a robust mechanism in place to protect whistle-blowers from any kind of harm or retribution.

During the 2015-16, systemic improvements have been rendered to the online grievance mechanism as described in the "Vigilance and Anti- Corruption" section. A total of 2475 grievances were reported and 2282 of them were addressed through the online from Grievance Management System.





Industry Associations

As a part of our insight driven and trust building policy, we have recognised that the other side of the cause of disclosure is interaction. Accordingly, we have engaged with people and industrial associations on myriad forums that have also given us the platform for effective image building. In the sphere of mining activities, we have forged industry associations through these forums and engaged in discussions and insights with corporate projection. This has greatly enhanced our business approach and added value to the shaping of our core vision.



Awards & Recognitions

Coal India was conferred with 'Rashtriya Khel Protsahan Puruskar - 2015' for Encouragement of Sports through Corporate Social Responsibility. The award was given to CIL by the Hon'ble President of India on 29th August 2015 at Rashtrapati Bhavan.

Coal India was conferred 'Award of Excellence' in recognition of its outstanding performance by Bureaucracy Today's "BT-Star Excellence Awards 2015" in an event held on 15 May, 2015 in New Delhi.

Coal India was conferred 'Fastest Growing Company' Award in the India Today PSU Awards event held in Delhi on 14 December 2015.

Coal India bagged the 1st Prize in Corporate Offices Category for Best Implementation of Official Language Policy of the Union by Town Official Language Implementation Committee (TOLIC) (PSU), Kolkata. The prize was given by Hon'ble Governor of West Bengal.









Sustainability Design of CIL

Human Resources

(Competence, skills and knowledge of 322404 employees)

Natural Resource Capital

(Land, Water, Air, Biodiversity, Coal & Coal Products and Energy)

Finance & Legalities

(Equity and Regulatory permits and requirements of all it's subsidiaries)

Community License

(Community involvement at each step with continuous support and agreement of various stakeholders)

Business Partners

(Well established relationships with suppliers, contractors and vendors in all subsidiaries throughout the mining lifecycle)

Mining Lifecycle



Production: Meeting the Needs

We witnessed an accelerated growth in production by 9.01% in coal production, 29.60% in OB removal & 9.23% in coal off-take compared to the last year. Coal production from underground mines in 2015-16 was 33.786 million tonnes. Of the total raw coal produced, 93.73% was produced from Open Cast mines.

Economic Value: Valuing the Resource

We incurred a total profit of Rs. 37,689.31 Crores as compared to Rs. 34,600.15 Crores during the previous year with a growth rate of 8.93%.

Environmental Footprint: Mitigating & Managing Responsibly

- 23 environmental clearances were obtained
- Planted around 1,687,506 trees covering an area of over 719.14 ha
- Promoted Eco restoration and harnessed solar energy
- Developed 37 new mine closure plans

People Value: Fostering Competence and Adding Value

- We prioritize Health & Safety of our employees and have attained a 28.8% reduction in LTIFR (0.276) since last year
- We enhanced capacity of 166659 employees through various training programs in house and outside the company and abroad.
- We believe in promoting gender diversity and the total strength of female employees in CIL is 22,822, constituting 7.07% of the total manpower during the year.

Community Wellbeing: Impacting lives positively through CSR programmes

We consider our community as an extension of CIL and have invested Rs. 98.85 Crores in various CSR projects including water availability, child education, women empowerrment, health, sports, environment and skill development.

SUSTAINABILITY PERFORMANCE ASSESSMENT

Goals and Targets 2015-16	Performance 2015-16	Status
Production & Profits		
Increased Coal Production	Achieved a production of 538.75 MT of coal, with a growth of 9.01%.	✓
Increase in the Over Burden Removal	A growth of 29.60% was seen in OBR compared to the last year.	✓
Increase in the Coal Production Off-take	An increase of 9.2 % over last year was seen in the off-take of raw coal.	✓
Enhanced Dispatch of Coal & Coal Products	During the year, dispatches of coal and coal products registered a growth of 9.1 %.	✓
Increase in Wagon Loading	The increase in loading over last year was of 18.23 rakes per day. In addition, WCL outperformed in achieving its target.	✓
Enhanced Drilling Performance	As against the achievement of 2.09 Lakh Metres in 2007-08, CMPDI has achieved 8.28 Lakh Meters in 2014-15 and 9.94 Lakh Meters in 2015-16 through departmental resources and outsourcing to register a growth of 20% over the previous year.	✓
Rise in the financial performance of CIL & its subsidiaries	The total profit of CIL and its subsidiaries was Rs.21,589.09 Crores as compared to Rs.21,583.92 Crores during the previous year.	✓
Health and Safety		
Achieve reduced fatal incidents	38 fatalities have been reported during the year which is a reduced number as compared to the previous year.	✓
Achieve reduced Occupational Illness cases	No Occupational Illness cases recorded.	✓
Reduce Lost Time Injury Frequency Rate (LTIFR)	LTIFR reduced to 0.276 i.e 28.8% reduction since last year.	✓
Reducing rate of Fatality & Serious Injury	Achieved excellent MOU rating by reducing Fatality & Serious Injury Rate per Million Tonne of coal production by 22.2% and 28.9% respectively in contrast to the last financial year.	✓
Human Resource Management		
Increase in the number of trainings provided to executive and non executive employees	A total of 166659 employees, both executive and non executive were involved in trainings during the year which included training in house, outside the company and abroad.	✓
Focus on Gender Diversity	Female employees constitute 7.07% of the total manpower.	✓
Hiring of fresh talent	Entry level recruitment to CIL has been done with Management Trainees reaching 448 people in different disciplines.	✓



Goals and Targets 2015-16	Performance 2015-16	Status
Environment		
Increasing the number of ISO 14001 certified units	In total, 29 units and two companies (MCL & NCL) are certified with the ISO: 14001 standard.	✓
Continued efforts to promote energy efficiency by planning to setup a 1000 MW Solar Power Projects during 2014-19	CIL has signed an MoU with Energy Efficiency Services Limited (EESL) & Solar Energy Corporation of India (SECI). Led to the installation of 2.0 MW capacity, 0.19 MW capacity and 0.14MW Solar PV power plants in MCL, Burla ; CMPDIL, Ranchi and CIL HQ at Kolkata respectively.	✓
Increase in the number of Mine closure plans	37 new mine closure plans have been developed for CIL.	✓
Continuous R&D	During the year Rs.22.47 Crore was invested in R&D. R&D has been done in the field of eco restoration, environmental audits, sustainable coal mining, harnessing solar energy and related areas. Collaborations & MoUs have been signed with various institutes such as FRI, NEERI and others.	✓
Increased tree plantation for ecological restoration	CIL and all its subsidiaries have planted around 1687506 trees covering an area over 719.14ha in 2015-16 against 684.55 ha in the previous year.	✓
Community		
Setting up rigorous governance and oversight systems for CSR programs	CIL has entered into an MOU with the Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities. Also, CIL has a two tier CSR Committee i.e. **(a)** CSR Committee comprising of below Board level executives for examination and recommendation of CSR Projects, and **(b)** A Board Level Committee on CSR & Sustainable Development for further deliberation and approval of CSR projects.	✓
Develop impactful, community programs – based on experience, studies & community feedback	Some of the major CSR initiatives have been undertaken in the field of Water, Women Empowerment & Child Education, Rural Development Projects, Health, Sports, Environment and Skill Development.	✓



STRATEGISING CO-EXISTENCE

Co-existence represents harmony, which is a binding force that holds all facets of a company's business together. Encompassing all stakeholders, we lay a strong foundation for a sustainable business – that is our strategy for overall growth and sustenance. In our approach to induce sustainable growth, we adhere to the principles of the Triple Bottom Line, and ensure development across the pillars of Environment, Social and Governance (ESG).

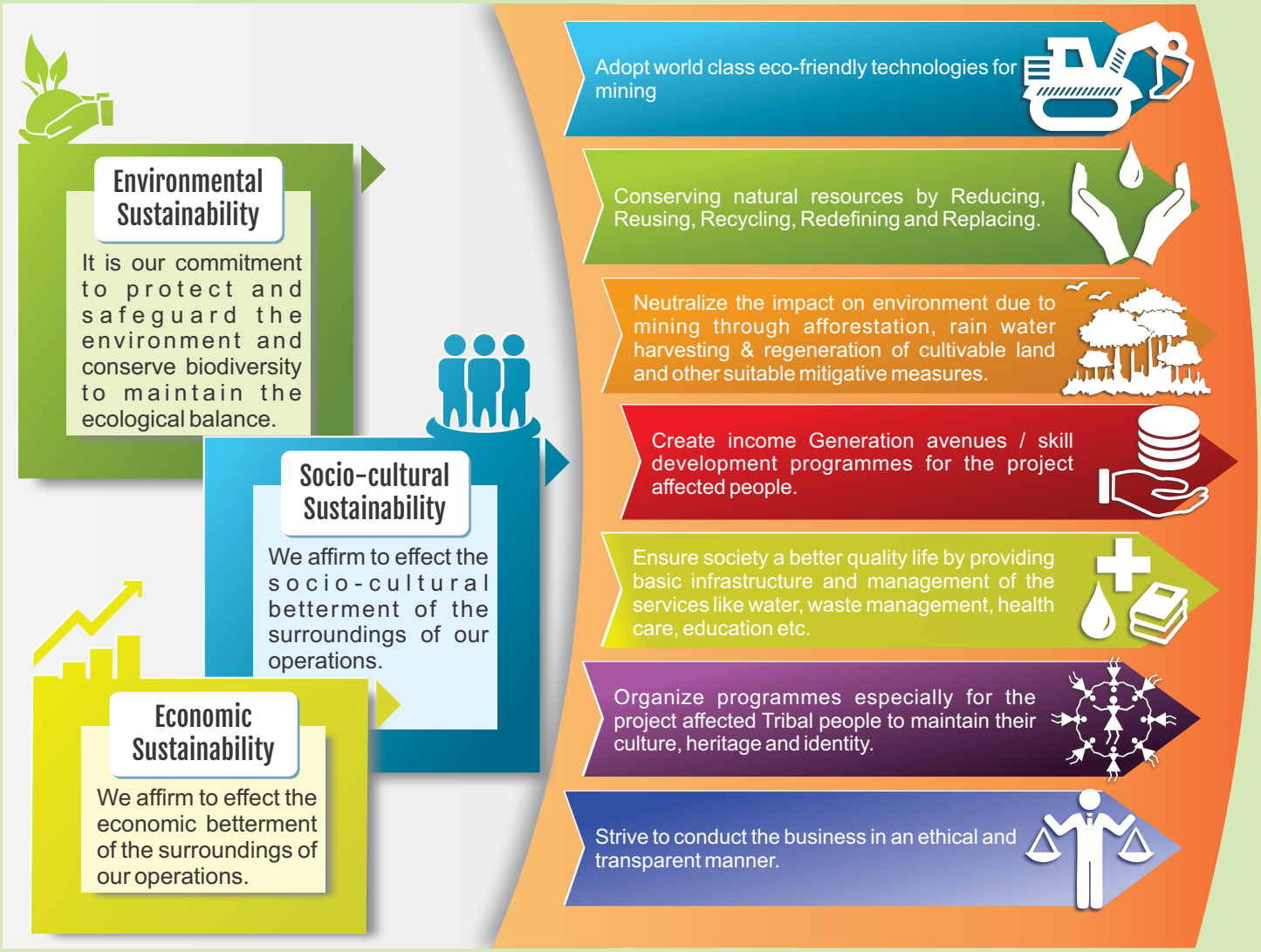
Since its inception, our business conduct adheres to an all inclusive model, and we have realised over time that co-existence is imperative for continuity in the long run. Earlier experiences and associated challenges of land non-availability and resettlement, labour issues, mine fires and enhanced community expectations signified the fragile operational framework we had adopted. Now, we are determined to drastically transform the way we operated in the past so as to reinvent our methodologies with contemporary industry practices.

Framework for Development

Our efforts for aligning our business goals with the ESG pillars started way back in 2013 when we first formulated our Sustainable Development Policy. The policy lays emphasis on Environmental Sustainability, Economic Sustainability, and Sociocultural Sustainability. These form the core areas for implementing relevant projects. The policy is armoured with a set of nine directives that lay the guidelines for development through sustainability practice.

Besides this, we also have an exclusive policy for Corporate Social Responsibility that is aligned with the Companies Act, 2013. The policy acts as a strategic tool for integrating business processes with the social processes for the overall development of the society. Further, the policy also aims at strengthening implementation of welfare projects undertaken by government, through our CSR ventures.

SUSTAINABILITY DEVELOPMENT POLICY OF CIL



Sustainability Agenda in Practice

In our endeavour to coexist profits with long-term sustenance, we attempt to infuse sustainability with the well defined directives of our SD Policy. In this regard, we attempt to implement projects in all our locations throughout the country in keeping with the tenets of this policy. For effective management of these ventures we have an established governance framework. The framework is responsible for tracking progress in the implemented projects and ensuring achievement of the set sustainability targets. We also keep ourselves updated with the best practices in the industry and make efforts to meet International Standards.

Sustainability Governance

At CIL, we drive sustainability through a two tiered governance structure. We have two committees, namely, the Board Level Committee on CSR and the CSR Committee. Both the committees are responsible for CSR & SD activities. The Board Level Committee on CSR is responsible for deliberation and approval of CSR projects that are recommended by the CSR committee after their assessment. These committees meet regularly throughout the year to ensure implementation of CSR & SD projects.



Sustaining the Business Risks

Growth and sustainability of the business will not be met without proper risk assessment and efficient management of the identified risks. Hence, we attempt to remain alert as far as all the possible associated risks for our business at all levels of our operation go. This monitoring also spreads to the life-cycle of the asset. We bank on our comprehensive policies, Code of Conduct, operational management systems, governance structures, processes, and most importantly our people, for establishment and improvement of our internal control systems for good business conduct.

Our modus operandi commences by setting key sustainability targets and we regularly review our progress towards them through compliance assessments and audits. Currently, we are also in the process of establishing a formal Risk Management framework for enhancing operational control and efficient sustainability management. A Risk Management Charter and a Risk Library including all elements of risk have been compiled and also approved by the CIL, Board. The framing of an exclusive Risk Management Policy is also underway.



Coexisting with Stakeholders

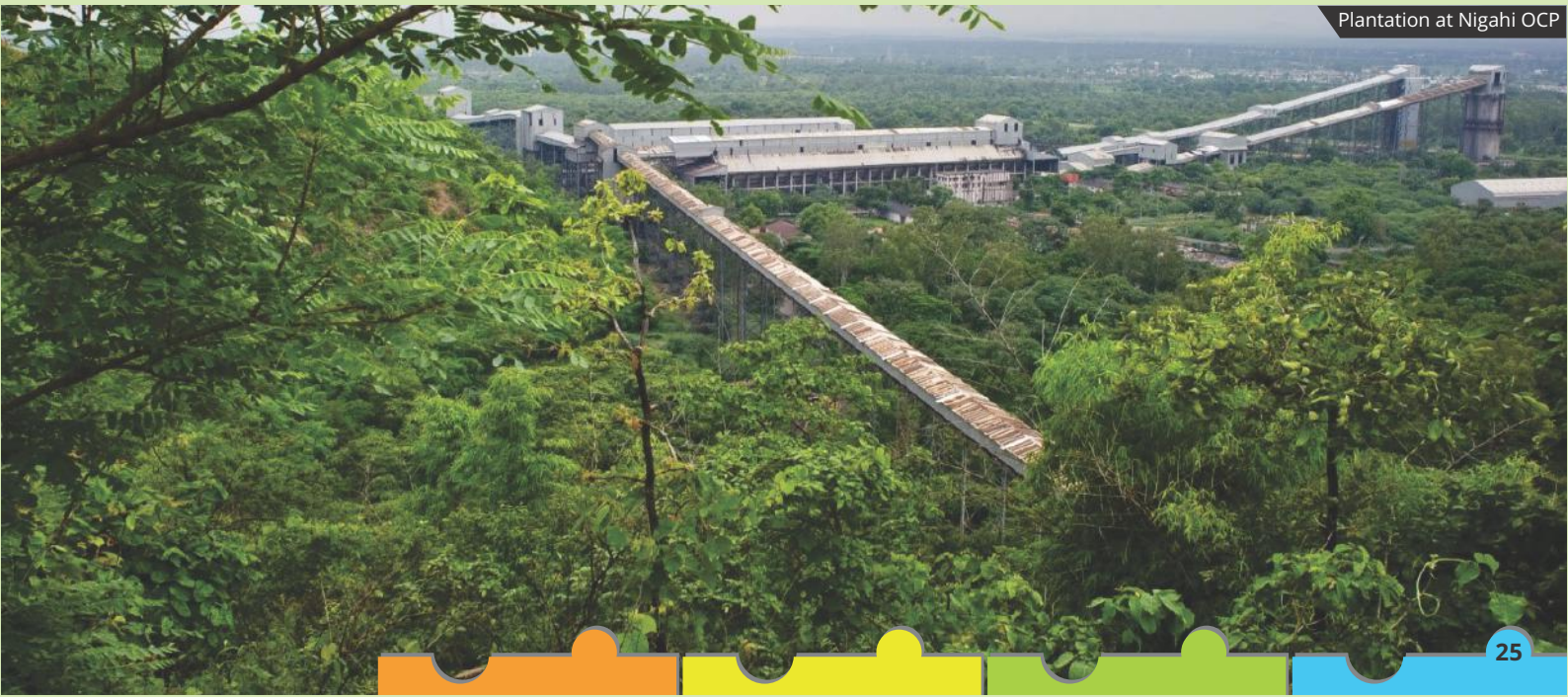
Stakeholders, by definition, refer to individuals and organisations who are affected by the activities of a company either directly or indirectly and may have an influence over a company's business. Thus, they play a significant role in the overall growth and development of the company. As a responsible corporate citizen, we consider it as our responsibility to develop and retain an amicable relationship with all our stakeholders. In practice, we believe in extensive engagements with all our stakeholders throughout the year to understand their concerns and address their issues.

We engage with our stakeholders both formally and informally. Through these interactions we attempt to strengthen our relationships with them. During the reporting period, we engaged with our stakeholders on various platforms that are detailed below. The key concerns that emerged out of these interactions have also been compiled.





Stakeholders	Mode of Engagement	Key Concerns
Shareholders	Annual General Meeting	Company's performance.
Government (Ministry of Coal) / Govt.Statutory / Regulatory Authorities	Performance Report (Quarterly& Annually) Board Meetings (at least once a month) Compliance Report Inspections	Performance at every front Policy decisions Abiding by the Law
Employees	Corporate level Industrial Relations meetings with Union leaders (JBCCI) - Five yearly for wage negotiation Employee trainings and seminars Safety Week (Annually) Vigilance Week (Annually) Monthly Co-ordination meetings (Monthly)	Job Satisfaction Wage negotiation Promotion Learning and Development Welfare (Housing related matters)
Land losers	Public Hearing / Consultation (For New & Expansion projects) as and when required Regular meeting in the Project	Rehabilitation and Resettlement Compensation
Local villagers and community	Sustainable Development initiatives and CSR activities (on going)	Livelihood options and Job Opportunities Basic amenities Local Infrastructure related concerns including Road, Street lighting, Drinking water, Education
Customers	NCCC meeting with Industry representatives and Ministries are held under the stewardship of Chairman - Annually. RCCC meetings with Customers - Chaired by CMDs of Subsidiaries and held at subsidiaries - Annually Marketing Team meets the customers frequently Consumer Complaints System (Website – www.coalindia.gov.in)	Quantity and quality of Coal Delivery Time Size of coal
Suppliers	Interactive meetings and sessions during tenders Vendors meet – regularly, at least once in a quarter	NIT conditions Supply schedule Quality of items of supply
NGO	As per the guidelines prescribed by MoEF	Impact of mining activities on the local community
Media	As per the guidelines prescribed by MoEF	Impacts of mining activities on the community and country



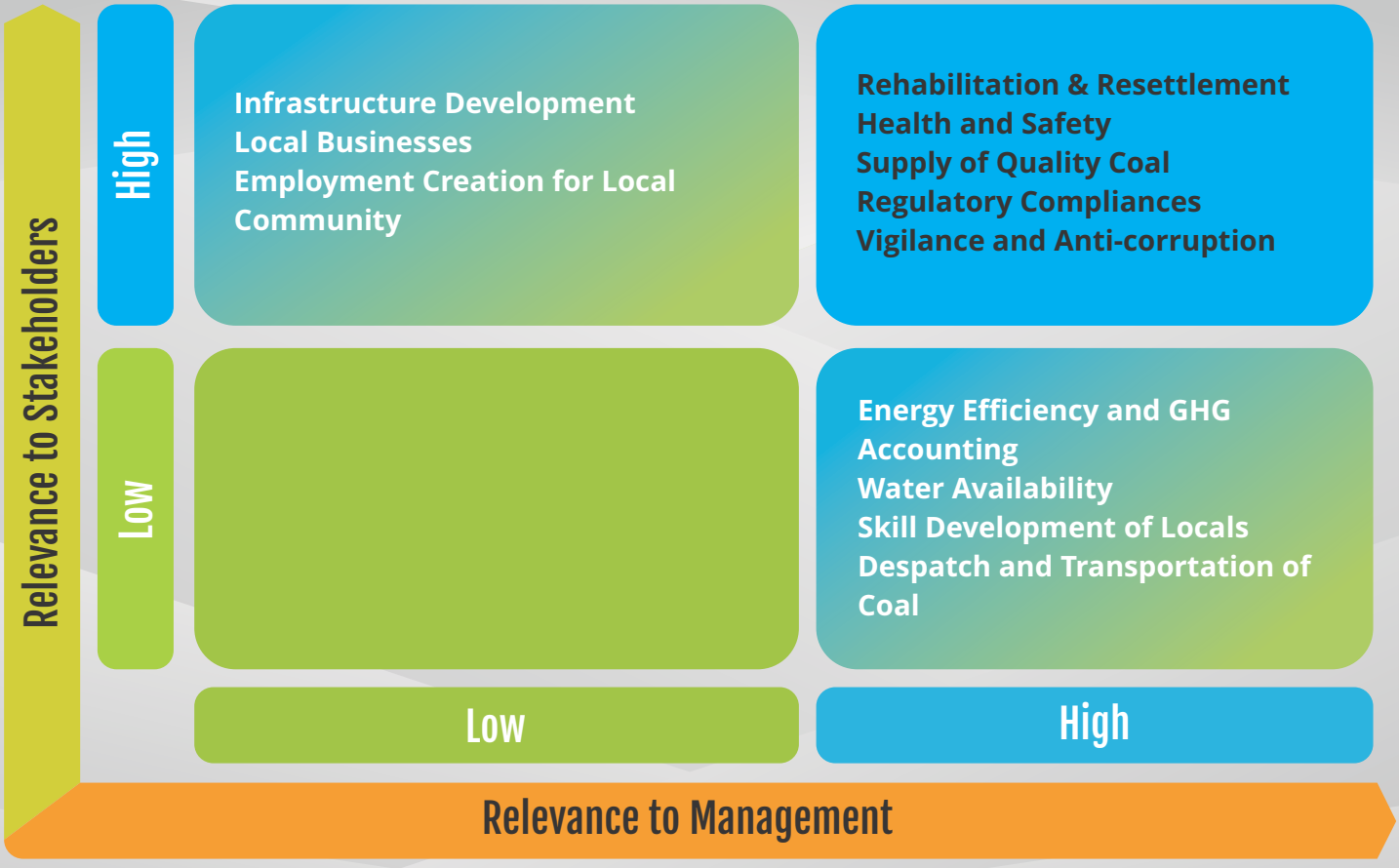
Plantation at Nigahi OCP

Insight on Material Aspects

Materiality Assessment is the process of identifying, prioritising and defining the aspects that are of highest importance to the stakeholders and the management of a company. In context of the contemporary corporate culture, materiality has gained importance as a new tool for strategising the sustainability of businesses. The assessment process emphasises on engagement with various stakeholders to prioritise the most material aspects that impact the company's business.

Our assessment of the material aspects was based on the inputs from the various engagements that we had with our stakeholders throughout the reporting period. We prepared an extensive list of concerns stated by our stakeholders. Based on this list we attempted to prioritise the most material aspects of the stakeholders. These aspects were then assessed qualitatively by our Management Team. Finally, we have come up with a materiality matrix that is an amalgamation of both the stakeholder perspective and management perspective. The materiality matrix determined was plotted on a 2X2 matrix and the aspects were plotted on the basis of their relevance to the management and their significant impact on the stakeholders.





MATERIALITY MATRIX

Key Risks and Mitigation

The identified and most material aspects have been analysed for the various associated risks that need to be addressed from the perspective of sustainability and business continuity. A vivid description of the key risks and the mitigation measures adopted are elaborated below:

Rehabilitation and Resettlement

Within this context, the mining of coal happens with a process that aims at making the life of the community around the mines, much easier. To begin with, the assessment of the new mining areas happens only after the evacuation of people from these areas takes place. This evacuation happens in phases by relocating the local community with ample compensation for the land that they stand to 'lose' to the larger cause of coal energy production. Opposition from the local communities as well as the environmental groups is dealt with in a sensitive manner so as to meet the land acquisition challenges without intensifying the situation. A trend of increasing land costs and associated R & R issues are tackled by us, in this regard.

We are sensitive to the fact that monetary compensation may not fulfil the emotional chasm that many of these land owners and community dwellers are unable to bridge when they have to relocate. Our efforts in this direction include satisfactory R & R for land out sees with a focus on engaging the local communities and catering to their demands to the best of our abilities. Compensation packages and engagement efforts lie at the centre of our endeavours and policies in this regard. Our hope is to further evolve our R & R system to provide better avenues for the relocated families.

Supply of Quality Coal

Catering predominantly to the requirements of the Power sector, it is inevitable that we compromise with the quality of coal we supply. Consumer dissatisfaction may directly impact our business. Hence, we are cautious about supplying the required grades to our customers. For this, we emphasise on efficient coal beneficiation processing that includes crushing, handling, washing, loading and transport system. In the 2015-16, we have built Coal Handling Plant of capacity 326 MT/annum to provide sized coal to our customers. We have also initiated the process for establishing 15 more washeries with a capacity of 112.60 MT. Further, for ensuring customer satisfaction, we lay special emphasis on quality management and redressal of consumer complaints

Health and Safety

Being in the mining sector, we are often criticised for the negative impact of our industry on the health and safety of the involved workforce. Our record of fatalities and injuries are not encouraging and that poses a serious threat to the continuity of our business operations. Hence, we have vowed to reduce injuries and avoid fatalities, by improving the safety culture at CIL through a Risk based Safety Management Plan, increased safety trainings, implementation of a full proof and all encompassing safety policy with effective monitoring of the same. Also, for enhancing safety in the mining operation, we have adopted state-of-the art technology in open cast mines by introducing more surface miners, HEMMs of higher capacity, mechanised drilling, phasing out manual loading and adopting mass production technologies in UG mines. This also comes with better strata management to avoid FoG in underground mines and initiatives for preventing spontaneous heating and mine fires.



Regulatory and Compliances

Compliances are a must for any mining organisation. We understand the criticality of deviating from desired regulations in terms of long term continuity of our operations. Hence, for good business conduct we adhere to all essential regulatory norms and meet the necessary compliances. Before the opening of any new project we ensure that we obtain all necessary clearances, including environmental clearances and forest clearances. Prior to that we conduct Environment Impact Assessments and analyse the likely effects on all potential stakeholders in the vicinity and plan for the required mitigation measures, accordingly.

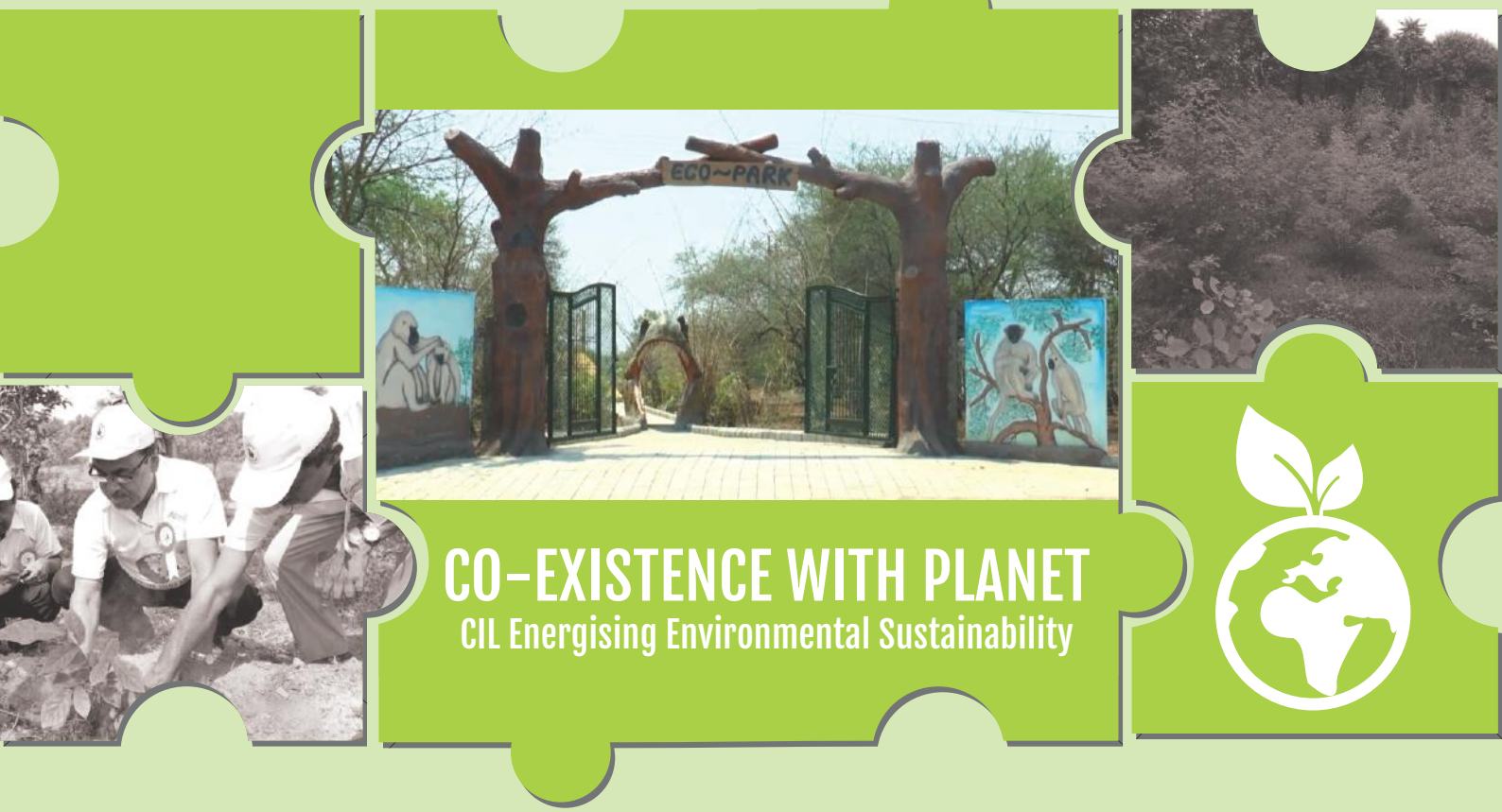
Vigilance and Anti-Corruption

With a large workforce of over 3,22,404 employees, the instances of bribery and corruption are high. Hence, we are geared with the necessary vigilance machinery to prevent such incidents in our organisation. Coal loading and coal transportation areas are prone to coal thefts. For effective monitoring and prevention of the same we have introduced several technology enabled interventions. In continuation of these efforts, we have also attempted to make systemic improvements and promote a preventive vigilance approach. For the last few years, we have also strengthened our efforts towards creating awareness among employees with enhanced opportunities for open dialogue with them to imbibe a culture of transparency.





Celebration of Environment Day in CIL HQ



CO-EXISTENCE WITH PLANET

CIL Energising Environmental Sustainability

When we develop and integrate various practices that go towards reducing the degradation of the natural resources, mining becomes an environmentally sustainable act. At CIL, we are aware of the impact that many of our operations have on the environment, and it is our constant endeavor to take the necessary steps to mitigate the effect of the same. With mine planning, design and operations that emanate from the same, we try and imbibe a responsible stance with the help of EMP or Environment Management Plans and clearances that are built into the way we function from start to finish. This ensures that we leave behind a more positive footprint in terms of the environment even as we work towards our coal production targets.

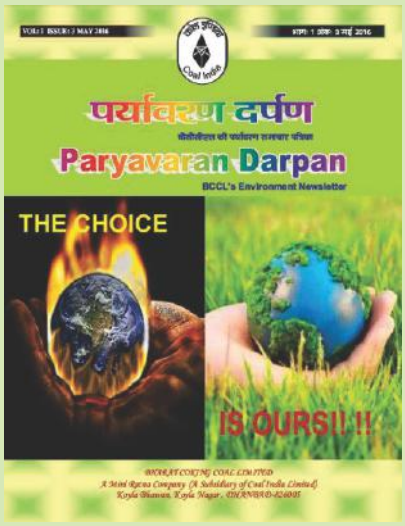
We could not have become the largest coal producing company in India without recognising the fact that our first responsibility is towards the environment and its conservation. In this way, our commitment is based on environmentally ethical and socially sustainable growth even as we keep the economic angle in strong perspective. In a bid to do this, we involve the local community and our stakeholders in our strategies for sustainable co-existence. This has been successfully combined with revenue and profit generating models as well.



Stimulating Efficient Environment Management

Within our special ventures for environment protection and preservation, we have aimed to act in a responsiblemanner by adhering to the regulatorynorms and standards laid down by the higher echlons of power and authority. Accordingly, we also have a Corporate Environmental Policy that guides us as far as ourenvironmental initiatives go. Third party certifications like the prestigious ISO 9001, ISO 14001 and OHSAS 18001 help us in aligning ourselves with the environment around and within for sustainable practices within and outside the coal mines. 57units and three subsidiary companies were certified for the ISO 9001 while 29 units and two subsidiaries were certified for the ISO 14001, and 12 units along with two subsidiaries were given the OHSAS 18001 certification – all in this reporting period.

e do not venture into new expansion projects without obtaining the necessary environment clearances as well as an EIA/EMP that will take care of the needful. Also, we take pollution control measures even as we indulge in mining operations so as to maintain acceptable levels of the environment's major physical attributes including the air, water, hydrogeology, noise, land, flora and fauna and the nearby population. In this reporting period, the CMPDI has conducted 16 Form – I and 34 drafts of EIA/EMPs with 23 clearances obtained from the MoEF for various washeries and other projects and groups of Mines and the Sand Mine Project run by CIL. Our major focus has also been on creating awareness within the organisation regarding the importance and the way forward for these initiatives with the celebration of the World Environment Day in all our subsidiaries. Apart from this, we also regularly post banners and thoughts on the notice boards to communicate these points on a formal and informal basis.



BCCL has launched a special Environment newsletter in 2015 - "Paryavaran Darpan" showcasing their progress in preservation of environment.

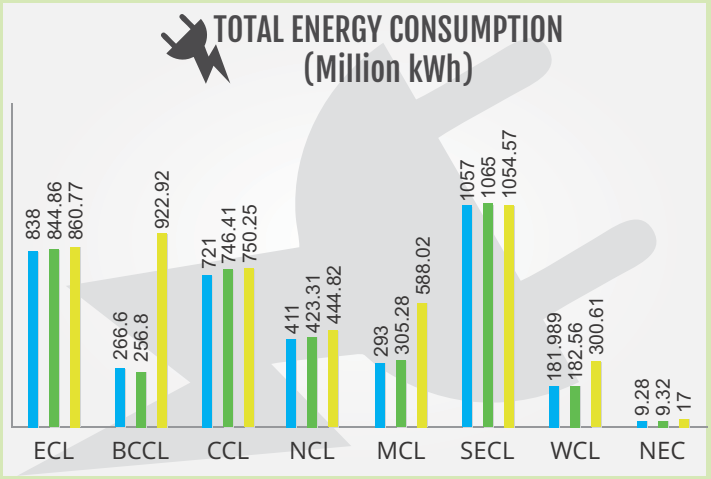
No known incidents of non compliance in terms of environment protection and standards have been reported during this



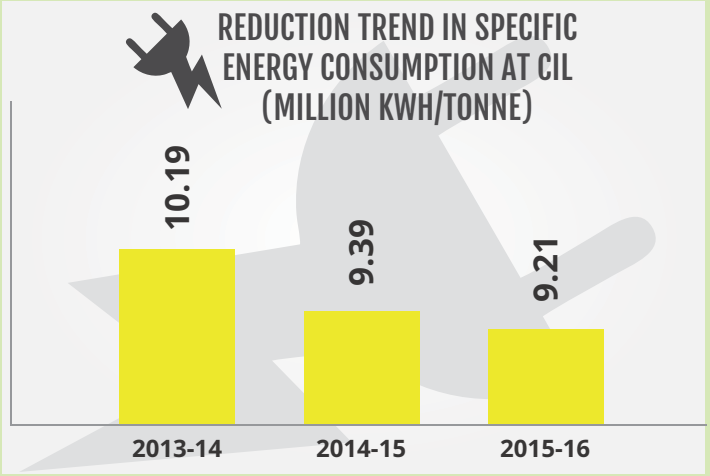
reporting year. With a dedicated strength of 139 executives to look after the area of environmental protection and sustainability, we have managed to post precious manpower directly to the fields of operation to work closely with the local communities and make compliance a regular affair. "Benefitting from each other', forms the core principle when it comes to improved disclosure through annual reporting on the compliances.

Energy: Meeting the Global Standards

It is a well known fact that coal mining operations are energy intensive and involve the use of high amounts of fuel and electricity. While the fuel consumption is due to the usage in our HEMMs, an insignificant quantity of the same is also used for the DG sets. As of now, we are creating a process wherein we account for the fuel requirements for all the subsidiaries. Hence, the fuel requirements and energy consumption values for this reporting year will not be reflected. However, the diesel consumption was at 4540.21 ltrs and petrol consumption was at 22954 ltrs at CIL HQ for the reporting period.



Yet, we keep a regular track of our electricity consumption and found that a total of 4938.96 kWh was consumed during this reporting year with the energy intensity pegged at a reducing trend with only 9.21 kWh/Tonne. With a conscious effort directed towards becoming more energy efficient, we have managed to bring about a reduction in this figure from 9.94 kWh/Tonne in the previous year.



Some of the energy efficient measures taken by CIL and our various subsidiaries have been listed below:

Using Energy Efficient Equipment:

- Installation of LEDs within CIL and our subsidiaries.
- Auto timer switches that are used for street lights within the mine premises as well as the CHPs and residential areas.
- An energy efficient illumination system has also been procured for the various premises.
- Highly well rated ACs installation in terms of energy meters, power factory meters and demand controllers.
- Also, we have improved the power factor at various locations with the installation, maintenance and replacement of power capacitors.
- To reduce the losses experienced in transmission and distribution, we have turned to Arial Bunch Conductors.
- Our pumping system has also seen an update with energy conservation measures installed into the system.
- Finally, we have improved the load factor by limiting the maximum demand where possible and shifted the avoidable load from peak hours to non peak hours to carry out more demand side management.

Research & Development Studies for Energy Conservation

By engaging with a variety of institutes like the CIMFR (Central Institute of Mining & Fuel Research), as well as PCRA (Petroleum Conservation Research Association), and SPC (State Productivity Council; a constituent of National Productivity Council, GOI), we have managed to conduct many energy conservation studies. This was undertaken by the CMPDIL HQ in 2015 – 2016. Some of the studies are as follows:

- Diesel Audit & Benchmarking of specific diesel consumption.
- Electrical Audit & Benchmarking of specific electrical energy consumption in various opencast and underground mines situated in different subsidiaries of Coal India Limited by BEE accredited Energy Auditors.
- Project-wise monitoring of specific consumption of diesel for 79 selected opencast projects of different subsidiaries of CIL.

HARNESSING SOLAR ENERGY

Sustainable actions have the use of natural elements at their core – and solar energy is one such area that we have managed to harness in a bid to create environmentally friendly operations. To promote environment awareness and build sustainability with the help of ethically aligned practices in this regard, CIL has submitted a *Green Energy Commitment* letter to the MNRE. This letter speaks about developing 1000 MW Solar Power Projects between 2014 and 2019. For implementation of these projects, CIL has signed an MoU with the Solar Energy Corporation of India (SECI). The tenets of the same are as follows:

- **In the 1st phase, CIL is going to set up 200 MW Solar Power Plants in the state of Madhya Pradesh**
- **In the 2nd Phase CIL is going to develop a capacity of 600 MW in the Solar Parks of Madhya Pradesh, Chhattisgarh, West Bengal and Maharashtra for which NIT has already been floated by SECI**
- **These initiatives have led to the installation of 2.0 MW capacity , 0.19 MW capacity and 0.14 MW Solar PV power plants in MCL, Burla ; CMPDIL, Ranchi and CIL HQ at Kolkata respectively.**

While the majority of our solar energy initiatives has been handled by the above set ups, we have also added a number of value adding establishments in this regard. In addition to the 140 kW roof top grid-connective solar plant, at Rajarhat, Kolkata, CIL has installed another 20 kWp Grid Tied Solar Power one - each with a capacity of 10 kWp on the rooftop of the Club-Cum-Community Centre and Transit House during 2015-2016. Apart from one rooftop solar plant (grid-connective) of 200 kWp installed last year in CMPDIL HQ Campus, Ranchi, initiatives have already been taken for three more such installations in the CMPDI RIs (Regional Institutes) with 80 kWp at RI-I, 30 kWp at RI-II and 50 kWp at RI-VI, respectively. During this year we have installed a 160 kWp Rooftop Solar Power Plant in each of the three subsidiaries of CIL, namely ECL (12 kWp), CCL (8 kWp) and WCL (140 kWp). Possible locations have been identified for the installation of rooftop solar plants at different subsidiaries of CIL. This is expected to add about 10 MWp solar capacity in aggregate, once commissioned. Other new initiatives including 289 solar based street light fittings with LED Lamps have been taken at CMPDIL with an aggregate capacity of 8.60 kWp for our various RIs.



Greenhouse Gas Measurement and Reporting

As an environmentally aligned organisation, we are aware that climate change is one of the most critical challenges of our times. We have a great responsibility towards providing affordable energy to the entire nation without leaving a damaging carbon footprint with reliable and secure practices. We hope to begin reporting on the carbon footprint aspect in 2016 – 2017 as a part of our initiatives in this regard.

Air Emissions

Owing to the fact that mining operations often use explosives that are employed for blasting as well as machinery that has to be deployed for mining and vehicular movement and transportation of coal and OB, we do end up generating pollutants such as SOx (Oxide of sulphur) and NOx (Oxides of nitrogen). Yet, we monitor these parameters on a regular basis so as to ensure that the emissions are within specified limits and standards.

For this, we monitor the ambient air quality in and around the mine site on a fortnightly basis with a Continuous Ambient Air Quality Monitoring Station. Four locations in SECL now enjoy the installation of these station with CAAQMSs are being installed at three locations in BCCL, one in WCL and 10 in NCL. CIL has agreed to install 16 CAAQMS in the different cities of country as decided by CPCB. During the year, the emissions from different monitoring stations have been recorded and are elucidated in the table on the right.

We are also taking initiatives to mitigate the dust that is generated during the operations of drilling; blasting, loading, coal transportation of coal and related activities. The measures taken are based on the Environmental Management Plans (EMP) already prepared before commencement and enhancement of coal production within the coal mines.

Name of the Mine	Subsidiary	Monitoring Station	PM-10	PM-2.5	SO_x	NO_x
Asoka OCP	CCL	Bendi Village	402	46	<25	18
Gidi 'C' OCP	CCL	DAV School	267	50	<25	19
Durgapur OCP	WCL	Durgapur Viilage	197	109	6	30
Mugoli OCP	WCL	Khailash Nagar Township	168	86	6	33
Ananta OCP	MCL	Hensmul Village-Talasahi	163	49	27	30
Lakhanpur OCP	MCL	Ubuda Village	119	46	13	17
Dadhichua OCP	NCL	GM Office	241	-	16	30
Jayant OCP	NCL	Rose Garden	81	-	13	21



Road Sweeper at MCL

Air Pollution Control

The air pollution control measures that we have adopted are as follows:

- Arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, coal transfer points and coal stock areas.
- Water spraying systems are being installed like Mist Spray Systems, Mobile Water Sprinkling and Automatic Sprinklers.
- Optimum loading of coal trucks to avoid spillage on roads and covering of coal trucks by tarpaulin.
- Green belts in and around the mines are being created.
- CIL have constructed and are constructing an integrated CHP for rapid loading wagon and trucks as a step towards eco-friendly transportation.
- Transportation of coal to thermal power plant in an environment friendly way is done through tube conveyors in some of the mines. The sides of the CHPs are also covered with side cladding using GI Sheets to control the pollution at the source.
- In order to prevent dust emission at the source itself, the use of dust extractors and wet drilling systems is being undertaken. Controlled blasting and habitation away from the mines is being conducted.
- Modern technologies like Surface Miners have been put to use to generate reduced levels of air borne pollution for carrying out mining activities.



Mist Blower cum Road Fogger


Mobile Water Sprinkler

Air Pollution Mitigation

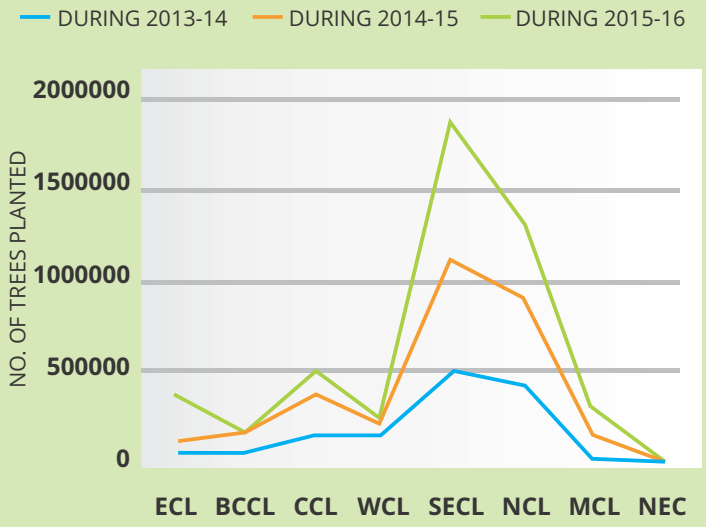
We have adopted the Green Belt Development as a part of our mitigation measures for air pollution. As an imperative step towards creating a more positive impact, tree plantation is being conducted on a regular basis on reclaimed land in back filled & OB dump areas with plantation in and around mines, road sides, townships and residential areas, and other available vacant spaces. Further, the implementation of a conservation plan for the protection of flora & fauna is being carried out as per Environmental Clearance (EC). This is being done in addition to the compensatory afforestation for diverted forest in terms of mining for the degraded forest. These areas have been marked by the State Forest Departments. The plantation has created man made forests in mining areas where there was minimum forestation. This improves the ecological balance by maintaining stability in the ecosystem services available and what we use for our business.

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

During 2015 - 2016, 1.68 million trees have been planted in an area spanning more than 719.14 Ha. The graph shows the trend of increasing number of trees planted in the last three years by various CIL subsidiaries. It also shows that in 2015 – 2016, the plantation activity reached its very peak.

We have planted over 92.35 million plants since inception with a survival rate of 80% to 85% covering an estimated land area of around 36896.26 Hectares.

PLANTATION TREND IN CIL





Glimpses of Plantation in CCL





Nigahi OCP of NCL

HARIHAR CAMPAIGN OF SECL

The Government of Chattisgarh is playing an important role in initiating a "Harihar Campaign" in tandem with the South Eastern Coalfields Limited. The aim of the campaign is to plant saplings along 2000 kilometres of roads connecting Chattisgarh to its neighbouring states. SECL has been entrusted with the task of planting saplings along 210 kilometres of roads. The project has been undertaken with a focus on environment sustainability, ecological balance, protection of the flora and fauna, animal welfare, agro forestry, and conservation of natural resources even as the quality of the soil, air and water are maintained with environmental awareness at the grass root level.



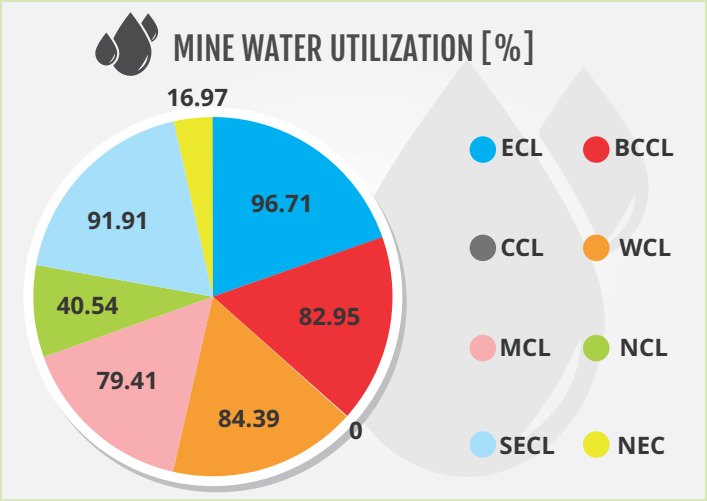
SECL Plantation

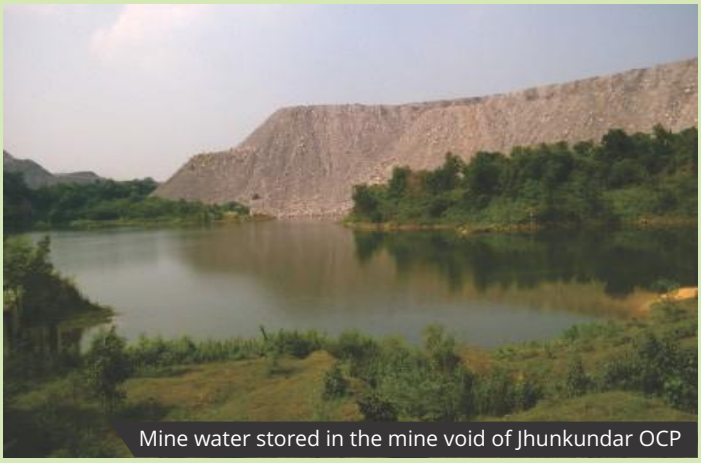
Water: Conserving the resource

The major water sources of water are ground water, river water and water from abandoned mines. On an average of about 77.45 % of the total mining project, the water demand is met from the mine water. Discharged water is monitored regularly and it conforms to the standard of water quality while the quantity of water discharge is about 3.5 cum per day for CIL HQ and 550 cum per day for NEC during 2015 - 2016.

Managing Water Withdrawal from Sources

Mine water is used for meeting the water demand here at CIL where the water withdrawal impact is limited to only 300m. This figure also depends on the strata condition of the active mining zone which only holds good for the period of the mine life. This 300m zone can be found specifically around open cast mines where water is physically acquired for the mine and blasting safety zone. The pie chart here shows the water demand of various subsidiaries met by this mine water. Water use of the CIL HQ during 2015 - 2016 is 8735 KL (24 Cu M/ day). The treated mine water is also used for domestic and agricultural needs. The surplus treated mine water is discharged into the neighbouring ponds, agricultural fields before being steered back to the natural courses. Further, after mining cessation, a part of the open cast mine area is reclaimed and the final void is converted into a water reservoir which in turn works as a water recharge structure. This becomes a water source for the local community while the exhaustion of the underground mine also gets transformed into a water recharging structure.




Mine water stored in the mine void of Jhunkundar OCP


Rainwater harvesting at Purushottampur OCP

WATER USAGE STATISTICS

Subsidiary	Average Mine water Discharge	Water Demand of Coal Projects			Raw mine water supply to coal projects	Treated Mine water supply to Coal projects	Mine water utilization on total demand of coal project %
		Industrial	Domestic	Total			
ECL	359558.70	59314.22	82770.18	142084.40	98003.36	39408.03	96.71
BCCL	409501.20	102634.20	103315.80	205950.00	141266.70	29560.18	82.95
CCL	96622.26	37485.00	30043.00	67528.00	0.00	0.00	0.00
WCL	244084.20	42294.54	32780.71	75075.25	2803.31	60553.19	84.39
MCL	76673.00	38363.00	24114.00	62477.00	38363.00	11252.00	79.41
NCL	31080.00	56664.00	17618.00	74282.00	2500.00	27611.00	40.54
SECL	423834.90	163105.90	78875.10	241981.00	41992.12	180423.11	91.91
NEC	40751.00	162.50	527.00	689.50	45.00	72.00	16.97
CIL	1682105.26	500023.36	370043.79	870067.15	324973.49	348879.51	77.45

REVIVING THE RESOURCE- CIL TOWARDS COMMUNITY UPLIFTMENT

With the identification of needs for conservation and effective utilisation of the natural resources, CIL is committed towards providing eco-friendly facilities to the communities with sustainable development activities in the peripheral villages. Accordingly, it has taken up a project for enhancement of ground water recharging which makes water available round the year to the community for irrigation and other domestic uses.

Through this project, they expect to reach a total number of 15,000 and 50,000 direct and indirect beneficiaries respectively. The main aim of the project is to enhance Ground Water Recharge and subsequently, the Underground Water Table.

Acknowledging the fact that the ponds, hand pumps and wells are the only source of water for the villagers, the project will be planned in a way that is beneficial for the villagers. This will ensure that there is availability of water round the year for their day to day and more importantly, their agricultural needs. The ponds that have been constructed and renovated can be used for allied activities such as Fisheries, as well. After completion of the work it will be handed over to the local administrative arrangements like Panchayats and Gram Sabhas to be owned and managed by the community so that persistent use of the same continues.



Rain water harvesting in Amba OC patch



Rain water harvest in abandoned patch



Recharge pit at Rawanwara OC

Mine Water Management

Treatment of contaminated water is a constant effort that we undertake at CIL. This is due to the fact that water which pumped out from the underground and open cast mines is contaminated with suspended particles and the water used for cleaning of HEMMs gets contaminated too. The treated water is routed to the local villages after mine consumption. Also, the quality of the final effluent is monitored with the use of relevant Indian standards.

UTILISATION OF ABANDONED MINE WATER- CIL's STEP TOWARDS WATER CONSERVATION

The re-routing of pure water garnered from the mining practiced which has to skin the sub surface water table is something that we are committed towards. Making this water portable is a matter of creating water harvesting reservoirs and other means through which the local communities may fulfil their needs. The importance of water conservation has been recognised by CIL, which takes pride in being an environmentally responsible company. This is also a factor that spells co-existence for us. The organisation is aware of the fact that water from the abandoned sites need to be used for the mining process as a part of its operations. In order to harness this source, CIL has taken up task of holding the mine water into the water bodies by restricting them to flow into the natural drainage course like village reservoirs which dry up during the scorching summers. This is done by laying out a pipeline network of approximately 45 Kilometres.

Present Status: Two reservoirs have been constructed at Khonathi and Behrakudar villages of Baghmara block of Dhanbad district with an objective of harnessing mine water for its gainful multipurpose utilisation in the peripheral villages of the BCCL command area. With help of this scheme, approximately 47 million gallon surplus mine water is presently being discharged into natural water courses from the mines of Barora, Block-II and Govindpur Areas of BCCL. This water will be stored in these newly constructed reservoirs

Beneficiaries: Residents who own cultivation fields within a reasonable proximity will be benefited in when it comes to carrying out their agricultural works, in all seasons. These fields are currently dependent on rain water in monsoon. Under this scheme, things are bound to change. The provision aims at enhancing the Socio-Economic status of the area to increase employment. The water can be used for multipurpose activities including drinking, after proper treatment. In these reservoirs, Pisciculture can also be practiced with SHGs to increase the livelihood generation opportunities.



Mine water utilization Scheme at Khonathi



Mine water utilization Scheme at Behrakudar

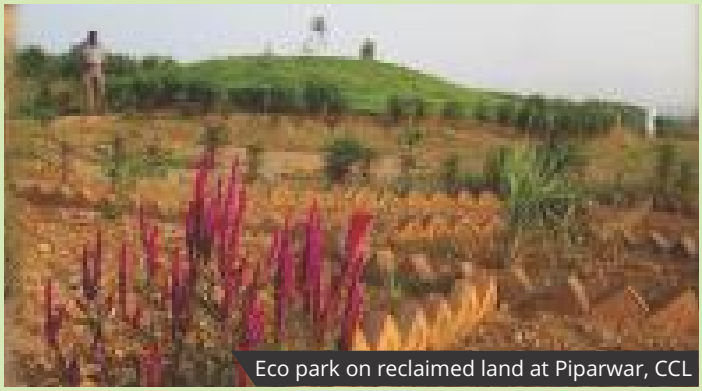
Zero Discharge of Effluents

As of now, CIL is operating 15 coal washeries with a capacity 36.80 MT – all of which have been designed for zero discharge. The total washed coal production from these existing washeries for the year 2015- 2016 has been pegged at 17.21 Million Tonnes. With the help of state of the art technology in the field of coal beneficiation that will create and aggregate throughput capacity of 112.6 MTY, CIL plans to up the performance in its 15 new washeries. The storm water drainage will be treated in settling ponds before being discharged into rivers, streams and other water bodies. The wet washeries generally utilise mine water as a rule. In case mine water is not available, the option of storage of rain water and its use is being practiced with rainwater harvesting. The use of surface water and ground water is being diligently avoided to the maximum possible extent.

Biodiversity: Creating Opportunities out of our Natural Capital

If not managed properly, mining can impact the biodiversity in an adverse manner with broad ranging implications that affect habitat conversion as well as water and soil contamination. At CIL, we recognise the importance of the biodiversity which bears maximum impact due to our operations. We strive to mitigate the impact through our ethical practices. It is our firm belief that in order to sustain our business, we need to take up tasks for the restoration of our environment so that development takes place on both sides, in a responsible manner. Our good practices involve a gamut of activities which have been undertaken for managing our natural capital. We have 9590.298 ha in Madhya Pradesh and 29738.092 ha in Chattisgarh that are located near the protected areas. These protected area are out of bounds from mining activities. Areas of high biodiversity value outside protected areas are being maintained with regular gap plantation with indigenous species. We follow the EIA and EMP of the MOEFCC for keeping track of biodiversity assessments.

Central Coalfields Limited is developing an Eco Park at the Piparwar OCP to spread awareness about local flora and the importance of harmonious living with Mother Nature. In addition, Sangam OCP of BarkaSayal Area is carrying out an experimental eco-restoration project to scientifically reclaim old mined out areas using grass, bamboo and other species.



Eco park on reclaimed land at Piparwar, CCL



ECO Park at Piparwar, CCL

North Eastern Coalfields had undertaken a wild life conservation plan prepared by Aaranyak which was submitted to MoEF and accepted during approval of EC for Lekhapani OCP. All wildlife observations have been recorded & reported and all effective and a sustainable wildlife management plan for conservation of the biodiversity was recommended.



Birds at demonstartion site at Damoda incline dump

CILs INITIATIVE TOWARDS SUPPORTING THE WILD

The co-exitence concept has been extended to accommodate the needs of the biodiversity in the most basic manner with our initiatives. Water management work is being undertaken at the Achanakmar Tiger Reserve which is situated at mere 60 Kilometres from Bilaspur in Chattisgarh. This area enjoys a scenic area of 914 sqkm. Partly tropical moist, and partly deciduous with a tropical dry deciduous forest, Achanakmar TR houses more than 6% of the world's wild tigers and is a part of the critical Central Indian tiger landscape. It also houses over 600 species of medicinal plants along with Sal, Bija, Saja, Haldu, Teak,Tinsa, Dhawara, Lendia, and Khamar, among many others. The meandering Maniyari River that flows right through the heart of the reserve is its lifeline. Given its congenial setting, the wild fauna found here includes tigers, leopards, bisons, flying squirrels, Indian giant squirrels, chinkaras, wild dogs, hyenas, sambars, chitals and over 150 species of birds.

During the summer months, the climate tends to get hot and dry, with maximum temperatures hitting 45+ °C. Owing to these high temperatures, there is an acute shortage of drinking water in the nearby water resources which has an impact on the wildlife of tiger sanctuary. This phenomenon forces the wild animals to undertake a lot of travel in order to quench their thirst. SECL and CG Forest Department have intervened to solve this problem of water shortage as far as the water resources go, by coming up with a water management plan. This plan includes the construction of three stop dams at Achanakmar Tiger Reserve which will provide water to the animals even during the dreaded summer.





Migratory Birds in SECL's Reclaimed area at Gevra



Water Body Created in Mine voids, SECL

Land Reclamation

One of the most important and primary resources used in mining includes land. Therefore, our major sustainability measures are aligned towards taking mitigation measures for reclamation of mined out areas and the external OB dumps. Reclamation of mined out areas is conducted as per the Environmental Management Plan approved by MoEF where back filling of the OB material in the mine voids is part of the mining operation cycle, for all the new mines. Part of our initiative includes top soil preservation, storage and the use in plantation areas within the reclaimed locations in the open cast mines. Also, concurrent reclamation and rehabilitation of the mined out areas are taken on as a matter of priority for gainful use of land. This is done so that the geo mining conditions and the technical feasibility does not suffer. The overburden extracted during the coal extraction process is also filled into the open cast mines after technical reclamation. Thereafter, complete plantation is carried out in a process that is termed as biological reclamation.

Accordingly, we have engaged the Forest Research Institute (FRI), Dehradun and top soil has been recognised as an invaluable natural resource. This has been done especially for regeneration of the regional ecology with measures ranging from effective Bio-reclamation of disturbed land. For this, scientific studies have been conducted in order to select suitable species of plants for each coalfield with a sustainable sequence of reclamation from grass to shrubs, and trees. The Forest Research Institute has been engaged by us to gain a partner whose rich expertise in the field of eco-restoration can help in the reclaimed areas.



Plantation at Nigahi OCP

Monitoring of Land Reclamation of OC mines through Remote Sensing

Satellite Surveillance has been introduced at all the open cast mined in order to monitor the land reclamation activities of the mining sites. This has been done in order to comply with the MoEF stipulations as well as for progressive mine closure monitoring. During the reporting year, land reclamation monitoring of 50 opencast projects having more than 5 million cum production capacity (Coal+OB) and 37 opencast projects having less than 5 million cum production capacity (Coal+OB) have been completed with the help of high resolution satellite data.

Six coalfields viz. Karanpura, East Bokaro, West Bokaro, Korba, Bander and Singrauli coalfields have been covered under vegetation mapping based on satellite monitoring. During the year 2015-16 the monitoring data has been completed for assessing the regional impact of coal mining on land use / vegetation cover in the span of 3 years and on that basis remedial measures will be taken if required.

Eco-restoration

The concept of co-existence for us has gone beyond people and entered the realm of natural capital like afforestation. The suitable selection of plants for each of the coal fields is done in a way that will give rise to a sustainable sequence of reclamation from grass to shrubs and finally into trees. This helps in creating a basis for effective Bio-Reclamation of disturbed land with the help of scientific followed for the selection.

The Forest Research Institute (FRI) has been engaged by us for providing their services for eco-restoration in the reclaimed areas where top soil has been recognised as an invaluable natural resource. Some of the initiatives taken by our subsidiaries include Eco-restoration site developed in Damoda, Tetulmari of BCCL. This has been done with technical guidance of FRI. In addition, Eco Parks have been developed in many of our mined out areas here at CIL (Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi of NCL, Sauner of WCL and others) to spread the message of environment conservation in and around the mining area.



Gunjan Park, ECL



Ananya Vatika in SECL



Ananya Vatika in SECL

Sustainability Report 2015-16

CIL's INITIATIVE TOWARDS ECOLOGICAL RESTORATION

Developing an Ecological Restoration Model in the Mine Spoils at Tetulmari under Sijua Area (About 8-10 ha) of BCCL Mine is one of the priorities of the organisation.

BACKGROUND

BCCL approached the Forest Research Institute (FRI), Dehradun in order to prepare a road map for ecological restoration of BCCL mine areas. Accordingly, an MoU was signed between FRI and BCCL on the 22nd of February in 2011. The FRI, Dehradun agreed to develop a road map and action plan that will help in conducting the ecological restoration of BCCL's mine areas. The task has been successfully completed by the Ecology and Environment Division of the Forest Research Institute, Dehradun.

INTERVENTIONS

Some of the initiatives undertaken during the project included developing a forestry team dedicated to ecological restoration in all the 12 operational areas or collieries of BCCL. More than 30 persons have been trained at FRI, Dehradun in various aspects of ecological restoration of mined lands. The main objective of the training program was to create awareness among the participants regarding the measures taken for restoration of coal mines particularly in the Jharia coal mine areas, in Jharkhand.

In this regard, the various measures included direct seeding, seed mixed soil ball, seedling planting, stem cutting, bulbils, culms and slips planting – all of which were used for multiplication of species depending on their propagation behavior. Success of the restoration approach applied helped enriching the diversity of trees, shrubs, herbs and grasses within the project site. Three years after the process of restoration, the site has been converted into dense cover with diverse vegetation and is able to cater to the needs of fodder for the local communities.



Eco restoration at BCCL



Eco restoration at Rajapur OCP, BCCL



Eco restoration at Gokul park, BCCL

MONITORING

The growth of species and their survival rates were monitored during the course of study taken up by FRI. In spite of heavy biotic disturbances - particularly due to cattle grazing and movement of local people in the area - there was sufficient regeneration of seed broadcasted as well as growth of planted species.



Greenery at eco restoration site Murulidih, BCCL



Greenery at eco restoration site Murulidih, BCCL

THE WAY FORWARD

To follow up the success of this model plantation project, BCCL has started ecological restoration on 10.0 ha of land in 2013- 2014 and 44.03 Ha in 2014-15 departmentally. The results at these sites are as encouraging as ever. BCCL has aimed at doing ecological restoration as recommended in the roadmap, with over 226.0 ha of degraded land and OB dumps coming under the purview of this plant. This project will continue for five years i.e., up to 2018- 2019. Also, BCCL has signed an MoU with the Forest Research Institute, Dehradun to enlist their technical advice and expertise for the ecological restoration works being undertaken by BCCL on OB dumps and mined out areas over 44.0 Ha of degraded land in 2014- 2015.

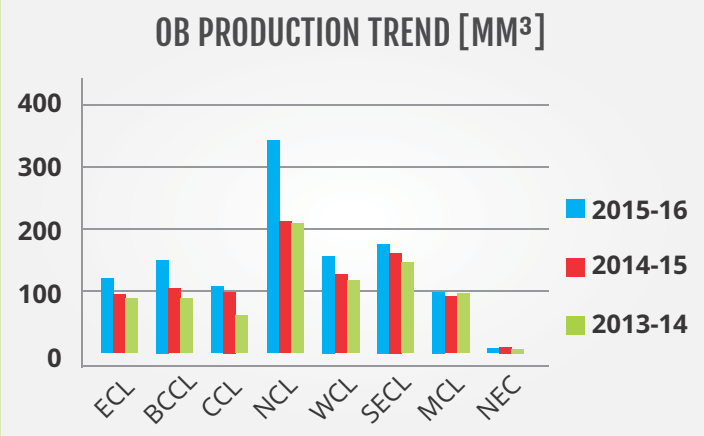


Eco restoration site visit

Waste: Waste Minimisation and Utilisation

Waste is something that can generate a number of problems in social and environmental terms, and needs to be managed in a way that creates sustainable growth for the surroundings. At CIL, we are acquainted with the fact that mining generates a lot of waste due to its operations which has a direct impact on the environment. This is because mining involves removing the top layer of the earth to dig out coal. Once the coal has been extracted, various kinds of wastes such as topsoil, overburdenand waste rock, tailings and slag remaining. During 2015- 16 CIL mines have generated 1148.908 MCum of over burden (OB) to produce 538.754 MTe of coal. The graph shows the trend of OB production subsidiary wise for the past three years, where one can easily see that the OB removal has increased in the present year as the mining operations are on the rise.

We recognise that careful management of mine waste is very important to ensure sustainability of the operations. We undertake safe disposal of waste even as we keep the effect on local communities in mind. Hazardous materials, used oil and explosives are managed appropriately and the same is reflected in our Environmental Audit Statement that are submitted to the Cental Pollution Control Board and State Pollution Control Board in Form III and Form IV, etc. No coal spillage and oil spillage were reported during the reporting year.



Waste to Energy at CCL

Three power plants using FBC technology are operating in CCL. These units are utilizing washery rejects with over 50% ash content, which would have otherwise been a source of degradation of land and pollution of surface water stream.

Noise: Reducing the Decibels

Noise pollution is not merely a problem faced in urban living, but is also a by-product of rapid industrialisation – a fact that we recognise and manage within CIL. For us, co-existence is a matter of minimising disturbances which can be harmful in the long run towards the local communities and the environment. Our operations involve the use of HEMMs for mining, blasting and drilling which can contribute greatly to noise pollution. This is an occupation hazard that we are aware of – one that impacts the workers busy within the coal mines. For our operations to be environmentally friendly, we at CIL have taken several measures to control noise pollution.

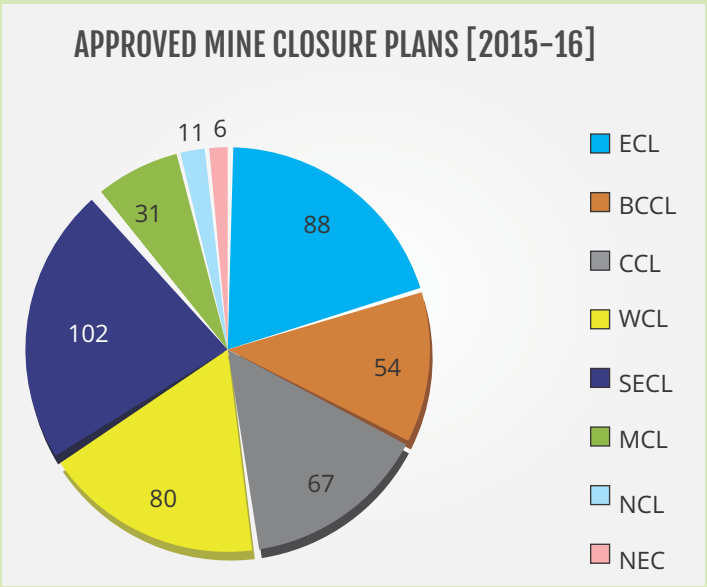
Apart from proper maintenance of equipment to minimise vibrations, we have also indulged in developing a green belt which is wrapped around the mine as well as residential areas. This green cover helps in combating noise. Additionally, we have also taken on controlled blasting and blasting only during the day time. The use of technically sound machinery such as Surface Miners, Continuous Miners and High Wall Miners are used for extracting coal without the blasting process. In addition, we are always committed towards providing occupation health and safety facilities to workers working in the mine. Accordingly, ear muffs and ear plugs have become a part of the regular gear to be used by workers in noisy areas.


High Wall


Surface Miner in Operation

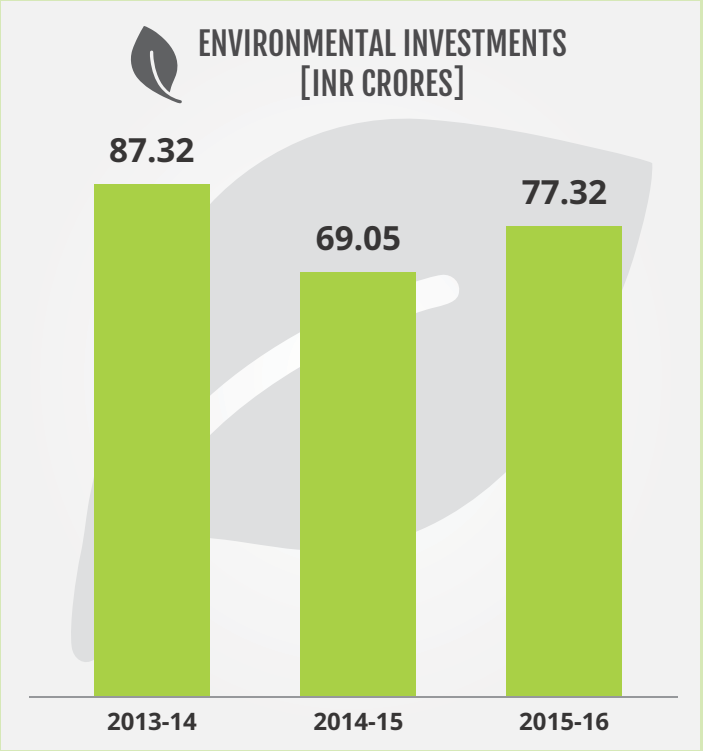
Mine Closure Plans

With a commitment towards restoration of abandoned and mined out areas within a socially acceptable and eco friendly structure, CMPDI has prepared 37 mine closure plans for CIL mines during this reporting year. This has been done in keeping with the revised guidelines issued by Ministry of Coal (MoC) in 2013. Quick comments on 28 mine closure plans for coal blocks sent by the MOC were also prepared and sent to the MoC during the year. A mine closure plan is an integral part of the project report prepared by CMPDIL for Coalmines which usually follows the exhaustion of reserves within a mine. This progressive mine closure plan also forms a part of the EIA and EMP prepared for submission to the MOEF for Environmental Clearance. The progressive reclamation of mined out areas is built into the project cost and implemented accordingly. Statutory obligations in respect of closure are also followed, once the reserves have been exhausted. The graph shows the approved MCP plans for each subsidy of CIL during the year. It also stresses on the maximum number of MCPs have been accepted for SECL where the least goes for NEC.



Environmental Investments







PROMOTING ECO TOURSIM- AN INOVATIVE APPROACH OF WCL

Imagine a fountain in a park – and now imagine all these beautiful surroundings created from the use of reclaimed natural elements. That is the beauty of this next initiative. An initiative close to our heart is the one taken by WCL, called Eco Tourism. This initiative aims at creating awareness amongst citizens regarding coal mining operations, environment and development. An eco friendly mine tourist circuit has been developed, which was subsequently launched by the Hon'ble Minister of Coal. The foundation stone for the development of the EcoPark at Saoner in Nagpur area was laid on the 22nd of March, 2015. Eco Mine tours started its operations in November, 2015 from Zero Mile, Nagpur -Adasa temple - Saoner Mine – Eco Park – Gondegaon Mine – Nagpur. Since then, it has seen a bounty of visitors and tourists who come away with lots of valuable insights and information.





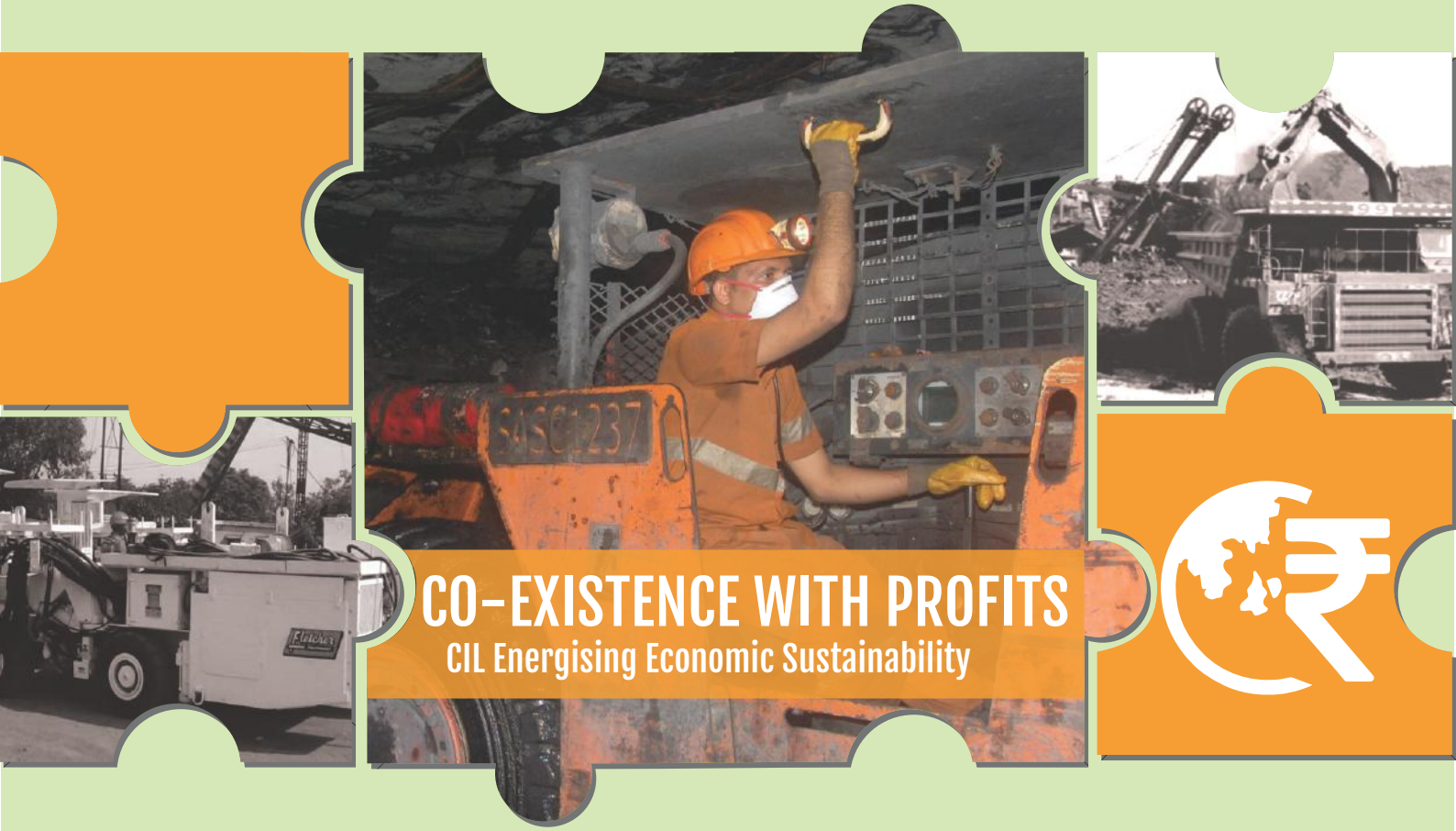


Prime Minister's 'Mann Ki Baat'

The Hon'ble Prime Minster of India revealed his "Mann kibaat" on coal mines on 27th March, 2016.
"Travel plays a very strong role in shaping our lives. These days the youth of India are being driven by a spirit of adventure and curiosity. Unlike before, they don't want to go to the same old places or tread the oft-beaten track.

They want to do something new, see something new. I see this as a good sign. Our youth should be bold. They should be brave. They should have the courage to set foot on places where no one has been before. In this context, I would like to specially congratulate Coal India, Western Coalfields Limited at Saoner near Nagpur, where there are coal mines which have been developed into an Eco-friendly Mine- Tourism Circuit.

Generally, we don't think of coal mines as places to be visited. When we see pictures of miners, we wonder what it must be like out there. We even have a saying, "Coal blackens your hands", hence people tend to stay away from coal mines. But Western Coalfields Limited has made these same coal mines a destination for tourism. This is only the beginning, but already nearly 10,000 people have visited this Eco Friendly Mine-Tourism site at Saoner near Nagpur. This in itself gives us an opportunity to see something new."



CO-EXISTENCE WITH PROFITS

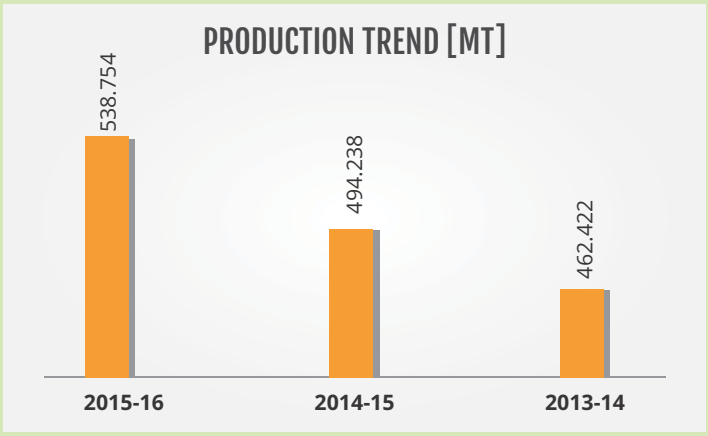
CIL Energising Economic Sustainability

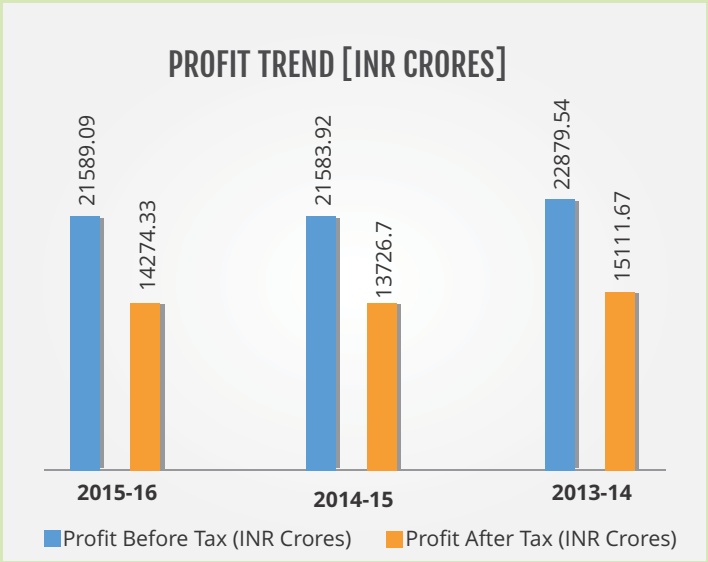
Economic sustainability lays the foundation for business continuity in any sector. The contemporary emphasis on the triple bottom line although ensures sustenance, yet it is still dependent to a great extent on the revenues generated and the profits incurred. Hence, we believe in achieving financial stability whilst progressing with our sustainability goals. During the year, the Government of India is holding 79.649% of the equity share capital of Coal India Limited. Apart from CCDA subsidy of Rs.167 Crores for sand stowing and protective works, we have not received any other assistance from the government during the reporting period.

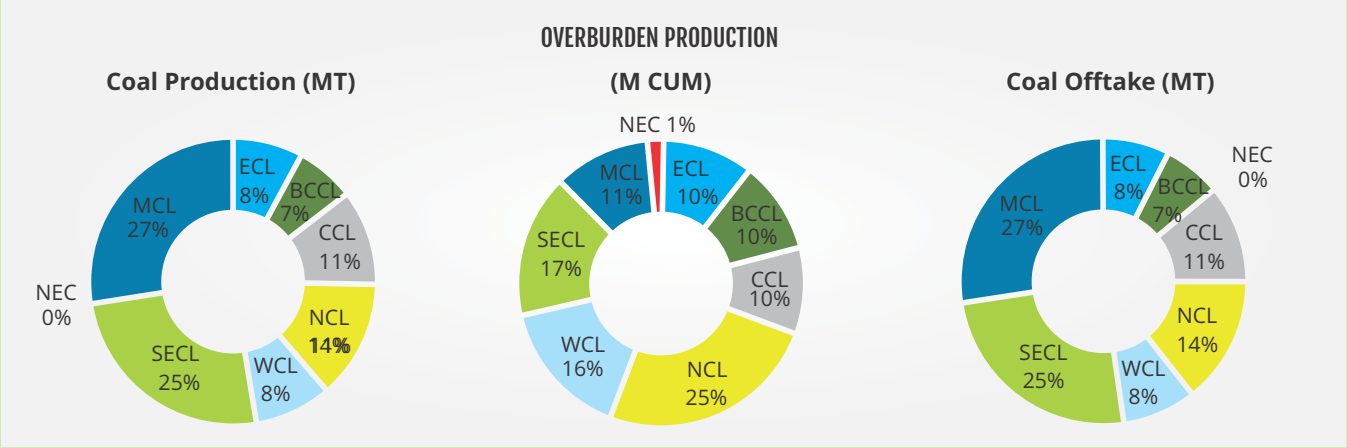
Growth Performance Trend			
Details	**2015-16**	**2014-15**	**2013-14**
Production (MT)	538.754	494.238	462.422
Profit Before Tax (INR Crores)	21589.09	21583.92	22879.54
Profit After Tax (INR Crores)	14274.33	13726.70	15111.67



HEMM







Production Performance

Geared to reach the set target of 908.10 MT of coal production by 2020, we are gradually on are way of increasing the production every year. During 2015-16, we achieved a production of 538.75 MT with a coal off-take of 534.50 MT. We successfully removed 1148.908 mm3 of OB. The reporting period evidenced increase in growth through 9.01% of enhanced coal production; 29.6% of increased overburden removal and 9.23% of increased coal offtake as compared to the previous reporting year. A growth in production was witnessed by all the subsidiaries compared to last year. An exceptional growth in OB removal and coal offtake was also observed for all subsidiaries.

As per the target set for 2015-16 there has been less production during the year despite our continuous efforts. The reasons for the same include restriction in reduction following EC capacity constraints; closure due to delay in securing Stage-II forest clearance; R&R issues to accommodate villagers demands as per CIL's policy; non-lifting of coal by different power utilities and restricted workspace in some OCP mines.

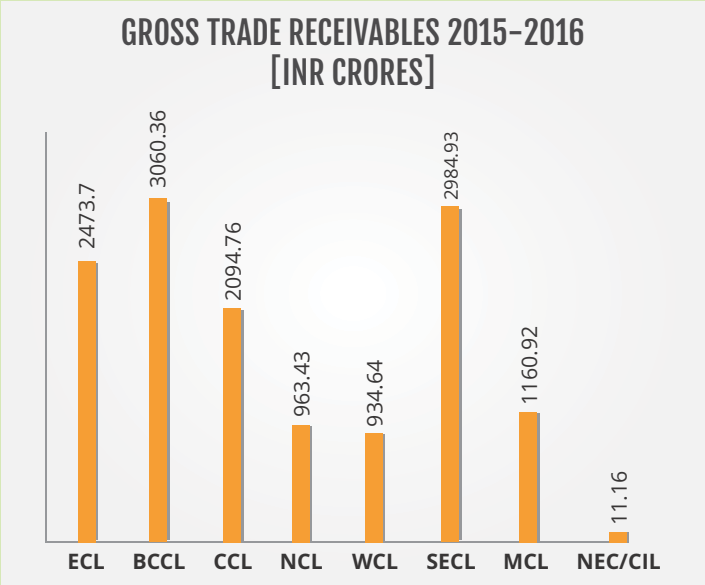
However, we have set higher targets for the year 2016-17, with coal production set at 598.61 Mt with an annualized growth of about 11.6 %. We envisage various initiatives to enhance coal off-take and meet the targets.

Economic Performance

We generated a total revenue of Rs. 110724.22 Crores during the year. We along with our subsidiaries have achieved an aggregate Pre-Tax Profit of Rs.21, 589.09 Crores against a pre-tax profit of Rs.21,583.92 Crores in the year 2014-15. CIL as a group has achieved post tax profit of Rs. 14,274.33 Crores during the year (excluding share of minority loss of Rs.0.04 Crore; previous year: 0.09 Crore) as compared to Rs.13,726.70 Crores in the previous year.

Trade Receivables i.e. net coal sales for the year was Rs. 11463.70 Crores compared to Rs. 8521.88 Crores in the previous year. The graph shows subsidiary-wise break-up of gross trade receivables outstanding 2015-16 and it is seen that the maximum net coal sale was made by BCCL followed by SECL and ECL.

During the year, the stock of coal (net of provisions) was Rs.6162.54 Crores. Also, CIL and its Subsidiaries paid/adjusted Rs.29,084.11 Crores towards Royalty, Cess, Sales Tax and other levies compared to Rs.21,482.21 Crores in the previous year. No financial assistance is received has been received from the government except for some reimbursement for expenses on sand stowing and protective works.





Economic Performance			
	INR Crores		
Economic Value Generated [A]	**2015-16**	**2014-15**	**2013-14**
Revenue (through core business segments) (Gross sales + other gross operating income)	110,724.22	97,730.62	91,175.66
Other Income (through other sources)	5,728.45	6,570.64	7,171.88
Total	116,452.67	104,301.26	98,347.54
Economic Value Generated [B]			
Operating cost	30,303.86	28,013.04	24,853.75
Personnel expenses (wages+benefits)	29,659.83	29,874.12	27,914.40
Interest Charges	20.65	7.32	58.00
Taxes and royalties (given to various govt. wherever business units are located)	39,619.77	33,575.64	34,465.47
Dividends (payments to capital providers)	17,306.84	13,074.88	18,317.46
Donations (political parties/politicians)	-	-	-
Community development/CSR investments	1,082.07	298.10	409.37
Total	117,993.02	104,843.10	106,018.45
Economic value added (A-B)	**(1540.35)**	**(541.84)**	**(7670.91)**

Vide an order dated 27.10.2014 of the Competition Commission of India (CCI), in Case No.59 of 2013, CCI ordered CIL to cease and desist from indulging in the conduct which has been found to be in contravention of the provisions of the Competition Act, as detailed in this order, and modify terms of Spot e auction Scheme 2007 in light of its findings in the order. However, CCI refrained from imposing any penalty upon CIL as a penalty of Rs. 1773.05 Crores was already imposed in the previous batch of matters.

Subsequently vide Order dated 17.05.2016, i.e., after the end of the financial year, the Tribunal has set aside the order of CCI and directed to hear the case afresh and as a result, the penalty of Rs. 1773.05 Crores stands cancelled and therefore the contingent liability existing on 31.03.2016 was withdrawn. No penalty was imposed to us in the reported period.

Coal Transportation

During the year, dispatch of coal and coal products went up to 534.624 million tonnes from 489.982 million tonnes showing a growth of 9.1 %. About 76% of the coal we produce, caters to the power sector.

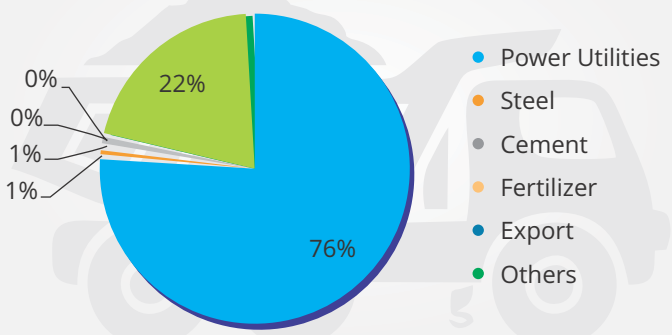
Due to the efficient coordination with railways, we achieved 91.3% of the target for Wagon loading for the year. The increase in loading over last year was of 18.23 rakes per day. Most of our coal was dispatched through eco-friendly railway mode. The overall dispatch by non-rail mode had been 106.6% of the target and growth in dispatches via rail mode was 8.5 %. During the year, road dispatches also increased by 14.5% over the previous year and the movement by MGR was 2.4% above last year. In addition, dispatches through other modes, like belt & rope, also increased by 17.2 %.

As already identified, that coal movement is a bottleneck that hinders our production process, we have worked upon improving the overall logistics scenario. For the same, we have coordinated with Railway Board to optimise use of logistics resources available in the subsidiary coal companies and identify alternate source for coal movement not only to meet its target but also to reduce the fuel consumption. We have also taken the initiative to create rail infrastructure by forming SPVswith the state governments and railways. Two SPVs have already been formed at Chhattisgarh for creating rail connectivity at Korba/Raigarh and MOUs have already been signed at Jharkhand and Odisha. We have also installed 157 rail weighbridges in the Railway Sidings and 569 road weighbridges for weighment of trucks to ensure that the coal dispatches are made only after proper weighment. In addition, electronic weighbridges with the facility of electronic printout have been installed at rail loading points. Installation of standby weighbridges to ensure 100% weighment has been also taken up by the subsidiaries.

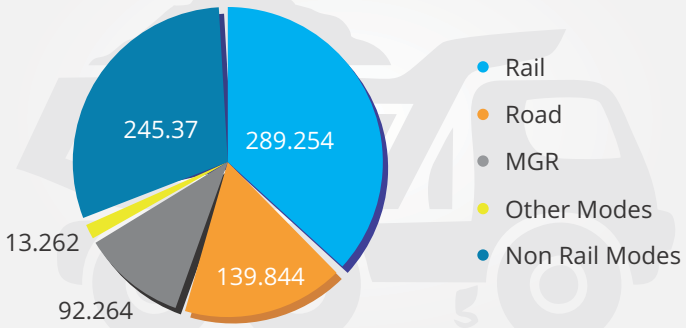

Coal Transport


Coal Transport

SECTOR WISE COAL DESPATCH [2015-16] [MILLION TONNES]



MODE-WISE DESPATCH [2015-2016] [MILLION TONNES]



PROCUREMENT OF WAGONS FOR EXCLUSIVE USE- CIL SIGNS MOU WITH INDIAN RAILWAYS

A Memorandum of Understanding (MoU) has been signed between Ministry of Railways and Coal India Limited on 23rd December 2015 to aid CIL achieve a production of 1 Billion Tonnes of coal by 2020 where wagon availability is a key factor. This MoU ensures adequate wagon availability for meeting the transportation needs of coal produced by CIL. The agreement results into speedy supply of wagons for coal loading in dedicated circuits with an initial investment of Rs. 500 Crores and an anticipated investment of Rs. 5000 Crores. The MoU will ensure that procurement of 2000 high capacity wagons (33 rakes) in the first tranche which will facilitate increased evacuation of coal from Coal India sidings benefitting the economy as a whole and the Railways, the coal sector and power sector in particular.

During the initial period, the rakes will be inducted and run in the 2 main coal loading Zones of Indian Railways i.e. South East Central coal sector and East Coast circuit. These rakes will be used for transporting coal from MCL Talcher & IB Valley area and SECL to Paradip/ Dharma ports, Vishakhapatnam area and the power houses of Nagpur/Raipur region. Under this partnership, the wagons will be procured by Indian Railways on behalf of CIL. The maintenance including provisions for brake vans of these wagons will be done by Railways at its own expense.



Coal Marketing

We supply coal to various consumers including Power Sector, under the applicable provisions of the New Coal distribution policy. Due to overall deficit in availability of coal considering the projected coal productions from domestic sources and commitments made through signing of FSAs/ issuance of Letter of Assurances (LOA) supplies under the FSAs has been pegged at various level of commitments. Since the power sector is one of the major consuming sectors here which also has significant importance for the economy, the supply to this sector has been further streamlined.

Besides this, we also made advancements to reach out to the sectors by channelizing the coal movement process further. For power plants facing shortage of coal, as per the guidance of Ministry of Coal, we have introduced the Scheme of Special Forward E-Auction for Power plants. We are also improving our linkages to reach more and more consumers and improving the distribution network to reach the smallest of sectors. We have launched a new web portal "Coal Allocation Monitoring System" to aid business with the MSME sector. In addition we introduced web based online monitoring of coal mining projects costing more than Rs.100 Crores. During this year alone, this exercise has been carried out for 30 projects.

Enhanced Customer Satisfaction

Customer satisfaction is one of the main priorities of CIL. We understand that the quality of our coal is the deciding parameter to weigh the quality and thus satisfy our consumers with our products. Our major quality criteria include, supply of quality coal and enhanced engagements with customers.

Supply of Quality Coal

During 2015-16, we have established Coal Handling Plants with a total capacity of about 326 MT per annum to maximize dispatches of crushed/sized coal to the consumers. We have also enhanced the usage of surface miners in many of our OCPs for production of sized coal right at the site of extraction.

We also attempt accurate sampling and analysis of coal samples and hence, have procured 121 Bomb Calorimeters. Also, to eliminate chances of bias in sampling process for the bulk consumers, 24 Auto Mechanical Samplers are working in subsidiary coal companies for coal sampling. Joint or Third Party Sampling and Analysis is also being undertaken for major consuming sectors like power utilities, steel, cement, sponge iron. In addition, sampling facility has also been extended in special e-auction for the power sector. The Central Institute of Mining and Fuel Research (CIMFR) will soon appoint an independent Third Party Agency by a transparent process for undertaking the work of sampling and analysis of coal at loading end on behalf of both the power (consumer) and the Coal Companies (supplier), as per the new SOP.

We also seek NABL [National Accreditation Board for Testing and Calibration Laboratories] accreditation of our main laboratories. At present, one lab at MCL has been accredited by NABL in addition to the earlier one existing at WCL. Another 55 Laboratories of all subsidiaries are in various stages of accreditation process. We are also operating 15 Coal Washeries with a total coal washing capacity of 36.8 million tonnes per year, of which 12 are for coking coal and the rest 3 are for non-coking coal. To meet the growing demand, we have also has planned to set up 15 new state of the art Washeries with a capacity of 112.6 MTY.

Online Consumer Redressal Forum

Understanding that consumers are our valued affiliates, special emphasis has been given to quality management and redressal of consumer complaint. In order to ensure consumer satisfaction and resolve consumer complaints, on-line filing and redressal of complaints has been initiated. During 2015-16, percentage of consumer complaints resolved is 99.68%.


Coal Handling Plant


OB Casting by Dragline to Expose Coal

Managing the Supply Chain

CIL recognises the importance of maintaining a strong supply chain and managing it effectively. We recognise our suppliers and vendors as our key associations and engage in a valued bond in addition to formulate opportunities to enhance our business through mutual relationship. For the same, the MM division of CIL keeps a check on the procurement action on receipt of consolidated requirement of all the subsidiary companies from the respective Technical Departments. All our suppliers and contractors are screened as per statutory labour practices.

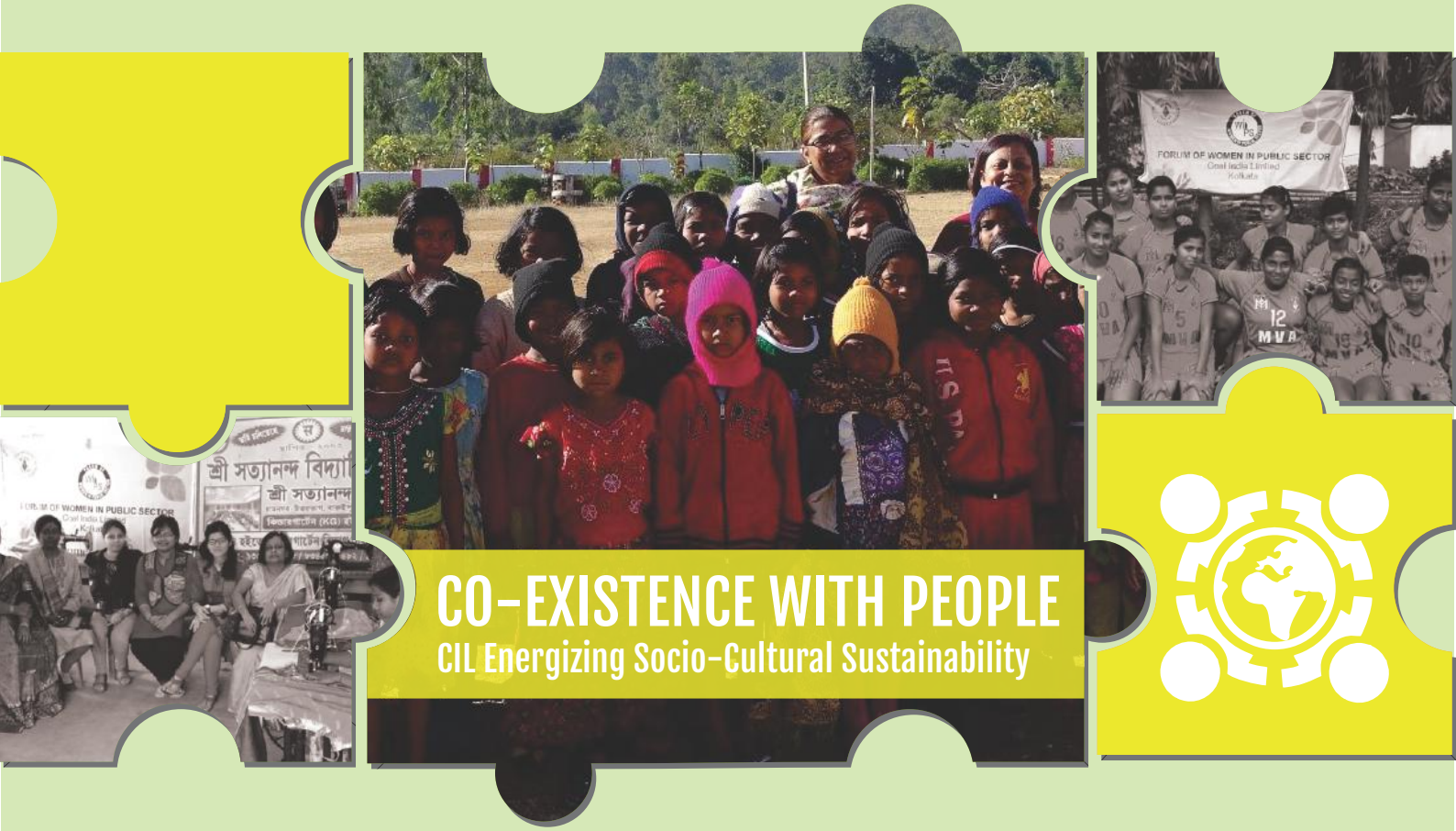

HEMM Drill

Initiation of E- tendering Procurement Mechanism

As we engage with world class suppliers, we try to come up with strategies which help in making the system hassle free and strengthen our supply chain. For the same, we have initiated an e-tender procurement proceeding being done after confirmation of eligibility criteria and TPS from the Technical Department. This mechanism allows supply is being made directly to the subsidiary companies as per their requirement from time to time. Vendor selection is done when the party meets the eligibility criteria and accepts the commercial terms & conditions of the NIT.

We are also undertaking various vendor engagement initiatives where vendors are invited for their active participation which includes the buyer seller meet which is organized by the Vigilance Division from time to time for awareness of the Procurement System adopted towards procurement of goods at CIL level. We organize pre-bid meetings with the vendors from time to time for awareness of the system as the vendors of equipments in demand such as HEMM, Explosives and OTR Tyres are limited. In addition, regular training of the new system of procurement to the vendors is also being provided by us.


Continuous Miner



CO-EXISTENCE WITH PEOPLE

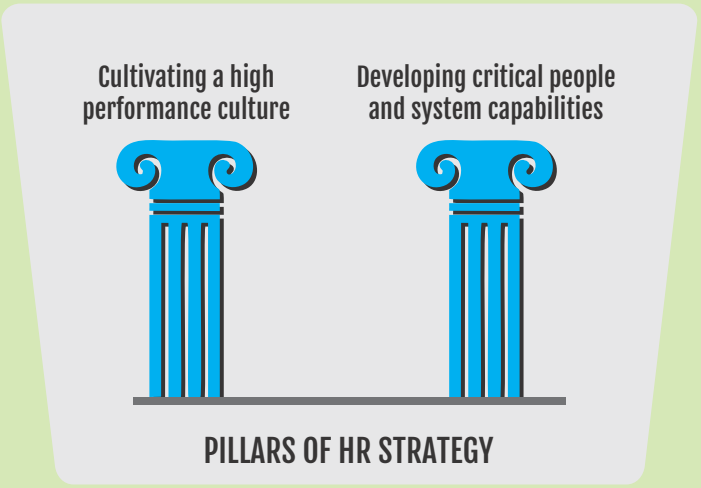
CIL Energizing Socio-Cultural Sustainability

No organisation is complete without people – within or outside. Which is why, we hold people as the most important asset here at CIL. This sphere consists of employees and the local community, who have been an integral part of the organisation. They have been recognised as an important resource due to the fact that they provide inspiration, creativity, vision and motivation which keep the organisation going. Their skill and competencies are necessary to make the organisation a well oiled machine that can work in a proper manner. With this in mind, we have ensured that our policies and initiatives are 'people friendly' even as they foster dual development.

Management Approach

Developing the right man at the right place, at the right time is the key for success in operations, and we adhere to this notion at CIL. With a rebooting and resetting process in place for our people and the processes that they set in motion, we try to keep the organisation's performance at a constant high. In order to do this more efficiently, we have identified high performance culture and building system capability by developing critical people as the two pillars of our operations. Accordingly, we have placed our strategies on these two pillars with the aim of revitalizing and aligning people, processes and practices to develop these core and critical capabilities in order to realise our vision. Knowledge management and refurbishing the development process is helping us put new systems in place in order to chart a course where the competence of the employee is furthered.

Also, we have undertaken initiatives that will go a long way towards creating a working environment which is intrinsically and extrinsically motivating. At the very epicenter of these initiatives, we have a supportive culture driven by recognition of performance and potential. Through this, we seek to channelise opportunities for building key capabilities. The HR element in CIL has further repositioned its role as a strategic partner when it comes to the corporate vision. This has been done by leading the change initiatives with a focus on the organisational culture and critical capability building.

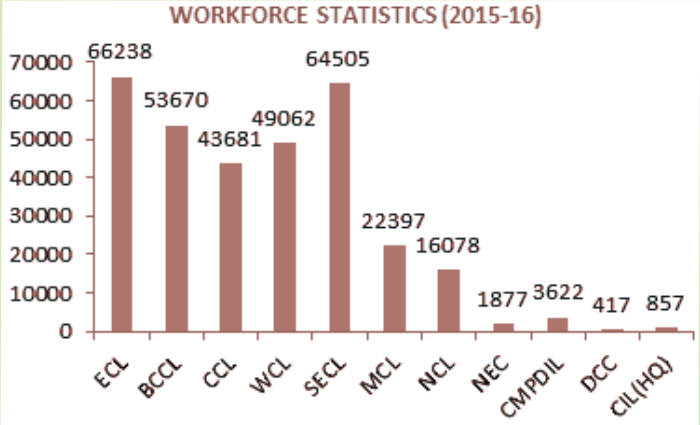


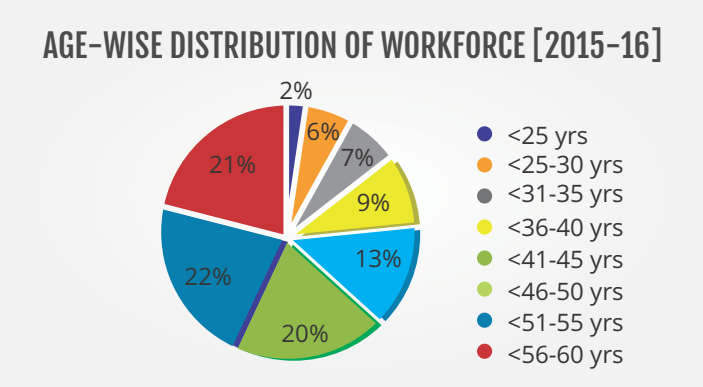
PILLARS OF HR STRATEGY

The use of existing and new technology has paved the way forward in terms of these initiatives which further helps in enhancing the efficiency and productivity of our company. With this, we have managed to make more optimum use of resources. These new technologies have created a wide bank of opportunities for HRD practices to flourish with self development within its quarters.

Workforce

Talent is the mainstay for development and growth today – and no one knows that better than CIL. Based on a sound system of developing its people as its most tangible asset, CIL thrives in a talent based economy with ample planning, measuring and optimising. A comprehensive human resource strategy helps in estimating the manpower requirement with an eye on the short and long term goals that we seek to achieve. The total employee strength including executives and non-executives during the reporting year was 3,22,404. During the reporting year 67,326 contract workers were engaged in different jobs in our company. We follow the DPE guidelines for the recruitment of Director and Senior Management for positions of GM and above. Of the existing Directors, eight of our Directors are above the age of 50 years whilst three of them are above the age of 60 years.





Talent Management

Talent is something that can steer the organisation with the help of vision, innovation and the best possible use of the resources and technologies that are at its disposal. The nurturing and management of this very talent is the other side of the coin. The rapid superannuation of our middle and senior management role holders has brought about a change in the demographic profile of the management cadre employees. As a consequence, CIL is now geared to have a young team of management who will be more attuned to risk taking and balancing trends with innovation to level the playing field. Induction of fresh talent into the organisation at entry level as Management Trainees numbering 448 in different disciplines has been done. These candidates have been selected through campus selection procedures and open advertisements. Our Management Trainees have undergone induction training at IICM before being assigned to different subsidiary companies based on our man power requirements. In addition, there is no system of keeping temporary or part time employees here at CIL with an eye on long term talent management.

Young talent is a major part of our talent management system now. Our campus recruitment of management trainees from various disciplines continued during this reporting period with a focus on filling 610 vacancies by selecting 420 candidates by March 2016. Also, we have also inducted 44 non-executive level employees into the Executive cadre through a process of departmental selection and promotion. Additionally, we have also recruited 281 medical executives comprising of Medical Specialists and Medical Officers through open advertisements, where 128 medical officers joined during the financial year. The rest of the medical officers would continue to join in the next 2016-17.

DEVELOPING IT INITIATIVES- 'SELF EXAMINER'

Today, all technology and innovation has IT at its core. As per SECLs new IT initiative according to the government guidelines to dispense written interviews in process of recruiting employees in C, D and B group, the organisation has developed a software Application named 'Self-Examiner'. With the help of this software, one can test the computer proficiency of a candidate. Also, as a unique feature, the application auto generates the result on the spot. The application can be run on any system that has a Windows OS and does not require any prior installation. The initiative is a stepping stone for IT initiatives which will aid in simpler administration of various processes including recruitment.


Coal India CME 2016 at IICM, Ranchi

Workforce (2015-16)							
CIL Unit	Executive			Non-Executive			Grand Total
	Male	Female	Total	Male	Female	Total	
ECL	2275	100	2375	59371	4492	63863	66238
BCCL	2209	115	2324	46893	4453	51346	53670
CCL	2444	146	2590	37014	4077	41091	43681
WCL	2439	160	2599	43971	2492	46463	49062
SECL	3182	141	3323	58086	3096	61182	64505
MCL	1774	87	1861	18893	1643	20536	22397
NCL	1718	68	1786	13791	501	14292	16078
NEC	100	7	107	1611	159	1770	1877
CMPDIL	842	71	913	2552	157	2709	3622
DCC	29	6	35	353	29	382	417
CIL(HQ)	334	57	391	388	78	466	857
CIL (Total)	17346	958	18304	282923	21177	304100	322404

Employee Hires (2015-16)												
No of Persons Hired	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	TOTAL
Employment In lieu of death(9.3.2)	472	615	409	582	305	76	62	0	17	2	5	**2545**
Employment In lieu of perm. Disab.(9.4.0)	5	8	26	50	0	2	20	0	3	0	0	**114**
Fresh Rectt.	276	38	269	477	272	313	524	2	158	0	8	**2337**
Appoint ment against Special Female VRS	983	391	174	419	361	62	100	37	41	0	0	**2568**
Appoint of land losers	278	68	313	973	177	755	31	0	0	0	0	**2595**
Apptt. Of depended of Executive	0	0	1	0	0	0	0	0	0	0	0	**1**
Reinstt./Rejoin/Retained	39	21	15	84	0	2	1	0	0	0	0	**162**
TOTAL	**2053**	**1141**	**1207**	**2585**	**1115**	**1210**	**738**	**39**	**219**	**2**	**13**	**10322**

Employee Turnover (2015-16)												
No of Persons Separated	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	TOTAL
Retirement	2738	2506	1756	2663	3119	709	656	107	208	53	67	**14582**
Resignation	31	7	13	54	80	36	26	0	13	0	7	**267**
Medically unfit	29	20	35	20	80	1	10	0	0	0	0	**195**
Death	667	472	369	315	469	123	93	28	9	5	6	**2556**
Special VRS (Female)	983	478	306	498	464	69	104	37	6	0	0	**2945**
VRS (DPE)	8	0	10	0	0	1	0	12	0	0	0	**31**
Dissmisal/Termination/ Separation/ Removal	27	26	31	35	177	131	10	0	1	0	2	**440**
TOTAL SEPERATED	**4483**	**3509**	**2520**	**3585**	**4389**	**1070**	**899**	**184**	**237**	**58**	**82**	**21016**

Employee Associations

An association will always garner mutual support even as it draws the eye to the policies and structures within the organisation. This also helps in realignment of the individual goal with the organisational goals. All Non Executive cadre employees (94.32 % of total manpower) of CIL & its Subsidiaries are covered under collective bargaining agreements i.e. A National Coal Wage Agreement(s). This has been finalised by the Joint Bi-partite Committee for the Coal Industry (JBCCI). A large number of issues including the wage structure, fringe benefits, service conditions, welfare, social security, safety and other allied matters are covered by the agreement. Further, the management does not resort to unilateral interpretation of the agreement (NCWA) and in case of any doubt or difficulty in interpretation or implementation of any clause of NCWA, the same is referred to and settled by the JBCCI or a sub-committee constituted by the JBCCI for the purpose, in the spirit of mutual goodwill.

There has been no strike of one week or more during the last five years in CIL and any of its subsidiaries. In addition, there have been no bandhs during the year and one day Nationwide General Strike was called by eleven Central Trade Unions on the 2nd of September, 2015.

Statistics of Strikes/Bandhs

Company	No. of Strikes/Bandhs		No. of other incidents		Man-days Lost		Production Lost (in tonne)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
ECL	1+0	1+0	18	45	25297	15108	96968	37303
BCCL	1+0	1+0	03	11	77319	16562	175986	49516
CCL	1+0	1+0	70	75	33272	21528	125299	00
WCL	1+0	1+0	02	00	53716	19974	263900	68690
SECL	1+0	1+0	00	03	72740	39300	195074	53172
NCL	1+0	1+0	05	00	10075	5617	241000	58000
MCL	1+0	1+0	00	00	19575	11330	852966	34904
NEC	1+0	1+0	00	00	1472	762	2608	1100
CMPDI	1+0	1+0	00	00	1288	1387	0	00
CIL	1+0	1+0	00	00	278	00	0	00
Total	1+0	1+0	98	134	295032	131568	1953801	302685



Man riding system in UG mine of CIL

Learning & Development

Talent is a direct function of learning and development. As a part of our stance on the recognising the human resource element as the most important asset, it is our constant endeavour to explore different ways to enhance the 360 degree development of our workforce. At our organisation, Human Resource Development is centered on the development of existing Human Resources even as we believe in looking ahead with a clear perspective. This is done in context of technological advances and the growth of manpower to fulfill the demands of production vis-à-vis technology. Accordingly, the optimum utilisation of resources and technology becomes an important function that pervades all levels within the organisation. This has fuelled the need to develop technologies which will create opportunities for the growth of self development – a process that is constantly carried out by the HRD Division here at CIL. All the executives of CIL are reviewed through CIL's online system HRIS. We are proud to say that our HRD division has achieved more than the proposed MoU targets for the reporting period.

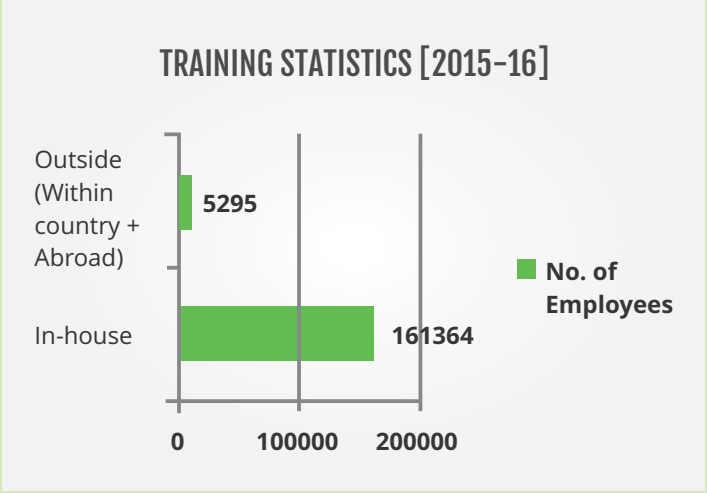


Training and Development

CIL and all its subsidiaries follow a structured approach for training and development of employees. Our trainings programs are planned as:

In house training (Training at Subsidiary Training Centres and at IICM)

Our training and learning programs are designed to enhance skills of employees and strengthen their career profiles. To cope up with the tasks that come from the strategic plan, an Annual HRD plan is worked out every year. This plan seeks to integrate the HRD efforts in each of the 27 training centres located in different subsidiaries. This is done as per the following four segments. In addition, various programs for skills management and lifelong learning are taken up during the trainings.



Technical Training: We provide technical training to employees so as to enhance their technical knowledge on the various means and methods being used in each subsidiary. This also goes a long way towards improving their skill set for new technological advancement being conceived at the corporate level. These training programs are a part of our preparedness to meet the current shortage we are facing as far as skilled manpower goes. With specialised technical trainings, our aim is to develop statutory personnel for meeting statutory obligations as well. As per this goal, CIL and its subsidiaries have around 102 Vocational Training Centres to take care of statutory obligations.

Management Training: A need based management training program has been created for our executives at each level. This training is made available at the time of joining the new position, at the Management Training Centre of each subsidiary company and also at the apex training centre - the Indian Institute of Coal Management, Ranchi.

Transformation Training: To create something worthwhile from something raw is what we endeavor to do. Accordingly, we have several planned attempts that go towards helping those who have joined CIL, so that they rise in ranks with training as the backdrop of their professional growth. This is a part of the management policy here at CIL and it also holds good for the workmen for whom we facilitate skill acquisition so that they may move from conventional to semi-mechanised mines with intermediate technology. This can also happen at the instance of closure of mines and surplus manpower. Usually, we use these trainees as a source of manpower supply in critical and non critical areas where technology specific skills are required



General Development Training: The vision and financial health of the organisation has changed with the changing times. These changes can be found with reference to the status of mines – an area that holds good specifically in ECL, BCCL and to an extent in CCL with a separate focus on MCL, NCL, SECL and WCL. With these changes and trends, the profit and loss as well as the criteria for raising productivity have come to affect cost parameters and the criteria for excellence in performance. This has a direct bearing on the survival of the company. This criteria for excellence is mediated through intra - organisational communication as well as face to face interface with workers and supervisors in a planned way. The basis for this information sharing and interface remains sharing the business realities so as to invoke motivation and the required action on the part of the individual with an emphasis on training.

TRAINING DETAILS (2015-16)			
		Total Training Hours	Training Hours per employee
CMPDI	Male	45312.0	13.350
	Female	6024.0	26.420
SECL	Male	1506678.0	23.620
	Female	35376.0	9.400
ECL	Male	153726.0	2.398
	Female	3468.0	0.750
WCL	Male	1733136.0	34.614
	Female		
CCL	Male	856336.0	46.010
	Female	11064.0	31.610
BCCL	Male	781309.0	15.900
	Female	37837.0	8.280
NCL	Male	450320.0	27.820
	Female	3392.0	
MCL	Male	439000.8	41.600
	Female	22293.6	33.370
CIL	Male	21870.0	7.944
	Female		



IICM, Ranchi

Employee Diversity

We prohibit any kind of discrimination on the basis of race, colour, religion, sex, caste, sexual orientation, national or regional origin, or any other characteristic protected by law. Also, we are proud to report that there has been no reported case of discrimination during the year 2015- 2016. The ratio of the basic salary and remuneration of women to men is 1:1. For payment of salary and wages, we follow the NCWA for Non Executives and specified pay scales for Executive cadre employees with no discrimination on the basis of gender.

Valuing Women

Women empowerment is a reality at CIL and we ensure that all the details pertaining to the creation of a congenial work environment are taken care of. At our organisation, all female employees are entitled to maternity benefits as per the statute i.e. Maternity Benefit Act. Further, female employees (executives and non executives) are entitled to Child Care Leave that can last up to 2 years. The female employees after availing the said leave, return to their work place and continue to remain in the company's employment. There is no provision of parental leave for male employees.



Women Employees at CIL


International Women's Day Celebration

CIL AND WIPS CONTRIBUTING TO WOMEN EMPOWERMENT

CIL values its female employees in the organisation. For their benefit, we have joined hands with WIPS to provide opportunities which will help in their overall development. As on the 1st of January, 2016, the total strength of female employees in CIL is 22822 – a number that constitutes7.07% of the total manpower. The number of women executives is 944 and skilled or monthly wage women employees are 5555.The rest of the female workforce belongs to the unskilled and daily wages category. Female employees are entitled to the provisions like Maternity Benefit Act and Equal Remuneration Act. These are being implemented for the benefit of the women employees of CIL.

CIL is actively providing various establishments for its female employees to get nurtured in the professional sphere. Nurse training institutes have been set up where training is imparted to the trainee nurses so that they may find an opportunity in or around the industry. Mahila Mandals, Mahila Samiti and other such forums are working in different units and establishments of the coalfield areas to look after the welfare of female employees and female spouses or dependents. Awareness is inculcated through symposiums, seminars, training programs and cultural activities which are organized on a regular basis. As per the Wage Agreement, the female dependent of the employee who dies while in service is provided with employment or monetary compensation.

A Women's Cell has been constituted to look into the complaints of women employees when it comes to discrimination and sexual harassment. The solutions are usually based on the guidelines of the National Commission for Women. A forum for Women in Public Sector Cell (WIPS) has been set up in Kolkata and five subsidiary companies including ECL, BCCL, CCL, SECL and CMPDI. Each WIPS cell is headed by a coordinator who plans and executes the activities of the forum with the help of a duly appointed executive committee.
Some of the activities undertaken by CILWIPS Cell in 2015-16 are as under

- The initiative to install one sanitary napkin vending machine and incinerator at CIL's new office complex, Rajarhat on 15 August, 2015 has been done in pursuit of Swacch Bharat Abhiyan.
- Before Durga Puja, WIPS (CIL-HQs) gave shoes, bed sheets and wheel chair to Bodhona, New Town, and Rajarhat, a home for mentally retarded and destitute children.
- An annual seminar was organised on 4th December, 2015 in Coal India Limited (HQs) with the theme "Women in Corporate Sector-Issues and challenges". Smt Arundhati Bhattacharya, Chairman, State Bank of India was the Chief Guest of the seminar.









Employee Benefit

For our business to run successfully we need to keep employees happy and provide them with enough incentive to maximise their productivity. There are various benefits that the employees of CIL are entitled to.

Defined contribution plans: We have defined contribution plans for payment of the Provident Fund and Pension Fund benefits to our employees. These are operated and maintained by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the company is required to contribute a specified percentage of the pay roll cost to the CMPF Authorities which goes forth to fund the benefits.

Defined benefits plans: The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on an actuarial valuation basis by applying the projected unit credit method. Further we have created a Trust with respect to the establishment of Funded Group Gratuity Scheme (cash accumulation) through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation. During the reporting period, we incurred a sum of Rs. 4,764.18 Crores towards contribution to Employee benefit plans.

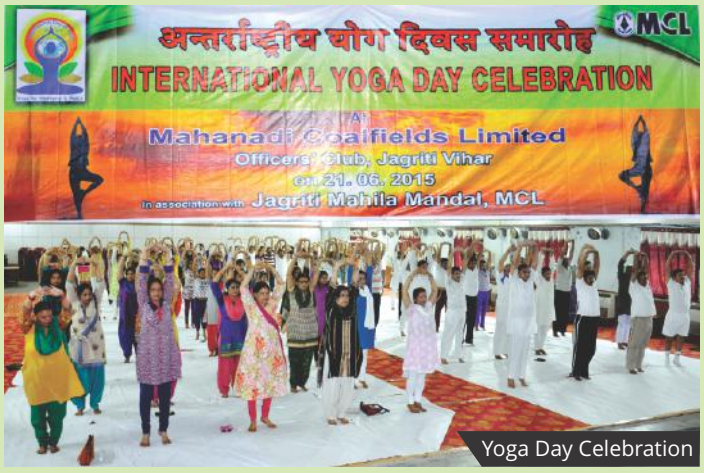
OTHER EMPLOYEE BENEFITS

- Benefits on account of LTA/LTC
- Life Cover Scheme
- Group, personal Accident Insurance Scheme
- Settlement Allowance
- Retired Executive Medical Benefit Scheme
- Compensation to Dependants of the deceased in mine accidents.

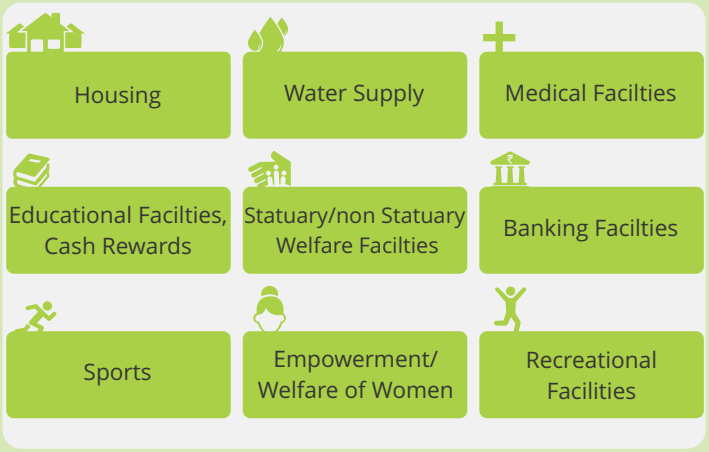
Contribution to Benefit Plans (INR Crores)	2015-16	2014-15	2013-14
Contributions to Provident and Other Funds	2,635.03	2,563.73	2,470.01
Staff Welfare Expenses	2,129.15	2,114.15	2,068.40
Total	**4,764.18**	**4,677.88**	**4,538.41**

Employee Welfare

Employee welfare is an important part of our People's co-existence plan at CIL. As we swear by dual development, there are various initiatives taken towards employee welfare. The same are elucidated in the figure. Coal India Welfare Board is the decision making forum when it comes to welfare policies to create a batter standard of living for all the employees of the company. This extends to various members and associations as well as their concerns. The members include Central Trade Union representatives and CIL Management. Both parties meet regularly to hold discussions on the welfare measures and also, to review the implementation of different welfare schemes.



Yoga Day Celebration



Housing: To put a roof over one's head is one of the primary areas of livelihood. At the time of Nationalisation, there were only 1, 18,366 houses including sub-standard houses. The availability of these houses has increased to 3,98,350. The percentage of housing satisfaction has now reached 100%.

Water Supply: Water is a resource that can drive the human race and we respect this fact by creating better access to water. As against 2.27 Lakhs people having access to potable water at the time of Nationalisation in 1973, we presently ensure that a populace of 19,73,887 Lakhs has been covered under the water supply scheme.


Pressure filters at BCCL

Medical Facilities: CIL and its subsidiaries are extending medical facilities to its employees and their families through various medical establishments from the Dispensary level to the Central and Apex Hospitals. These establishments can be found in various parts of the coal fields. There are 80 Hospitals with 5,431 Beds, 399 Dispensaries, 557 Ambulance and 1220 Doctors including Specialists in CIL and its subsidiaries which can provide medical services to the employees. Besides this, there are five Ayurvedic Dispensaries that are being run in the Subsidiaries of Coal India Limited to provide an indigenous system of treatment to workers. In addition, subsidiary companies have also been organising different medical camps for the benefit of the villagers and the community. Special emphasis has also been given on Occupational Health, HIV/AIDS Awareness Program for the employees and their families. Moreover, medical facilities are made available to the peoples residing in and around mine premises of the subsidiary companies of CIL.



Educational Facilities: Education is a matter of moulding the mind and intellect right from the start. CIL reaches out to people in this regard as well. The subsidiary companies of CIL have been providing financial assistance deficit grant and infrastructure facilities to certain renowned schools like 44 DAV Public Schools, 14 Kendriya Vidyalaya, and one Delhi Public School ensure that quality education is imparted. In addition to above, grant - in - aid is provided to Privately Managed school in ECL, BCCL and CCL to encourage education in the operational areas of subsidiaries.



Supporting Education by WIPS, CIL

CONTRIBUTING TOWARDS CSR– MCL OPENS MAHANADI INSTITUTE OF MEDICAL SCIENCES & RESEARCH, TALCHER, ODISHA

he MCL CSR Venture is a feather in our cap. The Mahanadi Institute of Medical Sciences and Research (MIMSR) is a 492 Crore INR CSR project of Mahanadi Coalfields Limited (MCL). It is located in the Talcher Coalfields of Odisha. The foundation stone of this well planned and ambitious CSR project in the country's largest coalfield by a coal CPSU, was laid in the august presence of distinguished people and was inaugurated by Shri Naveen Patnaik, Chief Minister of Odisha, in September 2015.

The MIMSR will have a 100-seat medical college with a 500 bed, Multi-Specialty Hospital. It will also have the state-of-the-art medical facilities in Anatomy, Bio-chemistry, Micro-Biology, Physiology, FM, Toxicology, Pharmacology, Pathology, Community Medicine, Laboratory with a well stocked Library. The project includes a hostel for 300 boys, a separate hostel for 200 girl students, two blocks of Hostel for 100 interns, a hostel for 57 junior resident doctors and a 50 bed hostel for nurses.

The institute also includes 42 flats for its faculty members, with even more accommodation facilities for professors and the head of the institution. It is planned on the Smart and Green Concept with Building Management System by the well known public sector construction name - National Building Construction Corporation Ltd. (NBCC), the MIMSR campus would also have a modern gym, a guest house and a shopping arcade.

MCL's contribution towards setting up a Medical Science and Research Institute taken the CSR initiative bar up by leaps and bounds. This initiative will not only provide better healthcare facilities to its employees but also help in increasing employment opportunities and skill development for the livelihood of skilled individuals in the neighbouring areas.



ENCOURAGING SPORTS- CIL SPONSORED 'HOCKEY INDIA LEAGUE - 2016'

In its new role within the area of sports, which we consider just as important as classrooms and textbooks, Coal India Limited (CIL) has taken on the position of being the Title Sponsor of the fourth edition of 'Hockey India League' for the 2016 season. In this role, we have magnanimously released Rs.14.73 Crores as the sponsorship payment. This included the sponsorship fee of Rs. 13 Crores as well as cash awards for the Coal India Best Goal of the Match at each of the matches along with Coal India Most Valuable Player of Season award and related expenses. The sponsorship fee for 2017 and 2018 is pegged at Rs. 14 Crores and Rs. 15 Crores, respectively.

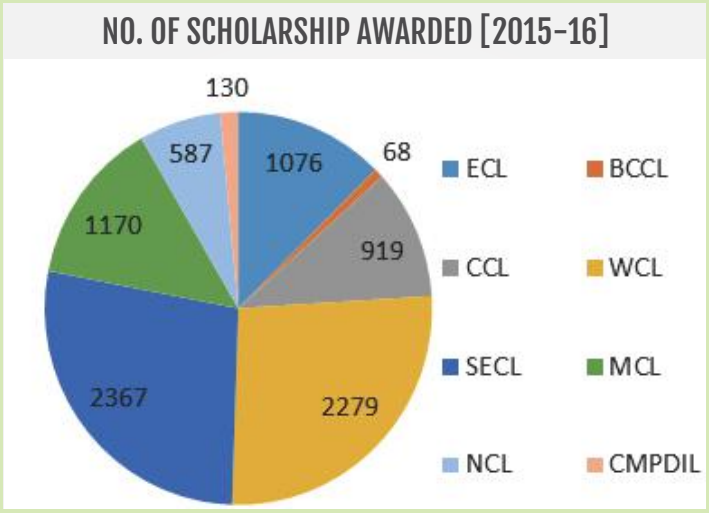
The initiative was taken by CIL with the intent to encourage sports, with a focus on our national sport –hockey. We believe that this would pave the way to generate interest towards the field, in today's youth. As CIL is actively involved in encouraging various sporting activities and talent hunts at the grass root level around our mining areas, district and state levels - the sponsorship of this tournament was a national level initiative to promote mass awareness regarding sporting pursuits.

The corporate entity of CIL, Coal India Sports Promotion Association (CISPA) is continuously encouraging sports and other cultural activities as a part of its CSR effort. Through the CISPA, we aim to promote excellence in sports at all levels and stand at one with the country's efforts to help sports persons reach higher levels of performance. Further, the partnership with the Hockey India League has been of immense help as far as future talent sighting goes.



Hockey League CIL

Coal India Scholarship Scheme: In order to encourage the children of the employees of Coal India Limited, two types of Scholarships namely Merit and General Scholarship, are being provided every year under the prescribed terms and condition. One can see the number of students who have achieved this scholarships, in each subsidiary, with a total of 8596 across subsidiaries. In addition, during the year all subsidiaries of CIL. The tuition fees and hostel charges for a total of 847 students has been reimbursed. These students are studying in IIT, NIT and Government Engineering and Medical Colleges.



Statutory Welfare Measures: Welfare is a way of life for us at CIL. In accordance with the provision of the Mines Act 1952 and Rules and Regulations framed under the same, subsidiaries of Coal India Limited are maintaining various statutory welfare facilities for the coal miners such as Canteen, Rest Shelters, Pit Head Baths and more.

Co-operative Stores and Credit Societies: In order to supply essential commodities and Consumer goods at a cheaper rate in the Collieries, 16 Central Co-operatives and 99 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 158 Co-operative Credit Societies are also functioning in the Coal Companies.

Banking Facilities: The Management is trying to provide infrastructure facilities to the various Nationalised Banks so that they may open their Branches and Extension Counters in the Coalfields for the benefit of the workers. The workers are shown how to draw their salaries through 480 Number of Bank and Extension Counter seven as they are encouraged to practice thrift for the benefit of their families.

Sports: A structured sports policy of CIL and its subsidiaries was approved by CIL Board in 2013. As per the sports policy, Coal India Sports Promotion Association (CISPA) has been registered under the West Bengal Societies Registration Act, 1961. CISPA has undertaken several sports activities at the National Level and International Level.

Health & Safety

While occupational health and safety is an issue and provision on each and every factory floor, it is all the more important in the challenging environment and the offices of a mining company that operates on a scale like ours. The mission statement of CIL weighs in on safety which has always been given prime importance in our operations. CIL has formulated a well defined Safety Policy that caters for risks and ensure safety in mines with the proper implementation of the same. This implementation process is closely monitored at several levels. Various elements are in place to ensure that the safety policy is implemented. This policy includes provision of adequate funds for safety, deployment of adequate numbers of trained manpower ensuring safety in mining operations; establishment of an Internal Safety Organization (ISO) in all the subsidiaries of CIL to monitor the implementation of CIL's Safety Policy; continuous and sustained improvement in technological inputs for mining operations; support of scientific planning and R&D activities made available through the use of in-house expertise of CMPDIL and in collaboration with the other institutes; and finally, ensuring workers' participation in every forum for monitoring safety status in the mines. We follow the Occupational Health and Safety (OHS) compliances as per DGMS standards which is mandatory for all our coal mines.


CIL Inter Company Football Tournament

Safety Governance: The Organizational structure and mechanism which monitors and advises on Occupational Health and Safety Programs with active participation of its workforce and its representatives are produced below. Currently, 7619 persons are represented in the Pit Safety Committtee of CIL.

Safety Statistics: CIL has achieved an excellent MOU rating thanks to the fact that it has reduced the rate of Fatality and Serious Injury per Million Tonne of coal production by 22.2% and 39.5% respectively in contrast to the previous financial year.

These statistics show CIL's commitment towards enhanced and effective safety actions for its workforce.

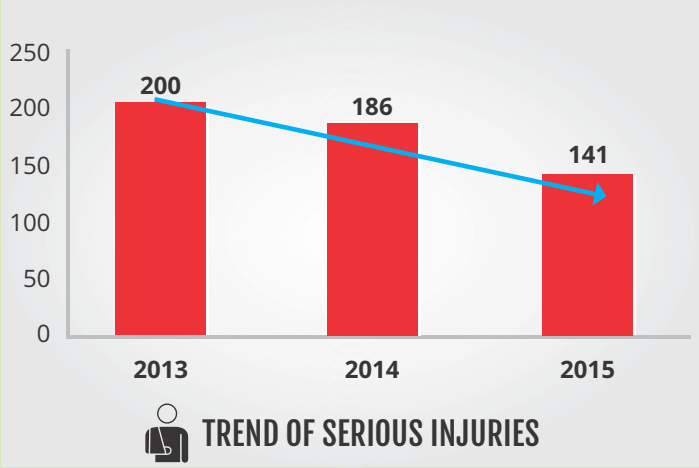
Accidents statistics are the relative indicator for safety status in the mines. Over the years, the safety performance of CIL in terms of accidents has improved significantly. In the year 2015-2016, the rate of injuries and fatalities has decreased as compared to the previous years – a trend that can be seen in the graph. The LFITR for the current year is 0.276 which is less as compared to the previous years as well.

At Mine level	**Workman inspectors: as per Mines Rule-1955** **Pit Safety Committee: constituted as per Mine Rule-1955**
At Area level	**Bipartite/Tripartite Committee Meeting** **Safety Officers' Coordination Meeting**
At Subsidiary level	**Bipartite/Tripartite Committee Meeting at Subsidiary HQ level** **Area Safety Officers' Coordination Meeting** **Inspection by ISO Officials**
At CIL HQ level	**CIL Safety Board** **CMDs Meet** **Meeting with Chief of ISOs of Subsidiaries**
At Ministerial / National level	**Standing Committee on Safety in Coal Mines** **National Conference on Safety in Mines** **Various Parliamentary standing Committee**

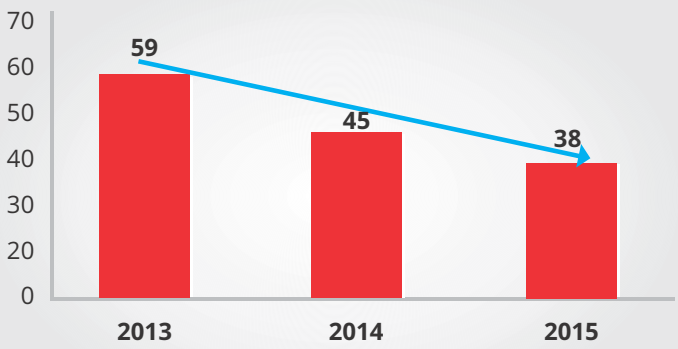


Fire Tender with crew

Safety Statistics				
Subsidiary	**Rate of fatality / injuries**	**2013**	**2014**	**2015**
ECL	Fatality rate per MT	0.22	0.13	0.18
	Fatality rate per 3 lac man shifts	0.14	0.09	0.13
	Serious Injuries rate per MT	1.71	1.81	1.02
	Serious Injuries rate per 3 lac man shifts	1.09	1.25	0.76
BCCL	Fatality rate per MT	0.40	0.23	0.20
	Fatality rate per 3 lac man shifts	0.31	0.20	0.19
	Serious Injuries rate per MT	0.52	0.50	0.25
	Serious Injuries rate per 3 lac man shifts	0.41	0.43	0.24
CCL	Fatality rate per MT	0.18	0.06	0.03
	Fatality rate per 3 lac man shifts	0.27	0.09	0.06
	Serious Injuries rate per MT	0.14	0.13	0.10
	Serious Injuries rate per 3 lac man shifts	0.21	0.21	0.18
NCL	Fatality rate per MT	0.08	0.10	0.01
	Fatality rate per 3 lac man shifts	0.47	0.52	0.08
	Serious Injuries rate per MT	0.24	0.13	0.25
	Serious Injuries rate per 3 lac man shifts	1.32	0.67	1.53
WCL	Fatality rate per MT	0.23	0.22	0.19
	Fatality rate per 3 lac man shifts	0.20	0.22	0.19
	Serious Injuries rate per MT	1.19	0.92	0.64
	Serious Injuries rate per 3 lac man shifts	1.04	0.91	0.63
SECL	Fatality rate per MT	0.11	0.09	0.07
	Fatality rate per 3 lac man shifts	0.22	0.21	0.18
	Serious Injuries rate per MT	0.33	0.25	0.26
	Serious Injuries rate per 3 lac man shifts	0.68	0.57	0.65
MCL	Fatality rate per MT	0.01	0.01	0.02
	Fatality rate per 3 lac man shifts	0.06	0.06	0.19
	Serious Injuries rate per MT	0.09	0.11	0.03
	Serious Injuries rate per 3 lac man shifts	0.61	0.80	0.26
NEC	Fatality rate per MT	0.00	0.00	0.00
	Fatality rate per 3 lac man shifts	0.00	0.00	0.00
	Serious Injuries rate per MT	0.00	1.37	0.00
	Serious Injuries rate per 3 lac man shifts	0.00	0.60	0.00
CIL	Fatality rate per MT	0.13	0.09	0.07
	Fatality rate per 3 lac man shifts	0.22	0.18	0.15
	Serious Injuries rate per MT	0.43	0.38	0.27
	Serious Injuries rate per 3 lac man shifts	0.75	0.72	0.56



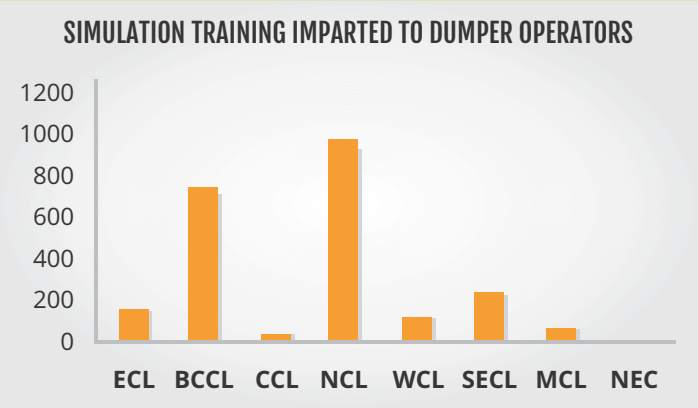
TREND OF SERIOUS INJURIES



TREND OF FATALITIES

Safety Training: Safety training is a matter of building agility and alertness in the time of adversity. When this training is in place, the workforce learns how to recognise threats and act accordingly, as a matter of habit which is inculcated thanks to this safety training. We provide a number of initiatives and facilities in this regard.

- ✓ Advanced special Training is being given by the SIMTARS accredited Trainers for preparation of a risk assessment based Safety Management Plan (SMP).
- ✓ All employees are given training as per Mine Vocational Training Rules- 1966 (MVTR-1966).
- ✓ All Front Line Supervisors are being provided updation training.
- ✓ Training to Dumper Operators is being imparted on Simulators.



Additionally, Mine Safety Inspection is carried out at all subsidiaries of CIL. This goes a long way in ensuring that all mining operations are carried out in the mine as per the provisions of the relevant statute and safety norms along with round the clock supervision of all mining operations by an adequate number of competent and statutory supervisors and officers. Periodic mine inspections by the Headquarters and Area level senior officials and surprise back shift mine inspections by Mine and Area level officials is conducted. Also, regular inspection by Workmen Inspectors appointed in each mine, monthly mine inspections and meeting of Safety Committees for each mine, regular mine inspections by officials of Internal Safety Organisation, periodic mine inspections by a High Powered Task Force, Area and Subsidiary level Tri-partite Safety Committee members, are some of the other measures taken towards ensuring safety at CIL.

To spread better awareness on mine safety, Special Safety Drives are being conducted periodically to assess the level of compliance as far as safety norms in each mine go. Also, an Annual Safety Fortnight and Week is also conducted annually for dissemination of information relating to safety. This information covers a broad spectrum of mine employees. Constant safety awareness programs are also conducted in every mine for increasing safety awareness amongst grass root level workmen. This helps in meeting the risk aspect by ensuring compliance of safety norms using various methods.


UG rescue station



RESCUE SERVICES FOR EMERGENCY RESPONSE SYSTEM

- **CIL is maintaining a well established rescue team comprising of six Mine Rescue Stations, 14 Rescue Rooms-with-Refresher Training facilities (RRRT) and 17 Rescue Rooms.**
- **All Rescue Stations and Rescue Rooms are fully equipped with an adequate number of rescue apparatus as per the Mine Rescue Rules (MRR) - 1985.**
- **This rescue team is staffed by adequate numbers of Rescue Trained Personnel (RTPs) as per the MRR-1985.**
- **All RTPs are being periodically retrained to conduct rescue operations in hot, humid and irrespirable atmospheres in modern training galleries as well as within the mines.**
- **Permanent Brigade Members and RTPs are on call 24x7 for rescue and recovery operations.**



Corporate Social Responsibility at CIL

Co-existence within the parameters of socio cultural sustainability is of prime importance for us here at CIL. This means that the co-existence function in the context of people happens with a social and cultural angle to all the functions that emanate from this policy. To ensure that our activities have a positive impact on the lives of people living in close proximity of our operations and the society broadly, we engage with the surrounding and local community. This is done in a wholesome manner, by reaffirming to the corporate motto of Growing with Surroundings – an ideal which is in consonance with the national agenda of Inclusive Growth. This has been taken care of by providing opportunities within mutually beneficial relationships. We also recognize the traditional rights and values of indigenous peoples (around CIL command area falling in Jharkhand State) and respect their cultural heritage.

In case of CIL, our coal deposits occur in places that enjoy dense population which ends up getting displaced due to coal mining which acts as a natural corollary. At this instance, we are not only obligated but morally bound towards taking care of the people affected by these activities. Apart from improving the quality of lives of people, the CSR initiative is also committed towards partnering with these people in inclusive growth which is also the goal of the company. We believe that elevating the living standards of the affected people is as important as attaining our business goals. The impacts due to our operations on the local community and environment is being mitigated through EMP and various welfare activities.

CSR Governance

The Composition of the CSR Committee includes a two tier CSR Committee as per the DPE's Guideline. This has been further elaborated as follows:

CSR Committee
Below Board Level Executives for examination and recommendation of CSR Projects

Board Level Committee
Three Independent Directors and two Board Level Directors for deliberation and approval of CSR projects based on recommendations of the Below Board Level CSR Committee.

CSR policy Implementation Mechanism

Policy on CSR: CIL has a well-defined CSR policy framed on the DPE's guideline and based on the Companies Act, 2013. The policy has the CIL Board's approval. According to the CSR Policy of CIL, the budget on CSR is allocated at 2% of the average Net Profit of the Company during the three immediate preceding financial years or 2.00 INR per tonne of coal produced in the previous year - whichever is higher.

Modalities and Mechanism of Implementation of CSR: The underprivileged people living in and around the mining areas in different states of India are the major beneficiaries covered under the CSR activities of CIL. CIL is a holding company that executes CSR activities throughout the country as well as in the areas which are beyond the jurisdiction of subsidiary companies. As far as subsidiary companies are concerned, the CSR policy is operational within a 25 Kilometre radius of the projects and mines as well as other areas including the Headquarters for which 80% of the budget is allocated. The balance 20% is spent within the State or States in which the subsidiary companies operate. CIL has entered into an MOU with the Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities.

CSR Ventures

The point of a CSR Venture is to empower with the help of education and exposure. To begin with, this education and exposure go hand in hand without a formal classroom orientation. The informal modes of reaching out and taking people towards an improved standard of living with the help of various facilities is what defines a CSR venture. These facilities are shaped and provided on the basis of the specific needs of the people around these areas – which makes it relevant for them. Let us learn more about CIL's CSR ventures and their relevance.



① **Drinking Water Projects:** An ongoing project involving the Installation of 130 Hand Pumps has been taken up in the district of Sidhi. A Community Arsenic Mitigation Project in Arsenic affected Varanasi and the adjoining district of UP has been taken up in collaboration with the Inner Voice Foundation. The project aims at executing Community intervention work in the groundwater contaminated districts of Varanasi, Gazipur and Ballia. This program focuses on three major components - safe drinking water, testing of water samples and awareness in villages. In addition, CIL is supporting CDUP Jal Nigam, Allahabad for the installation of 150 hand pumps in the Phulpur Lok Sabha constituency.

2 **Women Empowerment and Children Education:** As we believe in gender equality and equal rights for women, we have launched a project with an objective to enable the poor girl students to attend school and continue their education despite the fact that they come from remote and distant areas. Under this project, the distribution of 3000 bicycles among poor girl students in each of the South 24 Parganas, North 24 Parganas and Nadia districts through Department of School Education, West Bengal has been conducted.



Supporting Education by WIPS, CIL

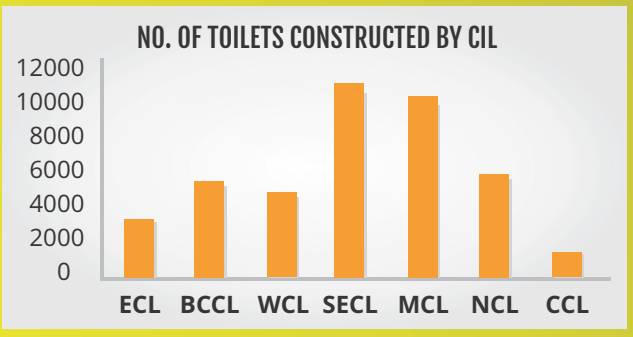
3 **Rural Development Projects:** A great emphasis has been placed on rural development by us. Accordingly, we have come up with several initiatives including development work executed through The Energy and Resources Institute (TERI), New Delhi in 40 villages of the backward district Purulia, West Bengal. This was an area identified by the Planning Commission. CIL has also distributed 12,000 bicycles in Nuapada under Sunebheda Area Development Authority for various activities aimed at the development of the Sunebheda Hill Area Plan Mobility for the SC/ST households of the area was a major objective we help in this initiative.

Besides infrastructural projects, we have also established 1081 shopping complexes/market complexes in most of our townships to promote business of the local community of the areas in which we operate.

4 **Education:** With an emphasis on promoting the cause of education, CIL has released funds to Governments of West Bengal and India as one of the Industry partners for setting up of the Indian Institute of Information Technology (IIIT) at Kalyani, West Bengal. Financial support towards the construction of school buildings and infrastructure development of the school for the benefit of the poor and backward students in Palla Village F.P School has also been undertaken. A project for providing education to the children from Jhuggi Jhopdi - the children of slum areas and children of labourers – on the basis on Sarva Siksha Abhiyan by the Children's Education Foundation, an NGO from New Delhi, is also in the pipeline.

TAKING THE 'SWACHH' ROUTE

CIL, under the mission 'Clean India' has taken up the construction of household toilets and school toilets separately for boys and girls, in different villages. CIL was allotted a target to construct and renovate 53412 toilets in 32,557 schools across six states of India including Chattisgarh, Jharkhand, Madhya Pradesh, Odisha, Uttar Pradesh and West Bengal. Seven of our subsidiaries undertook the task of constructing the toilets with a total expenditure of 820.44 Crores INR in the 2015- 2016. In total, CIL has constructed 36% of the total target of CPSEs, making it the highest number of toilets constructed among all the CPSEs.



The status of the project is as under:

- All toilets were either constructed into permanent structures or into functional toilets by the 15thof August, 2015.
- Provisions for maintenance of these toilets have been made in some cases and for other cases it is under progress.
- Water supply has been ensured in the toilets by creating water sources where none existed earlier.





5 **Health:** Creating an infrastructure where optimum healthcare facilities are provided to the masses is one of the causes that is dear to our hearts. Some of the initiatives taken include construction of a 100 bed Charitable Eye, ENT, Dental Hospital with Diagnostic Centers and various OPDs as well as the Institute of Paramedical Training for Village Youth through R. K. Mission, Muzaffarpur, Bihar. This also includes the construction of 525 bed homes near Tata Medical Centre at Kolkata for the poor patients and families of Cancer patients who undergo treatment at TMC. Further, CIL initiated the construction of a blood bank with component separation facility by the Indian Medical Association, Kanpur at a cost of Rs.3 Crores.



Premashraya built by CIL at Tata Cancer Hospital, Kolkata



Health Facilities CCL

6 **Environment:** CIL has fashioned itself as an environmentally friendly company and as a part of this, CIL purchased 3 electric buses and a small electric car for the total value of Rs.15 Crores from HIDCO. Installation of Solid Waste Management plants by the Sri Rural Development Trust at Vindhya Vasini Temple, UP; Kashi Vishwanath Temple, Varanasi; Sankat Mochan Temple, Varanasi; and Kamakhya Temple has also been initiated to ensure that waste does not become a normal part of our lives. In addition, strengthening the Cleaning Himalaya Campaign has also been done with an aim of cleaning the ecologically fragile Himalayan Region with the Indian Mountaineering Foundation.



Health Facilities CCL

CIL ON ITS WAY TO PROMOTE SPORTS

With a focus on sports, CCL is giving considerable importance towards development of Sports and Cultural activities in an around Jharkhand. CCL has built adequate number of infrastructure facilities for the budding sports person. The sports infrastructures available in CCL include 20 Indoor Halls and 20 Ground Stadiums. Employees are routinely encouraged to actively participate in various tournaments organized by CCL. A calendar for various tournaments is also prepared annually.

Some of the events 2015-16 are as follows:

- Inter Area Tournament- CCL Inter Area Competition for different games to be organised in different areas of CCL for the year 2015- 2016.
- CIL Intercompany Tournament- CIL Intercompany Badminton Tournament for the year 2015-2016 is to be hosted by Central Coalfields Limited, Ranchi.
- Organised a Summer Volleyball Coaching Camp for junior boys and girls of Ranchi.
- Organised a Summer Cricket Coaching Camp for the wards of CCL employees.
- Organised a Summer Badminton Tournament for junior boys and girls of Ranchi.

PROMOTING SPORTS

Initiatives have been taken by CIL to promote sports which include construction of a Sports Hostel over the built up ground floor of the Bus Terminus Building at Canal West Road for the benefit of swimmers by West Bengal Transport Infrastructure Development Corporation for the total sanctioned grant of Rs.114.00 Lakhs.

7 **Skill Development/ Social Empowerment:** Many interventions have been carried out in the area of skill development which includes imparting training and development through the Kabiguru Industrial Training Center (KGITC), West Bengal. This initiative aims at fulfilling the manpower requirement of mining industries and employment based skills for youth. Secondly, bicycles have been provided to 12,000 households of Sunebheda Hill Area Development Plan through the Collector & District Magistrate, Nuapada, Odisha. By a tripartite MoU between NSDF, NSDC and CIL, providing training and undertaking recognition of prior learning to around 2.7 lakh persons over a period of 2 years has been initiated as per the National Skills Qualification Framework in CIL's operational areas and neighbouring regions. This has been carried out through a training program undertaken for 400 young people in various trades related to Plastic Engineering, which was done through CIPET.

POSITIVE STEP FOR THE SOCIETY– SKILL DEVELOPMENT CENTRE BY CIL

To cater to the professional needs and dreams of the rural youth and the Project Affected People (PAP) by coal projects, the Hon'ble Minister of Coal laid the foundation stone of SDC at WCL, Nagpur on the 31st of August, 2015. The SDC aims to facilitate the career advancement of 2000 youth annually. WCL has targeted for skill development of 6000 youth and PAPs of Maharashtra and Madhya Pradesh in a year to make them increasingly self reliant. WCL is establishing four Skill Development Centres at Nagpur, out of which two of the skill development centers have already been launched at Chhindwara & Chandrapur in August 2015. 33 courses with durations extending from one month to four months have been identified. Training to youths in coal mine related occupations like fitter, electrician, motor winder would be provided. The villagers have also whole heartedly contributed towards this initiative by helping WCL achieve physical possession of a record making 1,100 hectares of land in 2015- 2016 session till August. Due to the positive, out of the box thinking and systematic approach of the team at WCL, they have managed to successfully launch eight projects. Further, WCL is committed towards opening one project every month for next two years.



Resettlement & Rehabilitation

As a part of the overall recognition of the impact of our operations on Project Affected Persons (PAPs) and for faster acquisition of land, the Resettlement & Rehabilitation Policy of CIL was revised in 2012. This was done with the aim of making it liberal and PAP friendly with more flexibility for the Board of Subsidiary Companies. The strategy our policy now includes conducting a baseline socio-economic survey to identify PAPs enlisted to receive R&R benefits even as we strive to formulate a fitting Rehabilitation Action Plan (RAP) in consultation with the PAPs and State Government to provide optimum remedial measures benefitting both the PAPs and business. The R&R Policy of CIL is being revised specifically in background of the RFCTLARR Act of 2013.

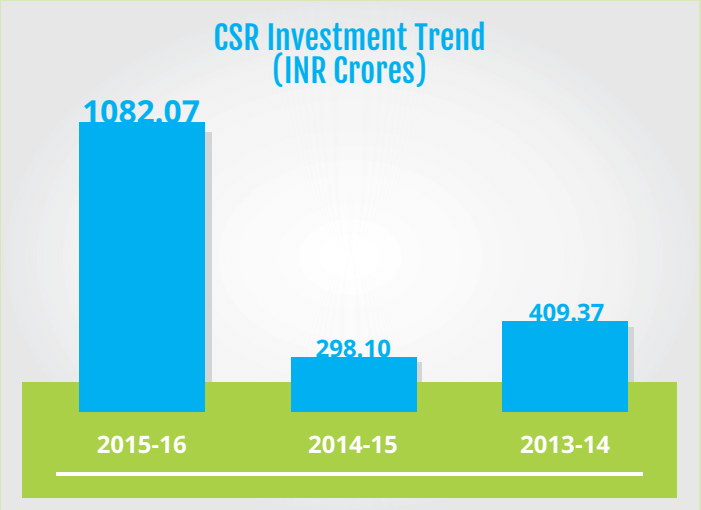
Along with the statutory compensations, we have also taken up various activities extending financial assistance for water supply schemes, construction / repair of public utility roads and culverts, construction of community center, digging of new ponds and desilting of existing ponds, check-dam for the benefit of the peripheral villages, rendering preventive health programme, village health programme and family welfare programmes to the PAPs. There were no incidents of violations involving rights of indigenous people during the reporting period.

R&R POLICY BENEFITS

- **Payment of land compensation and solatium**
- **Employment or lump sum monetary compensation and annuity**
- **Lump sum payment in lieu of alternate house site**
- **Subsistence allowance to each affected displaced**
- **Compensation for home-stead**

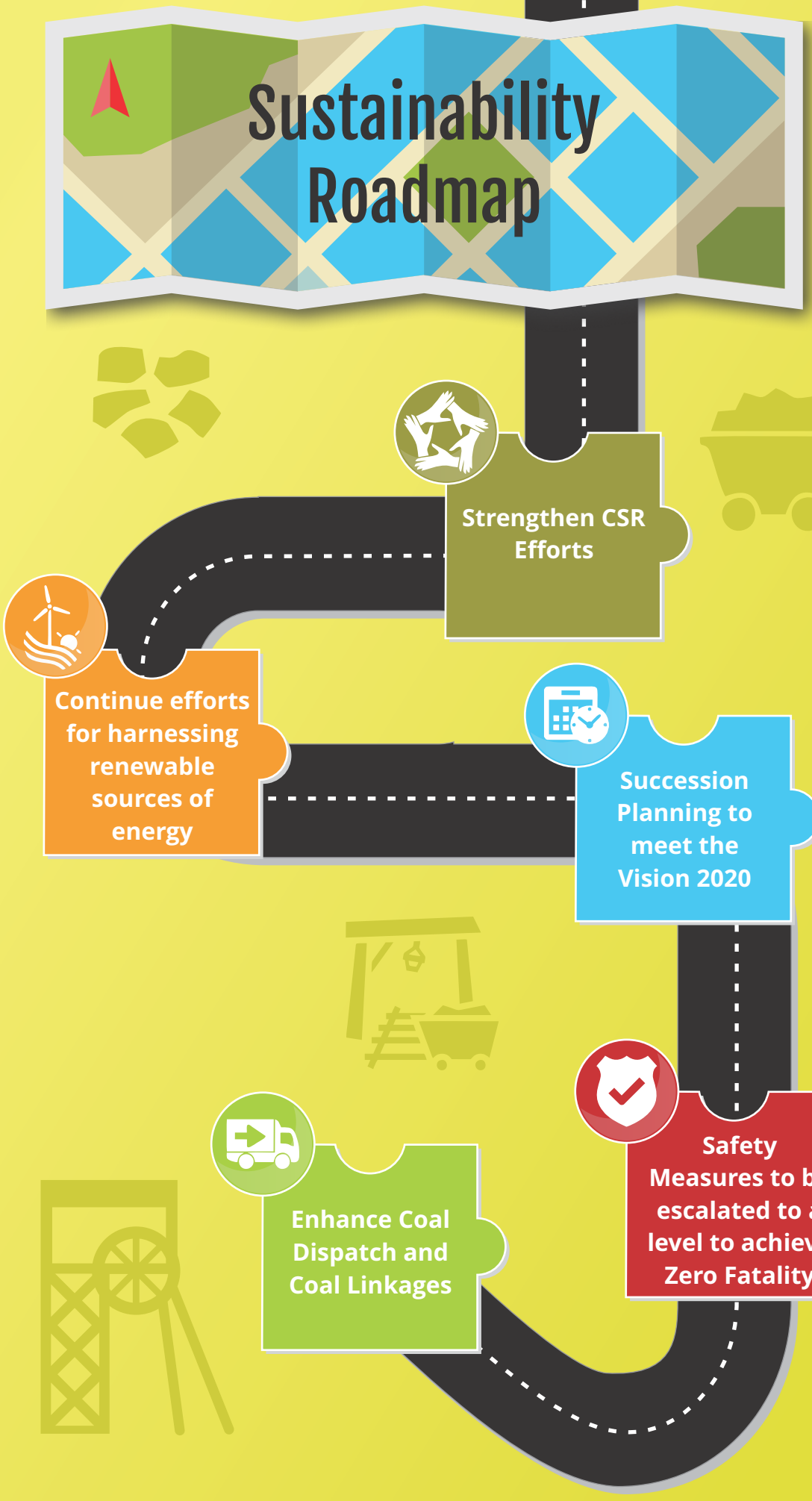
CSR Expenditure

For any corporate entity, CSR or Corporate Social Responsibility is as important a function as its core business activities. These initiatives are essentially aimed at improving the lives of the people affected within and outside the organisation. At CIL, an important aspect of our management includes the budget for the CSR activities in a given year. As per the revised CSR Policy, allocation of the CSR fund for CIL (standalone) is based on 2% of the average net profit of CIL (standalone) for the three immediate preceding financial years or 2.00 INR per tonne of coal production of CIL as a whole of the previous year - whichever is higher. During the reporting period, we spent a total of Rs.1082.07 Crores towards various CSR investments.




Ananya vatika at SECL

Sustainability Roadmap



GRI G4 Index 'In accordance' Core Criteria

General Standard Disclosures

Disclosure	Description	Page No.	Omission (if any)	Mapping BR (SEBI) Guidelines
STRATEGY AND ANALYSIS				
G4-1	Statement from the Senior-most decision-maker	5		
G4-2	Description of key impacts, risks, and opportunities	27,28		Section E: P-6, #3; Section E: P-2, #1
ORGANISATIONAL PROFILE				
G4-3	Name of the organisation	6,8		Section A:#1; #2
G4-4	Primary brands, products, and services	10		Section A: #7, #8
G4-5	Location of the organisation's headquarters	8		Section A: #3, #4
G4-6	Countries of operation	9		Section A: #9
G4-7	Report the nature of ownership and legal form	8,9		Section A: #10; Section C: #1
G4-8	Markets served	8, 51		Section A: #7, #10
G4-9	Scale of the organisation: Workforce; Operations; Revenues; production	18		
G4-10	Work Force by Type; Gender; Region	56,57		Section E: P-3 #1, #2,#3 NVG P-3
G4-11	Percentage of total employees covered by collective bargaining agreements	58		Section E: P-3 #5, #6
G4-12	Describe the organisation's supply chain	54		
G4-13	Significant changes of reporting period	3,8,20,21		
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation (sustainability approach)	22-28		
G4-15	Sustainability charters	11		
G4-16	List memberships of associations	16		Section E: P7- #1, #2
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Organization's consolidated financial statements	50,51		
G4-18	Definition of report content and Aspect Boundaries	3		Section C: #2, #3
G4-19	Material aspects	26		
G4-20	Aspect Boundaries of Material Aspects Inside Organisation	20,21,26,27,28		
G4-21	Aspect Boundaries of Material Aspects Outside Organisation	20,21,26,27,28		

Disclosure	Description	Page No.	Omission (if any)	Mapping BR (SEBI) Guidelines
G4-22	Restatements of Previous Reported Data	None		
G4-23	Significant changes from previous reporting period	3,8,20,21		
STAKEHOLDER ENGAGEMENT				
G4-24	List of stakeholder groups	24		Section D: #2 NVG-P4
G4-25	Basis of Engagement with Stakeholder Groups	24,25		Section E: P-4 # 1, #2 NVG-P4
G4-26	Stakeholder engagement (mode, frequencies)	24,25		Section D: #2, #2.2 #2.7; Section E: P4 #2 NVG P4
G4-27	Key Concerns of Stakeholders	25		Section D: #2.9; Section E: P-4 #2, P-5 #2
REPORT PROFILE				
G4-28	Reporting period	3		Section A: #6
G4-29	Date of most recent previous report (if any)	3		Section D: #3
G4-30	Reporting cycle (such as annual, biennial)	3		Section D: #3
G4-31	Contact point	3		Section A: #4, #5
G4-32	GRI index	76-82		
G4-33	External assurance	3,83-85		Section D: #2.10
GOVERNANCE				
G4-34	Governance structure	9		Section D: #1, #3; NVG P1
G4-35	Sustainability strategy	22-28		
G4-36	Sustainability framework	22,23		
G4-37	Sustainability engagements	24,25		
G4-38	Corporate governance	11		Section D: #1,
G4-45	Sustainability governance	12,23		Section D: #2.4, #2.5, #3 NVG P1
ETHICS AND INTEGRITY				
G4-56	Organization's values, principles, codes of conduct and codes of ethics.	13		
G4-57	Grievance Redressal	14,15		
G4-58	Whistle blowing mechanisms or hotlines	15		

Specific Standard Disclosures

CATEGORY: ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
G4-EC1	Direct economic value generated and distributed	51		Section B: #1 ,#2, #3
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	33		
G4-EC3	Coverage of the organisation's defined benefit plan obligations	63		
G4-EC4	Financial assistance received from government	49		
ASPECT: MARKET PRESENCE				
G4-EC5	Ratios of standard entry level wage by gender	61		
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	56		
Aspect: INDIRECT ECONOMIC IMPACTS				
G4-EC7	Development and impact of infrastructure investments and services supported	70		Section B: #4
G4-EC8	Significant indirect economic impacts, including the extent of impacts	70-74		Section B: #4, #5
ASPECT: PROCUREMENT PRACTICES				
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	70		Section E: P-2 #3, #4

CATEGORY: ENVIRONMENT				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
ASPECT: MATERIALS				
G4-DMA	Disclosure on Management Approach		Currently not able to provide this data.	
G4-EN1	Materials used by weight or volume			
G4-EN2	Percentage of materials used that are recycled input materials			
ASPECT: ENERGY				
G4-DMA	Disclosure on Management Approach	31		
G4-EN3	Energy consumption within the organisation	31	Currently not able to provide fuel consumption data for all the subsidiaries	NVG P6
G4-EN4	Energy consumption outside of the organisation		Currently not able to provide this data.	
G4-EN5	Energy intensity	31		
G4-EN6	Reduction of energy consumption	31,32, 33		Section E P-6 #2, #5; Section E-P-2 #2; P-6 #2; P-6 #5

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-EN7	Reductions in energy requirements of products and services	32		NVG P-2, P-6
ASPECT: WATER				
G4-DMA	Disclosure on Management Approach	37		
G4-EN8	Total water withdrawal by source	37,38		Section E-P-2 #2 NVG P-6
G4-EN9	Water sources significantly affected by withdrawal of water	39		
G4-EN10	Percentage and total volume of water recycled and reused	37		Section E-P-2 #2 NVG P-6
ASPECT: BIODIVERSITY				
G4-DMA	Disclosure on Management Approach	40		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	40		NVG P-6
G4-EN12	Significant impacts on biodiversity	40-45		
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	40,41		
G4-EN13	Habitats protected or restored	43,44, 45		
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	40		
ASPECT: EMISSIONS				
G4-DMA	Disclosure on Management Approach	33		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	33		
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	33		
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	33		
G4-EN18	Greenhouse gas (GHG) emissions intensity	33		
G4-EN19	Reduction of greenhouse gas (GHG) emissions	33		Section E-P-6 #2, #4 NVG P-6
G4-EN20	Emissions of ozone-depleting substances (ODS)	NA		
G4-EN21	NOX, SOX, and other significant air emissions	33		
ASPECT: EFFLUENTS AND WASTE				
G4-DMA	Disclosure on Management Approach	46		
G4-EN22	Total water discharge by quality and destination	39		NVG P-6
G4-EN23	Total weight of waste by type and disposal method		We are in the process to track total waste quantification. Reporting would be done in future.	
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks	46		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-EN24	Total number and volume of significant spills	46		
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention2 Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	NA		Section E: P-2 #5
G4-EN26	Water bodies and related habitats significantly affected by the organisation's discharges of water and runoff	None		
ASPECT: PRODUCTS AND SERVICES				
G4-DMA	Disclosure on Management Approach	30,31		
G4-EN27	Mitigation of environmental impacts of products and services	30-48		Section E-P-2 #2; P-6 #2; P-8 #3
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	NA		Section E: P-2 #5
ASPECT: COMPLIANCE				
G4-DMA	Disclosure on Management Approach	28		
G4-EN29	Environmental Fines	None		
ASPECT: TRANSPORT				
G4-DMA	Disclosure on Management Approach	51		
G4-EN30	Significant environmental impacts of transportation (Dust)	33,34		
ASPECT: OVERALL				
G4-DMA	Disclosure on Management Approach	30,31		
G4-EN31	Total environmental protection expenditures by investments type	47		
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT				
G4-DMA	Disclosure on Management Approach		Currently we are not able to provide this data.	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria			
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken			
ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	15		
G4-EN34	Environmental Grievances and their Redressal	15		

CATEGORY: SOCIAL				
SUB CATEGORY: LABOUR PRACTICES & DECENT WORK				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
ASPECT: EMPLOYMENT				
G4-DMA	Disclosure on Management Approach	55		
G4-LA1	Employee hires and turnover rates by age, gender and region	57		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-LA2	Benefits provided to full-time employees	63		
G4-LA3	Return to work and retention rates after parental leave, by gender	61		
ASPECT: LABOUR/MANAGEMENT RELATIONS				
G4-DMA	Disclosure on Management Approach	58		
G4-LA4	Minimum notice periods regarding operational changes	58		
MM4	Number of strikes and lock-outs exceeding one week's duration by country	58		
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	66,67		Section E: P-3 #5, #6
ASPECT: OCCUPATIONAL HEALTH & SAFETY				
G4-DMA	Disclosure on Management Approach	66		
G4-LA6	Type of injury & rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender	68		
G4-LA7	Workers with high incidence of high risk of occupational diseases	66,67		
G4-LA8	Health & safety topics in formal agreements with trade unions	66,67		
ASPECT: TRAINING AND EDUCATION				
G4-DMA	Disclosure on Management Approach	59		
G4-LA9	Average hours of training per year per employee by gender & type	59,60		Section E: P-3 #8 NVG P-3
G4-LA10	Programs for skills management and lifelong learning	59,60		Section E: P-3 #9 NVG P-3
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	59		
ASPECT: DIVERISTY AND EQUAL OPPORTUNITY				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	56,57		Section E: P-3 #3, #4
ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4-DMA	Disclosure on Management Approach	61		
G4-LA13	Ratio of basic salary and remuneration of women to men	61		
ASPECT: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES				
G4-DMA	Disclosure on Management Approach	54		
G4-LA14	Percentage of new suppliers screened using labour practices	54		
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken		Currently we are not able to provide this data.	

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	13		
G4-LA16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	13		Section E: P-5 #1

CATEGORY: SOCIAL				
SUB CATEGORY: HUMAN RIGHTS				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
ASPECT: INVESTMENT				
G4-DMA	Disclosure on Management Approach	13		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	13		NVG P-2
G4-HR2	Total hours of employee training on human rights policies	13		
ASPECT: NON-DISCRIMINATION				
G4-DMA	Disclosure on Management Approach	61		
G4-HR3	Total number of incidents of discrimination and corrective actions	61		NVG P-5
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
G4-DMA	Disclosure on Management Approach	58		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	58		
ASPECT: CHILD LABOUR				
G4-DMA	Disclosure on Management Approach	13		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken	13		NVG P-2
ASPECT: FORCED OR COMPULSORY LABOUR				
G4-DMA	Disclosure on Management Approach	13		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures taken	13		Section E: P-3 #7 NVG P-2
ASPECT : SECURITY PRACTICES				
G4-DMA	Disclosure on Management Approach	13		
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	13		
ASPECT: INDIGENOUS RIGHTS				
G4-DMA	Disclosure on Management Approach	70		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	70-74		NVG P-5

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: ASSESSMENT				
G4-DMA	Disclosure on Management Approach	13		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	13		
ASPECT: SUPPLIER HUMAN RIGHT ASSESSMENT				
G4-DMA	Disclosure on Management Approach	13		
G4-HR10	Percentage of new suppliers screened using human rights criteria	13		
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	13		
ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	14,15		
G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms	14,15		Section E: P-3 #7, #8 NVG P-3, P-5

SUB CATEGORY: SOCIETY				
ASPECT: LOCAL COMMUNITIES				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
G4-DMA	Disclosure on Management Approach	70		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	70-74		Section E: P-8 #4 #5 NVG P-8
G4-SO2	Operations with significant actual or potential negative impacts on local communities	70		Section E: P-8 #4 #5 NVG P-8
MM7	Grievance mechanisms use to resolve disputes	14		
ASPECT: ANTI-CORRUPTION				
G4-DMA	Disclosure on Management Approach	14		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	14,15		
G4-SO4	Communication and training on anti-corruption policies and procedures	14,15		
G4-SO5	Confirmed incidents of corruption and action taken	14		Section E: P-1 #2
ASPECT: PUBLIC POLICY				
G4-DMA	Disclosure on Management Approach	49,50		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	51		
ASPECT: ANTI-COMPETITIVE BEHAVIOUR				
G4-DMA	Disclosure on Management Approach	13		
G4-SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	13		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: COMPLIANCE				
G4-DMA	Disclosure on Management Approach	51		
G4-SO8	Significant fines for non-compliance with laws and regulations	51		
ASPECT: CLOSURE PLANNING				
G4-DMA	Disclosure on Management Approach	47		
MM10	Number and percentage of operations with closure plans	47		
ASPECT: SUPPLILER ASSESSMENT FOR IMPACTS ON SOCIETY				
G4-DMA	Disclosure on Management Approach		Currently we are not able to provide this data.	
G4-SO9	Percentage of new suppliers screened for impacts on society			
G4-SO10	Negative impacts on society in the supply chain			
ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY				
G4-DMA	Disclosure on Management Approach	14,15		
G4-SO11	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms	14.15		

CATEGORY: SOCIAL				
SUB CATEGORY: PRODUCT RESPONSIBILITY				
Specific Standard Disclosure	**Description**	**Page No.**	**Omission (if any)**	**Mapping BRR (SEBI) Guidelines**
ASPECT: CUSTOMER HEALTH & SAFETY				
G4-DMA	Disclosure on Management Approach	66		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	66,67		
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	None		Section E: P-2 #1 NVG P-9
ASPECT: PRODUCT AND SERVICE LABELING				
G4-DMA	Disclosure on Management Approach	53		
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	53,54		Section E: P-9 #2 NVG P-9
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	None		Section E: P-9 #1, #3; P-2 #1 NVG P-9
G4-PR5	Results of surveys measuring customer satisfaction	53		Section E: P-9 #1, #4 NVG P-9

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: MARKETING COMMUNICATIONS				
G4-PR6	Sale of banned or disputed products	NA		
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	None		
ASPECT: CUSTOMER PRIVACY				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	NA		
ASPECT: COMPLIANCE				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	None		

INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas Certification (India) Pvt. Ltd. (Bureau Veritas) has been engaged by **Coal India Limited (CIL)** to conduct an independent assurance of its Sustainability Report 2015-16. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the Sustainability Report 2015-16 (hereafter referred to as Report) are the sole responsibility of the management of CIL. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes established to collect, analyse and review.

Scope of Assurance

CIL requested Bureau Veritas to verify the accuracy and reliability of the following:

- Data and information included in the **Sustainability Report 2015-16 of Corporate Functions and its fully owned 8 subsidiary companies located in provincial states across India covering Mining, Production of Coal & by-products, and Beneficiation Units.**
- The assurance process was conducted to meet the requirements of a **Type 1 assurance engagement** as defined by AA1000 2008 Assurance Standard (AA1000 AS). The assurance process was designed to provide a reasonable level of assurance concerning the nature and extent of CIL's adherence to the AA1000 AS accountability principles and a **Moderate level of assurance** of the reliability of specified performance information within the report.
- During the process of verification and assurance following aspects were covered.
  a. Interaction with the Top Management of CIL to realize their sustainability vision.
  b. Assessment of methods used for data collection and reporting for the selected sustainability performance indicators.
  c. Testing of system, including internal controls; select interview with staff responsible for data collection, collation and reporting
  d. Testing on a sample basis and evidence of supporting data
  e. Assessment of consistency between data for the selected sustainability performance indicators and related written comments in the report.

Methodology

As part of its independent assurance, Bureau Veritas Assurance team planned and carried out the assurance engagement based on site visit and document review at Sonepur Bazari & Jhanjra Colliery of Eastern Coal Field, Head Quarter at Kolkata (Sustainable Development Group and Environment Management Group Office) at Rajarhat, Kolkata between 27 Jul to 30th Jul, 2016 and undertook broadly the following activities:

1. Conducted interviews with core team of the SD group responsible of preparing the Sustainability report and the Senior Management of CIL .
2. Onsite and offsite review of documentary evidence such as Performance Monitoring Reports and Factual information (for the period 1st April 2015 to 31st March 2016) contained in the Report, Achievement against Internal and External Memorandum of Understanding (MOU) targets, Enterprise Risk Management (ERM) framework, Environmental Compliance of the Stations, CSR-R&R expenditure records from SAP system shared by CIL to Bureau Veritas Assurance team.
3. Evaluation of information against Global Reporting Initiative (GRI G4, Core) and as per National Voluntary Guidelines (NVG) Business Responsibility Reporting Framework disclosure frameworks and principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability and Timeliness;

4. Audit of performance Indicator data (samples of which traced back to source)
5. Review of CIL's internal mechanisms for implementing Sustainable Development, other policies, data and information systems for collection, aggregation, analysis and review at Corporate SD Group Level, Subsidiary company training establishments across India
6. Review of process for identification, management of material issues, risks to the Company and its stakeholders; and justification for subsequent inclusion within the report;

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. The work was planned and carried out to provide moderate level of assurance and we believe it provides a reasonable basis for our conclusions.

Our findings and recommendations

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement. The information is presented in a clear, understandable and accessible manner and the Report provides a fair and balanced representation of activities during the FY 2015-16.
- CIL has established appropriate systems for the collection, aggregation and analysis of relevant information as per GRI G4 Economic, Social, Human Resource, Labour and Environmental & mapped with NVG principles
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (2008) principles of Inclusivity, Materiality and Responsiveness in its operations.
- Strengthen the internal assurance system for establishing specific standard disclosure indicators/data related to material aspects of the information submitted by the subsidiaries (Provincial subsidiaries) and offices.
- There is a mechanism of stakeholder identification and engagement process which could be further extended effectively to concerns of stakeholder with defined management approach based on materiality analysis. Stakeholder including contractors' and supply chains' social, environmental, occupational health & safety performance monitoring may be brought under the purview of sustainability. Disclosure on Management Approach for indicators material to the organization may be stated effectively to enable better understanding of organization's performance over time line by stakeholders.

Adherence to AA1000 AS Principles

Inclusivity –CIL continues to deploy robust processes for engaging with key stakeholders including undertaking centralised stakeholder engagement with key audiences such as Socially Responsible Investors. The willingness of CIL to engage with stakeholders in order to develop its approach to relevant issues has been particularly evident during this reporting period through activities of the engagement forums listed in the Sustainability Report 2015-16. The climate change impact on the coal usage to generate primary power in India shall be required to be evaluated in the subsequent reports.

Materiality – The internal materiality determination process results has been strengthened by input from relevant department, framework continues to provide a comprehensive, balanced understanding and prioritisation of CIL's key material corporate responsibility issues. However, in view of the continued investment and expansion of its coal production activities there is a need to enhance the scope for the company to incorporate the impact of its subsidiaries activities on its overall materiality matrix as per GRI G4 reporting framework.

Responsiveness – The report provides a comprehensive response to the issues and stakeholder concerns relating to its activities. Through the assurance process it is evident that CIL is responding to concerns raised by specific stakeholder groups and seeking proactive

discussions to ascertain their views and progress towards addressing any concern. During the interaction it was apparent that stakeholder views are listened to and that site level management work with local communities to achieve appropriate solutions. The R&R and CSR strategies can have a strategic linkage in the project affected areas.

Evaluation against Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines

Bureau Veritas undertook an evaluation of CIL's Sustainability Report 2015-16 against the G4 Sustainability Reporting Framework in accordance with 'Core'. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI G4 'Core'. Based on our work, it is our opinion that **CIL's Sustainability Report 2015-16** has been prepared in accordance with the GRI G4. Reporting Framework including appropriate consideration of the Reporting Principles and necessary indicators to meet the requirements of GRI Application-Core

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period of FY 2015-16 and positional statements (expressions of opinion, belief, aim or future intention by CIL and statements of future commitment);
- The data and information under assurance related to all GRI G 4 standard disclosure and performance indicators of CIL only. Joint Ventures are excluded from the Assurance activity. Assurance activity does cover sample physical site visit verification at mining and development projects. Energy Indirect GHG emission (wherever applicable) is excluded.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in QHSE, Social Accountability & Sustainability Assurance with almost 180 years history in providing independent assurance services, and an annual turnover in 2015 of Euros 4.7 billion. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. No member of the assurance team has a business relationship with CIL, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest. The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health & safety assessments and has over 30 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

FOR BUREAU VERITAS CERTIFICATION INDIA (P) LTD.



Sankar Ghosh
Manager – Certification, East Region



Rupam Baruah
General Manager- Eastern Region

AA1000
Licensed Assurance Provider
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Kolkata, India
1st August ,2016









Embankment on JUNA-KUNADA OCP in WCL



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