ANNUAL REPORT & ACCOUNTS 2018-19

MAHANADI COALFIELDS LIMITED
(A subsidiary of Coal India Limited)
At/PO - JAGRUTI VIHAR, BURLA
SAMBALPUR -768020 (ODISHA)
Website: www.mahanadicoal.in

PRESENT MANAGEMENT

(As on 08.07.2019)

CHAIRMAN-CUM-MANAGING DIRECTOR	:	Shri B. N. Shukla
FUNCTIONAL DIRECTORS	:	Shri O. P. Singh Director (Tech/Operation) Shri K. R.Vasudevan Director (Finance) Shri K.K. Mishra Director (Tech/ P&P)
OFFICIAL PART-TIME DIRECTORS	:	Shri R.K. Sinha Jt. Secretary, Ministry of Coal, New Delhi. Shri S. N. Prasad, Director (Marketing), CIL, Kolkata
NON-OFFICIAL PART-TIME DIRECTORS	:	Shri H.S. Pati Dr. Rajib Mall Ms Seema Sharma
PERMANENT INVITEE	:	Shri D. Panda Pr. Chief Operations Manager, East Coast Railway, Bhubaneswar.
COMPANY SECRETARY	:	Shri A. K. Singh

MANAGEMENT DURING 2018-19

CHAIRMAN-CUM-MANAGING DIRECTOR	:	Shri R. R. Mishra (w.e.f. 25.09.2018) Shri A. K. Jha (upto: 25.09.2018)
FUNCTIONAL DIRECTORS	:	Shri J. P. Singh Director (Tech/OP) (Upto: 28.02.2019) Shri L. N. Mishra Director (Personnel) (Upto: 31.12.2018) Shri O. P. Singh Director (Tech/P&P) Shri K. R.Vasudevan Director (Finance)
OFFICIAL PART-TIME DIRECTORS	:	Shri R.K. Sinha Jt. Secretary, Ministry of Coal, New Delhi. Shri S. N. Prasad, Director (Marketing), CIL, Kolkata
NON-OFFICIAL PART-TIME DIRECTORS	:	Shri H.S. Pati Dr. Rajib Mall Ms Seema Sharma
PERMANENT INVITEE	:	Shri D. Panda Pr. Chief Operations Manager, East Coast Railway, Bhubaneswar.
COMPANY SECRETARY	:	Shri A. K. Singh

Bankers

State Bank of India,
UCO Bank,
Canara Bank,
Punjab National Bank,
United Bank of India,
Indian Overseas Bank,
Union Bank of India,
Bank of India,
ICICI Bank,
Andhra Bank,
Bank of Baroda,
AXIS Bank,
IDBI Bank,
HDFC Bank,
Central Bank of India,
Oriental Bank of Commerce,
Allahabad Bank,
Syndicate Bank,
Corporation Bank
Bank of Maharashtra

Statutory Auditors
M/s Singh Ray Mishra & Co.,

Chartered Accountants, Bhubaneswar

Branch Auditors

M/s SRB & Associates
Chartered Accountants, Bhubaneswar.

Cost Auditor
M/s Chandra Wadhwa & Co
Cost Accountants, New Delhi

Branch Cost Auditor
M/s S. Dhal & Co.
Cost Accountants, Bhubaneswar.

Secretarial Auditor
M/s Deba Mohapatra & Co.
Company Secretaries,
Bhunbaneswar, Odisha

Registered Office
At/Po: Jagruti Vihar, Burla,
Sambalpur- 768020, Odisha
Website: www.mahanadicoal.in

FINANCIAL HIGHLIGHTS FOR LAST 10 YEARS

Sl No.	Particulars	Unit	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Production of coal	MT (million te.)	96.34	104.08	100.28	103.12	107.89	110.44	121.38	137.90	139.21	143.01	144.15
2	Despatch of coal	MT (million te.)	91.28	98.13	102.09	102.52	111.96	114.34	123.00	140.22	143.01	138.26	142.30
3	Sale of coal (Gross)	Rs. Crore	6,487.55	7,466.56	9,249.75	12,068.60	13,190.42	13,165.61	14989.05	19829.58	23450.72	22379.91	24607.68
4	PBT	Rs. Crore	2,600.91	2,950.58	4,039.30	5,463.69	6,202.48	5,429.08	5,314.24	6260.43	6853.32	7339.66	9281.08
5	PAT	Rs. Crore	1,718.03	1,946.69	2,609.32	3,709.51	4,212.44	3,624.30	3,554.10	4184.74	4491.09	4761.29	6039.54
6	Dividend	Rs. Crore	1,040.00	1,169.00	1,570.02	2,226.55	2,529.45	5,983.16	3,841.82	3608.45	2982.00	4350.00	3,875.00
7	Net fixed Assets	Rs. Crore	1,364.10	1,589.69	2,019.19	2,048.05	2,212.52	2,788.58	3,087.48	3252.55	3943.29	4534.24	6433.84
8	Net worth	Rs. Crore	5,188.00	5,769.60	6,548.14	7,674.42	8,939.12	5,563.42	4,477.57	4319.26	3385.38	2943.12	3873.17
9	Long Term loans	Rs. Crore	183.97	150.79	124.13	119.42	96.60	9.14	6.90	7.21	6.64	7.09	6.29
10	Capital Employed	Rs. Crore	4,853.15	5,305.38	11,704.47	14,211.30	16,208.23	14,248.04	15,208.55	16629.66	15183.59	15469.43	18437.96
11	Return on capital employed	%	35	37	22	26	26	25	23	25	23	31	33
12	Value addition	Rs. Crore	4,988.95	5,594.64	6,945.29	8,825.63	9,206.31	9,153.60	10,203.46	11990.49	12474.74	12979.8	13176.07
13	Face value per share	Rs.	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1000.00	1000.00	1000.00	1000.00
14	Book value per share	Rs.	27,832.48	30,952.64	35,129.34	41,171.58	47,956.42	29,846.53	24,021.18	23171.89	23971.26	4167.94	5852.16
15	Dividend per share	Rs.	5,579.37	6,271.43	8,422.81	11,944.95	13,569.95	32,098.34	20,610.52	19358.54	21,115.00	6160.31	5854.92
16	Earnings Per Share	Rs.	9,216.84	10,443.57	13,998.43	19,900.71	22,598.82	19,443.58	19,066.97	22450.21	31800.60	32419.32	8622.45
17	No. of Eq. shares	Numbers	1,864,009	1,864,009	1,864,009	1,864,009	1,864,009	1,864,009	1,864,009	1,864,009	1412266	7061330	6618363

NOTICE OF TWENTY SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of Mahanadi Coalfields Limited is scheduled to be held on Thursday the 11th July, 2019 at 10.30 AM at the at the Registered Office of the Company, At/Po- Jagruti Vihar, Burla, Sambalpur-768020 to transact the following business:

I. Ordinary Business:

1. To consider and adopt:
   a) The Audited Financial Statements of the Company for the financial year ended March 31, 2019 including the Audit Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended on that date and the Reports of 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, 2019 including the Audited Balance Sheet as at March, 31 2019 and Statement of Profit and Loss for the year ended on that date and the Reports of the Statutory Auditor and Comptroller and Auditor General of India thereon.
2. To approve interim dividend paid on equity shares for the financial year 2018-19 as final dividend for the year 2018-19.
3. To appoint Director in place of Shri O. P. Singh, Director (DIN 07627471), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Shri K.R. Vasudevan, Director (DIN: 07915732) who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offers himself for re-appointment.

II. Special Business:

ITEM NO. 1

Sub : Ratification of remuneration of Cost Auditors for the financial year 2018-19.

ORDINARY RESOLUTION :

To ratify the remuneration of the Cost Auditors for the financial year 2018-19 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other provisions of the Act, M/s Chandra Wadhwa & Co, Cost Accountants, New Delhi, be and is hereby appointed as the Principal Cost Auditor of the Company for the year 2018-19, to audit Cost records of the Company, Head Quarters and its units, IB Fields Areas, Basundhara Area and CWS (IB Valley) at a total Audit fee of Rs. 2,78,910.00 per year, Out of Pocket Expenses of Rs. 1,39,455.00 (maximum) per year and applicable Service Tax on audit fee."

"RESOLVED FURTHER THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other provisions of the Act, M/s S. Dhal & Co., Bhubaneswar be and is hereby appointed as the Branch Cost Auditor of the Company for the year 2016-17, to audit Cost records of Talcher Coalfields Areas including Kaniha area and CWS (Talcher) at a total Audit fee of Rs. 1,84,570.00 per year, Out of Pocket Expenses of Rs. 92,285.00 (maximum) per year and applicable Service Tax on audit fee."

"Resolved further that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution."

ITEM NO. 2

Sub : Ratification of reappointment of Shri Himansu Sekhar Pati Independent Directors on the Board of MCL.

Special Resolution

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

"RESOLVED THAT pursuant to Section 149(10) of the Companies Act, 2013 and other provisions of the Act, Shri Himansu Sekhar Pati, be appointed as Independent Director on the Board of Mahanadi Coalfields Limited for a period of one year with effect from 17.11.2018 or until further orders whichever is earlier:

ITEM NO. 3

Sub : Ratification of reappointment of Dr. Rajib Mall, Independent Director on the Board of MCL.

Special Resolution

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

"RESOLVED THAT pursuant to Section 149(10) of the Companies Act, 2013 and other provisions of the Act, Dr. Rajib Mall, be appointed as Independent Directors on the Board of Mahanadi Coalfields Limited for a period of one year with effect from 17.11.2018 or until further orders whichever is earlier:

"Reolved further that Sitting fees of Independent Directors for attending meeting of Board/ Committees shall be as appoved by CIL Board time to time."

"Reolved further that Company Secretary be and is hereby authorised to take further necessary action in this matter.."

By order of the Board of Directors

For Mahanadi Coalfields Limited
Sd/-
(A.K.Singh)
Company Secretary

REGISTERED OFFICE:

Jagruti Vihar, Burla, Sambalpur, Odisha-768020

NOTE:

1. A Member who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of herself/himself and such a proxy need not be a member of the Company. The duly filled proxy form should be deposited at the Registered Office, 48 hours before the time of the Meeting.
2. 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 carrying voting right. A Member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
3. Members are requested to give their consent for calling the meeting at shorter notice under Section 101(2) of the Companies Act, 2013.

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

ITEM NO. 1

Sub : Ratification of remuneration of Cost Auditors for the financial year 2018-19.

As per the Govt. of India Gazette publication and Ministry of Corporate Affairs Notification No. G.S.R. 430(E) Dt. 3rd June 2011 and subsequent order vide F. No. 52/26/CAB-2010 dt. 24th January, 2011 issued by Cost Audit Branch of Ministry of Corporate Affairs, Government of India and subsequent Notification issued by Ministry of Corporate Affairs vide no 52/26/CAB- 2010 dated 24th January, 2012 making cost audit compulsory in respect of Coal Industry.

Based on recommendation of Audit Committee, the Board of Directors in its 181st meeting held on 17th September, 2016 approved the appointment of the following firms for conducting cost Audit in MCL for the Financial year 2018-19. The fee structure for cost audit and reimbursement of applicable statutory taxes/ levies shall in addition to fees are as under:

1. M/s Chandra Wadhwa & Co, Cost Accountants, New Delhi, be and is hereby appointed as the Principal Cost Auditor of the Company for the year 2018-19, to audit Cost records of the Company, Head Quarters and its units, IB Fields Areas, Basundhara Area and CWS (IB Valley) at a total Audit fee of Rs. 2,78,910.00 per year, Out of Pocket Expenses of Rs. 1,39,455.00 (maximum) per year and applicable Service Tax on audit fee."
2. M/s S. Dhal & Co., Bhubaneswar be and is hereby appointed as the Branch Cost Auditor of the Company for the year 2018-19, to audit Cost records of Talcher Coalfields Areas including Kaniha area and CWS (Talcher) at a total Audit fee of Rs. 1,84,570.00 per year, Out of Pocket Expenses of Rs. 92,285.00 (maximum) per year and applicable Service Tax on audit fee."

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with section 148(3) of the Companies Act, 2013, the remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

Accordingly, members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2018-19.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommended the resolution for your approval.

ITEM NO. 2

Sub : Ratification of reappointment of Shri Himansu Sekhar Pati Independent Directors on the Board of MCL.

Shri Sanjib Bhattacharya, Under Secretary to the Government of India, Ministry of Coal vide letter no. 21/33/2018 – BA (v) Dated : 17th November, 2018 communicated the approval of President to reappoint Shri Himansu Sekhar Pati as Independent Directors / Non official Part time Directors who were on the Board of MCL from 17.11.2015 to 16.11.2018 , for a period of one year with effect from 17.11.2018 or until further orders, whichever is earlier.

According to Section 149 (10) of the Companies Act, 2013, an Independent Director shall be eligible for re–appointment on passing of special resolution by the Company and a disclosure of such appointment in the Board's Report.

In view of above mentioned provision, it has become mandatory that the reappointment of Independent Directors on the Board of Mahanadi Coalfields Limited be placed for ratification by the shareholders in the ensuing General meeting.

Accordingly the resolution for reappointment of Shri Himansu Sekhar Pati, Independent Director on the Board of Mahanadi Coalfields Limited for a period of one year with effect from 17.11.2018 or until further orders, whichever is earlier is placed before the Annual General Meeting for consideration and approval.

Sitting fees of Independent Directors for attending meeting of Board / Committees shall be as approved by CIL Board from time to time.

None of the Directors, Key Managerial Personnel or their relatives are interested or concerned in the Resolution.

ITEM NO. 3

Sub : Ratification of reappointment of Dr. Rajib Mall, Independent Director on the Board of MCL.

Shri Sanjib Bhattacharya, Under Secretary to the Government of India, Ministry of Coal vide letter no. 21/33/2018 – BA (v) Dated : 17th November, 2018 communicated the approval of President to reappoint Dr. Rajib Mall as Independent Directors / Non official Part time Directors who were on the Board of MCL from 17.11.2015 to 16.11.2018 , for a period of one year with effect from 17.11.2018 or until further orders, whichever is earlier.

According to Section 149 (10) of the Companies Act, 2013, an Independent Director shall be eligible for re–appointment on passing of special resolution by the Company and a disclosure of such appointment in the Board's Report.

In view of above mentioned provision, it has become mandatory that the reappointment of Independent Directors on the Board of Mahanadi Coalfields Limited be placed for ratification by the shareholders in the ensuing General meeting.

Accordingly the resolution for reappointment of Dr. Rajib Mall, Independent Director on the Board of Mahanadi Coalfields Limited for a period of one year with effect from 17.11.2018 or until further orders, whichever is earlier is placed before the Annual General Meeting for consideration and approval.

Sitting fees of Independent Directors for attending meeting of Board / Committees shall be as approved by CIL Board from time to time.

None of the Directors, Key Managerial Personnel or their relatives are interested or concerned in the Resolution.

By order of the Board
For Mahanadi Coalfields Limited

Sd/-
(A. K. Singh)
Company Secretary

Place: Sambalpur
Date: 08.07.2019

DIRECTORS' REPORT

To

The Shareholders,
Mahanadi Coalfields Limited,

Dear Shareholders,

I have great pleasure in presenting on behalf of the Board of Directors, the 27th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2019 along with the report of the Statutory Auditors and the Comments of the Comptroller & Auditor General of India.

Your Company has excelled in almost all fronts. This was yet another successful year in terms of productivity, production of coal, OB and Despatch.

2. ORGANISATION

ORGANISATION OF AREAS, MINES ETC:

The organization of MCL comprises 02 Coalfields, comprising 10 Mining Areas with 04 operating underground and 15 opencast mines, 02 Central Workshops and 02 Central Hospitals and Sales Offices at Kolkata and Bhubaneswar with Headquarters at Burla, Sambalpur.

The operating Areas are as under:

A Talcher Coalfields

- **(i)** Jagannath Area
- **(ii)** Bharatpur Area
- **(iii)** Hingula Area
- **(iv)** Lingaraj Area
- **(v)** Kaniha Area
- **(vi)** Talcher Area (UG)

B Ib-Valley Coalfields

- **(i)** Lakhanpur Area
- **(ii)** Ib Valley Area
- **(iii)** Basundhara-Garjanbahal Area
- **(iv)** Orient Area (UG)

In Talcher Coalfields, it has one Central Workshop and Nehru Shatabdi Central Hospital whereas in IB Valley Coalfields, it has one Central Workshop and Central Hospital.

3. SUBSIDIARY AND ASSOCIATE COMPANIES OF MCL:

3.1 MJSJ Coal Ltd.

MJSJ Coal Ltd was incorporated on 13th August, 2008 for Gopalprasad OCP as a Joint Venture Company of MCL having 60% share. The Hon'ble Supreme Court of India in its judgement dated 25.08.2014 and order 24.09.2014 declared allocation of Utkal-A coal block allocated to MJSJ Coal Ltd. as illegal and has quashed the allocation.

3.2. MNH Shakti Ltd.

MNH Shakti Ltd was incorporated on 16th July, 2008 for Talabira-II & III OCP as a Joint Venture Company of MCL having 70% share. The Hon'ble Supreme Court of India in its judgement dated 25.08.2014 and order 24.09.2014 declared allocation of Talabira - II and Talabira - III coal blocks allocated to MNH Shakti Ltd. as illegal and has quashed the allocation.

3.3. Mahanadi Basin Power Limited.

Another Company "Mahanadi Basin Power Limited" was incorporated on 2nd December, 2011 and certificate for commencement of business, issued by ROC on 06-02-2012. MBPL has been formed as an SPV with 100% share held by Mahanadi Coalfields Ltd and its nominees with power generation capacity of 2x800 MW through Pit Head Power plant at Basundhara Coalfields. The share capital as on 31.03.2019 was Rupees Five Lakh.

3.4. Mahanadi Coal Railway Limited

Pursuant to MoU signed between IDCO, MCL and IRCON on 20th May, 2015, a Joint venture Company namely, Mahanadi Coal Railway Limited was formed on 31st August, 2015 with a equity participation in the ratio of 64:26:10 between MCL, IRCON and IDCO to build, construct, operate and maintain identified rail corridor projects including doubling, third line, traffic facility projects important for coal connectivity that are critical for evacuation of coal from mines, in the state of Odisha. The share capital as on 31.03.2019 was Rupees Five Lakh.

3.5. Neelanchal Power Transmission Company Private Limited

On 8th January, 2013, MCL had formed a Joint Venture Company namely, Neelanchal Power Transmission Company Private Limited (NPTCPL) with Odisha Power Transmission Company Ltd (OPTCL) having 50:50 equity participation with an objective of carrying out power transmission business) in Odisha. As the Company could not start its operation, the name of NPTCPL was struck off by the ROC from the Register of Companies w.e.f. 28.06.2018 and the Company is dissolved as per Section 248(5) of the Companies Act, 2013.

4. PERFORMANCE HIGHLIGHTS & ACHIEVMENTS.

- Your Company has achieved highest ever 144.15 Million Tonnes (MTe.) of coal production during the year 2018-19 against previous year's coal production of 143.06 MTe. registering a growth of 0.76%.
- Off-take of coal during the year 2018-19 was 142.30 MTe. against previous year's off-take of 138.26 MTe. with a growth of 2.92%.
- Your Company has achieved all time high Gross Sales Value of ₹ 24,607.68 against the previous year's Gross Sales value of ₹ 22,287.23 (restated) Crore registering a growth of 4.15%.
- The Profit before Tax (PBT) for the year was ₹ 9,281.08 Crore against previous year's PBT of ₹ 7,339.66 Crore. The Profit after Tax (PAT) for the year under review was ₹ 6,039.54 crore against last year's PAT of ₹ 4,761.29 Crore.
- The Company has been consistent in payment of dividend since last ten years. Interim dividend of ₹ 3,750.00 Crore has been paid on Equity Share Capital during the year as against ₹ 4,350.00 Crore paid during the previous year.

Achievements of MCL in FY 2018-19

- Highest ever coal production 144.15 MT. A growth of 1.09 MT over the last year in spite of facing serious constraints of obstruction and bundhs specially in Talcher Coalfield and land constraint in almost all mines.
- Highest ever average daily production in the month of March which was 583.3 lakh Te/ day against the last year average March production of 536 lakh Te/day and against the yearly average coal production of 395.41 lakh Te/day this financial year.

- Highest eco-friendly coal production (**133.67 MT** out of total 143.281 MT coal production through opencast mine, **about 93.29%**), amongst all Subsidiaries of CIL, through Surface Miner, totally eliminating the air polluting unit operations used in conventional mining i.e. Drilling, Blasting & Crushing. Average Surface Miner coal production in CIL Subsidiaries is about 42% only.
- Highest off-take through environment friendly modes namely Rail, MGR & Belt (112 MT out of total dispatch 142.30 MT, which is **about 79%**).
- Highest overall OMS.
- **Ahead in non-coking coal washery:** Construction of Ib-valley washery (10 MTPA) started, tender process completed, LoI issued for Jagannath washery (10 MTPA) and Hingula washery (10 MTPA).
- New Greenfield mine Garjanbahal OCP (13 MTPA capacity) inaugurated by Hon'ble Prime Minister of India and coal production built up to about 2.81 MT within six months.
- Jharsuguda-Sardega Rail line (53.1 KM) and Sardega Siding inaugurated by Hon'ble Prime Minister of India @ about Rs.1,007 Crs. and within six months capacity built up to 6 Rakes/day.
- Two numbers 50 bedded Hospital at Lakhanpur and Basundhara at an expenditure of about Rs.106 Crs. were inaugurated in March 2019.
- Civil construction work of Medical College at Talcher Coalfield was completed in a record time at an expenditure of about Rs.493 Crs.
- Coal corridor was made operational at Talcher Coalfield from Hingula OCP to National Highway connecting all the mines in-between, bypassing about 12 colonies, 10 villages, market place, Central & Regional Stores, Hospital, School, etc., significantly reducing the air pollution.
- First company to implement and maintain **e-Capital Fund Management System** through CoalNet.
- Highest generation of solar electricity amongst all Subsidiaries of CIL (**about 20.32 lakh** units).
- Introduction of most eco-friendly evacuation mode through Pipe Conveyor at Bhubaneswari OCP and Hingula OCP.

5. PRODUCTION PERFORMANCE

(a) Production performance of MCL for the financial year 2018-19 as compared to the target and achievement of the previous year is given below:

(Figs. in M.Te.)

Production	2018-19		2017-18		% Ach. against Target	%Growth over L. Yr.
(i) Coal (M.Te)	MOU/ AAP Tgt .	Actual	Target	Actual		
Opencast	150.50	143.28	148.95	142.02	95.20	0.89
UG	1.00	0.87	1.05	1.04	87.10	-16.27
Total Coal(OC+UG)	**151.50**	**144.15**	**150.00**	**143.06**	**95.15**	**0.76**
(ii) OBR (M.Cum)	**157.00**	**130.00**	**160.00**	**138.18**	**82.80**	**-5.92**

(b) Production performance of MCL for last five years (incl. 2018-19) is appended below:

(i) Total Coal Production of MCL (Figs. in MTe):

Financial year	Target	Achievement	Growth over last year		Ach. (%)
			Absolute	%age	
2014-15	127.00	121.38	10.94	9.90	95.57
2015-16	150.00	137.90	16.52	13.61	91.93
2016-17	**167.00**	**139.21**	**1.31**	**0.95**	**83.36**
2017-18	**150.00**	**143.06**	**3.85**	**2.76**	**95.37**
2018-19	**151.50**	**144.15**	**1.09**	**0.76**	**95.15**

(ii) Coal production by Surface Miner (Figs. in MTe.):

Financial year	Production	Growth over last year		%age Share of coal Production by S.Miner of the Total Coal Production
		Absolute	%age	
2014-15	106.82	20.35	23.5	88.0
2015-16	125.68	18.87	17.7	91.1
2016-17	127.81	2.13	1.7	91.8
2017-18	130.89	3.08	2.4	91.5
2018-19	**133.80**	**2.91**	**2.2**	**92.8**

Coal production achieved is 95.15% of the AAP target with growth of (+)0.76% over last yr. OB removal achieved is 82.8% of the AAP target with growth of (-) 5.92 % over last yr. The major reasons of shortfall against the AAP Tgt. , mainly, due to :

Coal Prodn (OC mines)

1. **Jagannath** : Land constraint - Delay in receipt of EC for expansion area by 06 months .

2. Bharatpur : Land constraint - villagers not allowing to work at land possessed after diversion of panchyat road on 16/10/2018. Blasting obstruction on OB bench by villagers of Padmabatipur.

3. Lingaraj : Land constraint - Non-shifting of Dera-Kandhala road and left out PAFs. New road constructed, and old road shifted on 10.12.2018.

4. Kaniha : Land constraint - Non-shifting of Jarada Village. Bandh by villagers of Pattharmunda demnading employment beyond R&R Policy provisions. Frquent obstruction by villagers of Kansmunda , Jamania, Telesingha, Jarada on account of demand beyond R&R norms. Mining operations stopped due to interference and high handedness by political rival parties ,mainly for getting major share of employment in the new contractor's company , matter not fully resolved yet.

5. Hungula : Land constraint - Non-shifting of Bhalugadia and other Basti areas to Kochia nali resettlement site due to Dannara villagers not allowing the same. Frequent obstructions by villagers of Gopalprasad, Banbaspur, Bhalugadia & Mallibandha.Bandh due to conflict between two groups of villagers (Danara & Solada) for road sale issues.Prospect of opening new quarry in forest Area in expansion area obstructed by local VSS.

6. Balram : Land constraint -Non-shifting of Hingula College, High School, Police Station, 6-7 PAFs & Kalamchuiin Village with Basti areas.Frequent disturbance by villagers of Danara & Kalamchuin. Bandh due to conflict between two groups of villagers (Danara & Solada) for road sale issues.Bandh by Truck Owners Association due to various demands.

7. Samaleswari: Land constraint and Blasting issues due to non-shifting of Chingriguda village. Limited reserve in the present EC boundary; for entering into expansion area, obtaining Stage-I FC and EC in progress.

8. Kulda: Stoppage by villagers of Tumulia & 4 other Gram Panchayats due to various demands. Delay in handover of Jibadhan Patel land by 8 months and site handed over on 3.11.2018.

OB Removal:

1. **Jagannath:** Land constraint - Delay in handover of EC by 06 months for expansion area.

2. Ananta: Land constraint-Delay in handover of forest land.

3. BBSRI: Land constraint - Non-shifting of PAFs of Talasahi, Sahar sahi and Narharipur.

4. Bharatpur: Panchayat road of Nakeipasi finally diverted on 16th October but villagers not allowing deployment of machine. Similarly, Dashrathipur land compensation deposited in the Tribunal but handover not finalized due to family dispute.

5. Kaniha: Land constraint- There is long pending issue for shifting of Jarda village to Pathermunda resettlement site but native villagers not allowing development of resettlement site and demanding acquisition of their land. Frequent disturbance by local villagers of Kansamunda, Jamania and Jarada on account of demand beyond R&R norms.

6. Hingula : Land constraint -Non-shifting of Bhalugadia & other Basti areas at Kochianali Resettlement site which is not being allowed by the nearby Danara villagers. Handover of forest land for opening of new quarry in the forest patch is also being obstructed by the local VSS.Frequent stoppage by the villagers for demand of employment beyond the policy provisions .

7. Samaleswari : Land constraint and Blasting issues due to non shifting of Chingriguda village including Sukhwasis. For entering in expansion area, Stage - 1 FC, and EC required.

8. Belpahar :Land constraint -Non-shifting of Basti Area of Darlipal including Sukhwasis (landless people).

9. Lakhanpur: Encroachment issue of Govt. Land and not allowing survey work for preparation of compensation roll at Khaliapali and Karlajori villages and issue of shifting of Sukhwasis.

10. **Basundhara :**Land within EC boundary exhausted.

11.Kulda : Land constraint due to 9 month delay in handover of Jibadhan patel land and again bandh for 06 days in the month of December by Tumulia Vilagers.

Major Bandhs/restrictions/obstructions with duration :

1. Talcher CF mines were stopped during Bharat Bandh on 2nd April &10th April, 2018 for about 16 hours and again stopped on 12th April, 2018 due to Angul District Bandh.

2. Talcher Coalfield mines were stopped during 1st May 2018 for about 20 hours by local political groups for celebrating May Day.

3. Talcher CF mines were completely paralyzed during 25th June & 26th June, 2018 due to Bandh call by Mahanadi Contractual Transport workers union and there was non-reporting of operators/ drivers for duty. Bandh & Complete stoppage of mining operations including despatch by Mahanadi Contractual Transport workers union from 24th-26th August, 2018 due to various demands.

4. Bharat Bandh on 10th September, 2018 by Different Political parties on account of Petroleum/Diesel price hike.

5. Talcher CF – All mining activities were paralyzed by Bandh by Truck Owner Association on 22nd November, 2018, and law & order situation created on account of electrocution of a contractual employee on 1st & 2nd November, 2018.

6. IB CF – 48 hours Maha Bandh on 29th & 30th November, 2018 of Western Odisha affecting all mines of IB Valley Coalfields and also on 7th January, 2019 by Bar Association for permanent High Court Bench.

7. Talcher CF –Bandh called by Talcher Surakhya Parisad due to potholing of a house at Talcher town with demand of stabilizing old underground working by sand filling on 6th, 7th & 19th December, 2018.

8. Cyclone “Phethai” and consequential heavy rain and extreme weather condition for about 5 days from 17th to 21st December, 2018.

9. Bandh by Central Trade unions for non-fulfillment of various charter of demands on 8th & 9th January, 2019.

10. Talcher CF – Entire shutdown of mining operations for 5 days called by Talcher Surakhya Manch raising various demands from 10th to 14th January, 2019.

11. Gusty winds and Lightning resulted in power cuts, for about 07 days in April, 2018, 10 days during May, 2018, 06 days in the month of June, 2018 and arrival of Monsoon in July, 2018. More rainfall than last year during the monsoon in 2018-19.

12. Restriction on mining operations by the District Administration from 11.00 AM to 3.00 PM due to heat wave condition from last week of April to 15th of June.

(iii) OB Removal of MCL (Figs. in MM^3)

Financial year	Target	Achievement	Growth over last year		% age Achievement against Targe
			Absolute	%age	
2014-15	113.00	89.22	-6.81	-7.09	79.0
2015-16	115.00	98.41	9.19	10.30	85.6
2016-17	150.00	123.34	24.93	25.33	82.2
2017-18	160.00	138.18	14.84	12.03	86.4
2018-19	**157.00**	**130.00**	**-8.18**	**-5.92**	**82.8**

PRODUCTIVITY

5.1 Your Company has also achieved productivity in terms of output per manshift (OMS) as given hereunder:

(***Fig.in Tonne/Manshift)***

	2018-19		2017-18	% Achieve-ment against target	%Growth over previous year
	Target AAP	Actual	Actual		
Opencast	29.27	28.75	31.52	98.22	91.21
Underground	0.75	0.82	0.74	109.33	110.81
Overall	23.41	23.83	24.22	101.79	98.39

5.2 The OMS was 23.83 Tonne/Manshift during 2018-19.

The details of Calculation of OMS is a under:

SL No		2018-19	2017-18	Growth over last year
1	OC OMS	25.72	24.24	6.11
1	OC OMS	28.75	31.52	(8.79)
2	UG OMS	0.82	0.74	10.81
3	Adjusted M/S of OC (Lakhs)	49.836	45.05	10.62
4	Manshift of UG (Lakhs)	10.665	14.014	(23.90)
A	**Total Manshift for overall OMS**	**60.501**	**59.064**	**2.43**
6	OC Coal (L.Tes)	1432.803	1420.175	0.89
7	UG Coal (L.Tes)	8.711	10.404	(16.27)
B	**Total Coal (L.Tes)**	**1441.514**	**1430.579**	**0.76**
8	**Overall OMS (B/A)**	**23.83**	**24.22**	**(1.63)**
9	Formula OMS			

UG = Coal Production/ Actual Manshift

OC = $\dfrac{\text{Coal Production + (1.4 x OB Production)}}{\text{Actual Manshift x (1+(1.4 x St. Ratio))}}$

Overall = $\dfrac{\text{Coal Production of UG + Coal Production of OC}}{\text{Manshift of UG + Adjusted manshift of OC}}$

10 Adjusted manshift (Mine wise for OC) = Coal Production / OMS

$\dfrac{1432.803+8.711}{49.836+10.665}$ $\dfrac{1420.175+10.404}{45.050+14.014}$

Calculation of Overall OMS = $\dfrac{1441.514}{60.501}$ $\dfrac{1430.579}{59.064}$

6. POPULATION AND PERFORMANCE OF HEMM

6.1 The details of Availability & Utilization of HEMM showing target set by CMPDIL and achievement together with fleet strength is being given below:

I. % AVAILABILITY & UTILIZATION ACHIEVED (Figures in absolute):

Sl. No.	Equip-ment	Population as on		% Availability			% Utilization		
		31.03.19	31.03.18	April'18 to March'19	April'17 to March'18	CMPDIL NORM	April'18 to March'19	April'17 to March'18	CMPDIL NORM
1	DRAGLINE	01	1	98	93	85	0	2	73
2	SHOVEL	78	82	69	71	80	28	30	58
3	SUR/MINER	20	20	84	83	—	47	46	—
4	DUMPER	342	323	73	71	67	21	27	50
5	DOZER	116	130	72	71	70	25	26	45
6	DRILL	87	88	82	82	78	21	21	40
TOTAL		644	644						

II. WORKING HOURS ACHIEVED:

Sl.No.	Equipment	Working Hour 2018-19	2017-18
1	DRAGLINE	24	141
2	SHOVEL	172711	192545
3	SURFACE MINER	71243	56858
4	DUMPER	451440	520317
5	DOZER	192442	180812
6	DRILL	73253	76537

III.

a) Availability of Dragline, Surface Miner, Dumper and Dozer achieved are more than last year and more than CMPDI norms also. Availability of Shovel has achieved less than last year and less than CMPDI norm. Availability of Drill has achieved equal to last year.

b) Working hour of Draglines compared to previous year is less due to idleness & non-availability of suitable working face/ Land.

c) The restriction of time during summer i.e from 1st April to 15th June, closer of operation in projects from 11.00am to 3.30pm affects utilization of HEMM and it has impact of about 2%.

d) Dragline of Bharatpur OCP remained idle throughout the year due to non-availability of working faces. There is no working face for Dragline in MCL.

The utilization of Shovel and Dumper are less than last year.

Utilization was also affected due to —

1) Law & Order problem especially in Talcher Coalfield,

2) Delay in forest clearance of Jagannath & Ananta OCP,

3) Blasting constraint at Bharatpur, Hingula, Balram, Belpahar & Samleswari OCP.

IV. STEPS TAKEN TO IMPROVE THE AVAILABILITY & UTILIZATION

a. Daily production from HEMMs and their working hours are being closely monitored at Area level and at Headquarters level.

b. Timely surveying-off of HEMMs and replacement procurement action against such surveyed off equipment.

c. Maintaining various float sub-assemblies like Engines, Transmissions and other assemblies at HQ and CWSs for replacement in exigency.

d. To improve the technical skill for operating and maintaining new model equipment by conducting regular training programme by OEMs.

e. Maintenance of haul roads prior to monsoon period.

f. Special attention is being given to operator's comfort. New HEMMs which are being procured, are fitted with air-conditioned cabins.

g. Land acquisition, Law and Order problems are being taken up at various forums by MCL Management.

h. Unskilled manpower like land-oustee are being trained in different Industrial Training Institutes.

V. BREAKDOWN STATUS OF HEMM:

Equipment	Population		Breakdown > 3 months	
	As on 31.03.19	As on 31.03.18	As on 31.03.19	As on 31.03.18
Dragline	01	01	00	00
Shovel	78	82	04	05
Sur Miner	20	20	01	01
Dumper	342	323	55	49
Dozer	116	130	25	24
Drill	87	88	10	06
MCL Total	644	644	95	85

VI. EQUIPMENT REHABILITATED/SYSTEM REPAIRED AT CENTRAL WORKSHOPS:

Area	Year	
	2018-19	2017-18
CWS (TALCHER)	00	01
CWS (IB VALLEY)	00	03
MCL TOTAL	00	04

7. CAPACITY UTILIZATION *(OPEN CAST PROJECTS)*

SL. NO.	DESCRIPTION	CAPACITY (based on 1st April of the year)		GROWTH OVER LAST YEAR
		2018-19	2017-18	-
1	Departmental Capacity (M.Cum)	99.45	96.34	3.23%
2	System Capacity (M.cum.)	269.56	261.43	3.11%
3	Departmental Production (M.Cum)	47.216	48.91	-3.46%
4	Total Production (M.Cum)	216.316	223.731	-3.31%
5	Departmental Capacity Utilization	47.5%	51%	-6.86%
6	System Capacity Utilization	80.25%	85.58%	-6.23%

8. POWER

i) Talcher Coalfields : Power is being received at Nandira 60 MVA (3 X 20 MVA), 132/33 kV, Grid Sub-station through a 11 KM long 132 kV Double Circuit over-head transmission line from OPTCL Angul Sub-station, under the command area of Central Electricity Supply Utility (CESU) of Odisha with Contract Demand of 31.0 MVA.

ii) Ib-Valley Coalfields : Power is being received at Jorabaga, 52.5MVA (2 X 20 MVA + 1 X12.5 MVA), 132 / 33 kV, Grid Sub-Station through a 19 KM long 132 kV Double Circuit over-head transmission line from OPTCL Budhipadar Sub-station, under the command area of Western Electricity Supply Company of Orissa (WESCO) with a Contract Demand of 22.25 MVA.

iii) Basundhara Coalfields: Basundhara Area is receiving power from OPTCL, Budipadar 40 MVA (2 X 20 MVA) 220 / 33 KV Sub-station through a 33 KM long 220 KV overhead transmission line under the command area of Western Electricity Supply Company of Orissa (WESCO) at 220 kV with a Contract Demand of 6 MVA.

8.4 Availability of Power

Parameter	*2018-19*	*2017-18*
Contract Demand (MVA)	61.271	61.271
Maximum Demand (MVA) (Highest in a month during FY)	60.44	60.21
Energy Consumed (Million kWh)	311.65	303.53
Total Amount (Crore Rs)	189.78	185.32
Unit Price (Rs./kWh)	6.09	6.10

Agreement for enhanced the Contract Demand of MCL Anand Vihar Colony from 400 KVA to 1400 KVA with amalgamation 200 KVA Contract Demand of Anand Vihar Office has been executed. Work for enhancement of Contract Demand has already been started.

9. POPULATION OF MAJOR UNDER-GROUND EQUIPMENT OF MCL:

The population of major underground equipment and their availability during the year as compared to previous year is given here under:

Sl. No	Name of the equipment	No. on roll		2018-19		2017-18	
		2018-19	2017-18	% Avail	% Utili	% Avail	% Utili
1	SDL*	14	13	91.39	14.34	52.90	22.54
2	LHD*	27	27	56.35	36.47	61.22	32.14
3	Main Pump	45	58	93.33	87	67.24	99.09
4	Belt Conveyor	54	58	96.15	87	81.03	99.09
5	Winder	06	02	66.67	87	100.00	99.09
6	Locomotive	02	04	0	0	100.00	99.09

UG Production	2018-19	2017-18
Actual (MT)	0.87	1.04
Target (MT)	1.00	1.05

For equipments other SDL & LHD for which no specific norm is available

$$\% \text{ Availability} = \frac{\text{Equipment available}}{\text{Equipment on Roll}} \times 100\,\% \qquad \text{Utilisation} = \frac{\text{Actual Production}}{\text{Target Production}} \times 100$$

For SDL and LHD , formula are as per CIL's norms

$$^{*}\% \text{ Availability} = \frac{H_w + H_i}{H_s} \times 100$$

Where,
H_w = Actual working hours / year,
H_i = Idle hours / year
H_s = Shift hours / year

$$^{*}\% \text{ Utilization} = \frac{H_w}{H_s} \times 100$$

Where,
H_w = Actual working hours / year,
H_s = Shift hours / yea

9.2 Number of Coal Handling Plants, Weighbridges and their functioning.

8.90 MTof coal was crushed during 2018-19 against 8.21 MT of Coal crushed through CHP & Feeder Breakers during 2017-2018.

	2018-19		2017-18	
	Crushing Capacity in MTY	Coal Crushed (MT)	Crushing Capacity in MTY	Coal Crushed (MT)
Capacity vs coal crushed	36.50	8.90	36.50	8.21
% Utilisation of Crushing Capacity of Plant		24.38%		22.49%

After introduction of surface miners in most of the OCPs of MCL, use of crusher / CHP got reduced to large extent and thus are used as standby and wherever meagre quantity of coal production is done conventionally, that quantity only is being crushed. During 2018-19, 92.73% of the total coal production was through Surface Miner. Total ROM coal production in MCL during 2018-19 was only 9.61 Million Tonnes. As capacity of crushing is quite high, there is no need of further addition of any new Crusher or Feeder Breaker. Action is being taken for renovation of CHPs for introduction of truck loading system of coal to road sale trucks to avoid pay loader loading.

9.2.1 The functional points of these CHPs are as follows:-

MAJOR CHPs

Area	Location of CHP	Capacity(Mty)
Jagannath	Jagannath OCP	2.00
Bharatpur	Bharatpur OCP	3.50
Total		**5.50**

9.2.2 Mini CHPs / Feeder Breakers

AREA	LOCATION OF CHP	CAPACITY(MTY)
Jagannath	Jagannath OCP	04
	Ananta OCP	07
Hingula	Hingula	02
	Balram	04
Ib-Valley	Lajkura OCP	02
	Samaleswari OCP	01
Lakhanpur	Belpahar OCP	02
Lingaraj	Lingaraj OCP	06
Basundhara	Basundhara OCP	01
	Kulda OCP	02
	TOTAL	**31**

9.2.3 Construction of CHP/SILO at all major Open Cast Mines of MCL for streamlining coal dispatch are under different stages of execution/ tendering/ finalization of scheme.

Sl. No	CHP/SILO particulars	Capacity	Present status
1	Coal Handling Plant with SILO Loading arrangement at Bharatpur siding	15 MTY	The plant has been taken over by MCL on Dt.09.10.2018 and performance Guarantee Test has been completed successfully and the plant is in operation since Dec'2018.
2	Coal Transport and SILO Loading arrangement at Lingaraj OCP	16 MTY	Work is under progress and overall progress is 99.93%. The project is likely to be completed by October, 2019.
3	Transportation of raw coal from Bhubaneswari OCP to SILO near Spur siding –III by-passing Jagannath washery	10 MTY	The Overall progress of the project is 68.32% and completion is expected by Sept, 2019.
4	Coal transport from Hingula OCP by pipe conveyor to proposed Hingula washery as well as SILO arrangement at Balram Siding, Hingula area.	10 MTY	The Overall progress of the project is 32.33% Completion is expected by October' 2019.
5	Coal Handling Plant and Rapid Loading system with SILO at Lakhanpur for supply of raw coal to Ib Valley washery	10 MTY	Tender floated vide NIT no.178, Dtd.01.03.2016 was cancelled as all the participating bidders are rejected due to non-compliance of NIT requirement. Procedures for floating of fresh tender is under process.

9.2.4 DETAILS OF WEIGHBRIDGEs

	Type of Weighbridge	2018-2019	2017-2018
1	Electronic Road Weighbridges (Static)	99	96
2	Electronic Road Weighbridge (Inmotion)	40	40
3	RAIL Weighbridges (Electronic)	36	29

In order to ensure 100 % weighment at both ends (stockyard & sidings), 34 numbers of 100 T In motion Road Weighbridges are under procurement action. Further, 21 nos of 100 Te capacity static road weighbridges for meeting the additional weighing requirement have been procured. Out of 21 nos., 3 nos. weighbridges have been commissioned and 18 nos. weighbridges are under installation. Additionally, 15 nos. 140 Te Rail In-motion Weighbridges have been procured. Out of 15 nos., 6 nos. weighbridges have been commissioned and 9 nos. weighbridges are under installation.

10. CAPITAL STRUCTURE

The Authorised Share Capital of the Company as on 31.03.2018 is ₹ 980.00 crore, divided into 77,58,200 Equity Shares of ₹1,000/- each and 20,41,800 10% Cumulative Redeemable Preference Shares of ₹1,000/- each.

The paid up Equity Share Capital of the Company as on 31.03.2019 is ₹ 661,83,63,000. The entire Equity Share Capital is held by Coal India Limited (CIL) and its nominees.

11. FINANCIAL REVIEW

The Company has recorded the gross Sales Value of ₹ 24,607.68 Crore against ₹ 22,287.23 Crore of the previous year. The Profit before Tax (PBT) for 2018-19 is ₹ 9,281.08 crore against ₹ 7,339.66 Crore in the previous year. Profit after Tax (PAT) for 2018-19 is ₹ 6,039.54 crore against last year's PAT of ₹ 4,761.29 Crore. The financial results of 2018-19 as compared to 2017-18 is summarised below:

[₹ in Crore]

	2018-19	2017-18 (restated)
Gross Profit (Before Depreciation and Interest)	9846.76	7784.26
Less: Depreciation (Incl. Social Over head depreciation	501.19	371.26
Interest and Financial Charges	45.20	73.26
Net Profit before Tax	9300.37	7337.66
Less : Provision for Income Tax and deferred tax liability	3248.29	2578.37
Net Profit after Tax	6039.54	4761.29
Op. Balance available in P&L	207.72	920.05
Less : Transfer to General Reserve	301.98	238.06
Transfer to CSR Reserve	-	-
Transfer to Sustainable Development Reserve	-	-
Interim Dividend on Equity Shares	3750.00	4350.00
Final Dividend (2017-18)	125.00	
Tax on Dividend	796.52	885.56
Buy Back Distribution Tax on Equity Shares Buy back	72.38	-
Profit/Loss after above appropriation	**1201.38**	**207.72**
Other Comprehensive Income (OCI) before Tax	(16.28)	27.34
Less: Provision for Income Tax on OCI	(5.69)	9.46
Other Comprehensive Income (OCI) after Tax	(10.59)	17.88
Total Comprehensive Income after Tax	6028.95	4779.17

11.1 Transfer to Reserve

An amount of ₹ 301.98 crore, being 5% of Profit after Tax for the year, has been transferred to General Reserve.

11.2 Dividend

The Directors are pleased to recommend dividend of 566.60% as interim dividend of the paid up Equity Share Capital Rs. 661.84 crore (previous year 616.03 %) for the year amounting to ₹ 3750.00 crore (interim dividend) for your approval. The company has declared a final dividend of Rs. 125 crore in the financial year.

The total outflow on account of dividend would be ₹ 4,671.52 crore comprising ₹ 3,875.00 crore (Rs. 3750 crore intreim dividend + Rs. 125 crore final dividend) as dividend and ₹ 796.54 crore towards tax on dividend.

11.3 Loans

Unsecured Loan:

The Company has given loan to NLCIL of ₹ 1500 crores @ 7% per annum for meeting the general funding requirements and ₹ 1125 is lying outstanding as on 31.03.2019.

12. INVESTMENT

12.1 Non current Investments in Equity Shares of MNH Shakti Limited, MJSJ Coal Limited, Mahanadi Basin Power Limited and Mahanadi Coal Railway Ltd, subsidiaries of MCL are ₹ 59.57 Crore, ₹ 57.06 Crore, ₹ 5.00 Lakh and ₹ 3.20 Lakh respectively.

12.2 Non current Investment in 7.55% secured non-convertible IRFC tax free 2021 series 79 bonds, 8% secured non-convertible IRFC bonds,7.22% secured non-convertiable IRFC tax free bonds, 7.22% secured redeemable REC tax free bonds stood on 31.03.2019, at ₹ 200.00 Crore, ₹ 108.75 Crore, ₹ 499.95 Crore and ₹ 150.00 Crore respectively.

13. CAPITAL EXPENDITURE

Total Capital Expenditure during the year was ₹ 1,540.11 Crore against previous year's expenditure of ₹ 1374.27 Crore (restated).

14. Borrowings

The amount due to M/s Liebherr France SA, France as on 31.03.2019 stands at ₹ 6.29 crore for supply of four Hydraulic Shovels on deferred credit.

15. Sales Realisation

Gross sales of MCL during 2018-19 were ₹ 26,464.46 crore against ₹ 22,287.23 crore (restated) in 2017-18.

Total realization during 2018-19 was ₹ 26,307.89 Crore which works out to be 99.41% on current year's gross sales.

15. Payment to Exchequer

Your Company continued to be a major contributor to the Central and State Exchequer.

The payment made by the Company on account of Royalty, Sales Tax, Stowing Excise Duty and Entry Tax during the year as compared to the payments made during previous year are as follows:

[₹ in Crore]

	2018-19	2017-18
Royalty	2035.36	1752.01
NMET	40.71	35.03
DMF	610.50	525.58
Sales Tax/Odisha VAT	-	191.42
Stowing Excise Duty	-	33.36
Entry Tax	-	16.38
Clean Energy Cess	-	1334.59
Central Excise Duty	-	230.50
Goods & Service Tax	904.24	668.71
GST Compensation Cess	5692.12	4195.91
TOTAL	9282.93	8983.49

16. PROJECT FORMULATION/CAPITAL PROJECTS

16.1 Planning

MCL has planned to achieve 162.50 MTe of coal during the financial year 2018-19. The capital outlay estimated for the year 2018-19 is Rs.1600.00 crores, major share of which will be utilized for land acquisition, development of infrastructures and procurement of Heavy Earth Moving Machineries (HEMM)

16.2 Project Formulation:

During the financial year 2018-19 five Project Reports were prepared by CMPDIL:

1. Lajkura-Orient Expansion (15 Mty)
2. Kulda-Garjanbahal Expansion OCP (40 Mty)
3. Bhubaneswari Expansion (40 Mty)
4. Gopalji-Kaniha Expansion (40 Mty)
5. Balaram Expansion (15 Mty)

4.0 Project Implementation:

The total capital expenditure of MCL during 2018-19 is Rs. 1540.11 Crore against the target of Rs.1,600.00 Crs .

16.4Capital Projects / Schemes

COAL PROJECTS: -

Total Coal Mining Projects sanctioned till date in MCL are 53 (including 3 exhausted Projects). The rated Production Capacity of these sanctioned Projects was 230.61Mty, with a sanctioned Capital outlay of Rs.17578.11Crs (including RCE). Out of total 53 Projects, 37 Projects are completed Projects and 16 Projects are On-going Projects. The present Capacity along with Capital Outlay of balance 53 Projects are given as under:

Project Category (Rs. Cr.)	No. of Projects Sanctioned	Sanctioned Capacity (Mty)	Sanctioned Capital (Rs. Cr.)	Status		
				Exhausted	Completed	On-going
100 & above	21	177.40	16602.14	1	7	13
50 to 100	12	17.83	685.52	0	9	3
20 to 50	13	28.10	225.93	1	12	0
Below 20	07	7.28	64.52	1	6	0
Total	**53**	**230.61**	**17578.11**	**3**	**34**	**16**

Completed Projects: - 37Nos.

Sl. No.	Name of the Project	PR Cap(MTY)	Sanctioned Capital (Rs.Cr.)	Completion Date
TALCHER COALFIELDS				
1.	Ananta O/C	4.00		
2.	Ananta O/C Expansion Phase-I	1.50	338.44*	Mar 2008
3.	Ananta O/C Expansion Phase-II	6.50		
4.	Balanda O/C & Revised PR *(Exhausted)*	1.00	33.20	Mar 1984
5.	Balaram O/C (Kalinga OCP)	8.00	344.63*	Mar 2000
6.	Bharatpur O/C	3.50	158.97 (RCE)	Mar 1991
7.	Bharatpur O/C Expansion Phase-I	1.50	48.02	Mar 1998
8.	Bharatpur O/C Expansion Phase-II	6.00	**95.87	Mar 2007
9.	Bharatpur O/C Expansion Phase-III	9.00	131.39	Mar 2010
10.	Chhendipada O/C	0.35	19.75	Mar 2007
11.	Hingula-II O/C	2.00	47.93*	Mar 2002
12.	Hingula –II O/C Expansion Phase-I	2.00	89.78	Mar 2009
13.	Hingula –II O/C Expansion Phase-II	4.00	35.67	Mar 2009
14.	Jagannath O/C / Jagannath Extension	4.00	66.71 / 4.71	Mar 2004
15.	Jagannath O/C Expansion Phase-II	2.00	4.95	Mar 2008
16.	Lingaraj O/C	5.00	229.84	Mar 1998
17.	Lingaraj O/C Expansion Phase-I	5.00	98.89	Mar 2007
18.	Lingaraj O/C Expansion Phase-II	3.00	2.18	Mar 2008
19.	Lingaraj OC Expansion Phase-III	3.00	306.18**	Mar 2014
20.	Nandira U/G (Augmentation)	0.33	17.96	Mar 1995
Sub Total *(Including capacity of exhausted mines)*		**51.68**	**1640.82**	
IB VALLEY COALFIELDS				
21.	Basundhara (E) O/C *(Exhausted)*	0.60	19.70	Mar 1998
22.	Basundhara (West) O/C	2.40	68.74 (RCE)	Mar 2007
23.	Basundhara (West) Expansion Phase-I	4.60	46.52	Mar 2011
24.	Belpahar O/C	2.00#		
25.	Belpahar O/C Expansion Phase-I	1.50#	246.93*	Mar 2015
26.	Belpahar O/C Expansion Phase-II	4.50#		
27.	Lajkura O/C / Lajkura Extension	1.00	38.98 (RCE) / 3.22	Mar 1991
28.	Lajkura OCP Expansion Phase-I	1.50	194.99**	Mar 2013
29.	Lakhanpur O/C	5.00#	215.02*	Mar 2000
30.	Lakhanpur O/C Expansion Phase-I	5.00#	98.74	Mar 2010
31.	Lakhanpur OCP Expansion Phase-II	5.00#	116.54	Mar 2011
32.	Lilari O/C / Lilari Extension	0.80#	19.78 / 0.63	Mar 1992
33.	Samaleswari O/C	3.00		
34.	Samaleswari O/C Expansion Phase-I	1.00		
35.	Samaleswari O/C Expansion Phase-II	1.00	636.24**	Mar 2013
36.	Samaleswari O/C Expansion Phase-III	2.00		
37.	Samaleswari O/C Expansion Phase-IV	5.00		
Sub Total *(Including capacity of exhausted mines)*		**22.10**	**1706.03**	
TOTAL *(Completed Projects)*		**73.78**	**3346.85**	

(*) *Completion cost as per approved RCE-cum-Completion Report.*

(**) *As per approved RCE-cum-Completion Report and additional capital sanctioned upto beyond target year*.

(#) *Capacity of these mines are excluded after approval of Integrated Lkp-Bel-Lil OCP and Bharatpur Re-orgn' OCP*

On-Going Projects:-16 Nos.

Sl. No.	Name of the Project	PR Cap(MTY)	Sanctioned Capital (Rs. Cr.)	Completion Date
TALCHER COALFIELDS				
1.	Ananta OCP Expansion Phase-III	3.00	251.95#	31.08.2008
2.	Balaram OCP Extension	8.00	^209.56	22.12.2007
3.	Bharatpur Re-organisation	20.00	2838.87	12.11.2018
4.	Bhubaneswari OCP	20.00	490.10	22.12.2007
5.	Hingula-II OCP Expansion Phase-III	7.00	479.53	08.11.2008
6.	Jagannath Re-organisation	6.00 *	337.66	26.05.2014
7.	Jagannath U/G	0.67	80.75	15.10.2001
8.	Kaniha OCP	10.00	457.77	22.12.2007
9.	Nataraj U/G	0.64	92.11	30.01.2001
10.	Talcher (W) U/G	0.52	85.08	18.02.2002
	Sub total	**61.83**	**5323.37**	
IB VALLEY COALFIELD				
11.	Basundhara (W) Extension	7.00 *	**620.42	07.05.2014
12.	Kulda OCP	10.00	^372.81#	12.01.2005
13.	Kulda Expansion OCP	5.00	**348.16#	25.06.2014
14.	Garjanbahal OCP	10.00	**1375.38	03.05.2016
15.	Integrated Lakhanpur-Belpahar-Lilari OCP	30.00	2434.75	22.05.2018
16.	Siarmal OCP	40.00	**3756.36	29.05.2014
	Sub total	**95.00**	**8907.89**	
TOTAL *(Ongoing projects)*		**156.83**	**14231.26**	
GRAND TOTAL *(Including capacity of exhausted mines)*		**230.61**	**17578.11**	

(*) *These are extensions of original Projects annexing additional areas. Hence, there will be no addition in Capacity.*

(**) *As per approved RCE-cum-Completion Report and/ or addl. capital sanctioned upto beyond target year*.

(#) *Includes 10% of total sanctioned capital within the DoP of CMD, MCL*. **(^)** **–***Including schemes.*

Existing Old Underground Mines:-05 Nos.

Sl. No	Name of the Project	Cap in Mty as assessed by CMPDIL (MT/YR)				
		2014-15.	2015-16.	2016-17	2017-18	2018-19
1.	Hirakhand Bundia Mine	0.551	0.612	0.612	0.505	0.551
2.	Orient Mine1&2	0.428	0.428	0.367	0.352	0.398
3.	Orient Mine 3	0.551	0.490	0.000	0.122	0.122
4.	Orient Mine 4	0.061	0.061	0.122	0.061	0.000
5.	Talcher U/G	0.318	0.340	0.272	0.173	0.107
	Total	**1.909**	**1.931**	**1.373**	**1.213**	**1.178**
	Grand Total for MCL *(Including capacity of exhausted mines)*				**225.623**	**231.788**

Future projects:-06 Nos.

Sl. No.	Name of the Project	PR Cap(MTY)	Remark
1	Balaram Expansion OCP	15.0**(Addl – 7.0Mty)**	'In principle' approval of PR of Balaram Expansion OCP (15Mty) by MCL Board on 31.03.12. Updated Cost Estimate (UCE) of PR was put up in the Technical Sub-Committee meeting on 24.06.18, in which it was recommended for put up before MCL Board.
2	Bhubaneswari Expansion OCP	40.0**(Addl – 20Mty)**	Draft Project Report has been prepared and submitted by CMPDI. Likely to be discussed in the next Technical Sub-Committee meeting of MCL.
3	Gopalji- Kaniha Expansion OCP	30.00**(Addl - 20Mty)**	PR of Gopalji-Kaniha Expansion OC Project approved by MCL Board on 20.05.15 and by ESC on 23.09.15 for first year expenditure of Rs.80.15Crs. Updated Cost Estimate (UCE) of Gopalji-Kaniha Expansion (30Mty) was put up in Technical Sub-Committee meeting on 24.06.18, in which it was recommended for put up before MCL Board.
4	Kulda - Garjanbahal Expansion OCP	40.0**(Addl-15Mty)**	CMPDI has submitted the draft PR on 09.04.18. The PR was discussed by the Planning Committee of MCL on the 02.05.18. Final PR after incorporating the recommendations of Planning Committee was put up in TSC meeting on 24.06.18, in which it was deferred.
5	Lajkura – Orient Expansion OCP	15.0**(Addl-11.31Mty)**	After incorporating the changes, final report was submitted on 31.03.17. The Updated Cost Estimate (UCE) was put up in Technical Sub-Committee meeting on 24.06.18, in which CMPDI was requested to prepare new model as discussed in the meeting.

6	Samaleswari Expansion OCP(Including all Seam)	20.0**(Addl – 8.0Mty)**	Approved by MCL Board on 21.09.15. Put before 89th Empowered Sub Committee meeting on 10.02.16. Under Preparation at CMPDI, Ranchi as the production envisaged is 20Mty only for 4 years & then to 12Mty.
	Total Additional Capacity	**81.31Mty**	

NON-MINING PROJECTS:-

Major On-going Non-Mining Projects of MCL costing > Rs.20Crs:

Sl.	Name of the Project	Capital Cost (Rs. Cr.)
1	Construction of concrete CT Road connecting Bundia Mine to NH-200 of 12.54 km	135.29
2	Construction of CT roads in IB-Valley CF having life more than 5 yrs.	94.22
3	Construction of Bye Pass Rd from Lajkura Welcome Gate to Mine 3 Junction of 3.7 Km	35.56
4	Construction of New Coal Corridor at Talcher Coalfield. Length-41.5 km (a) Hingula - Balaram part (7.06 KM) (b) Bharatpur part (2.3 KM) (c) Jagannath part (1.26 KM) (d) Ananta part (2.34 KM) (e) Bhubaneswari part(1.82 KM) (f) Lingaraj part (6.21 KM)	251.35
5	Construction of ROB at the level crossing near Ghantapara Village at Talcher	37.50
6	Construction of CT roads in TalcherCF having life more than5 yrs.	165.92 Revised-243.00
7	Widening of road from 2 lane to 4 lane from Bankibahal to Kanika Railway Siding- 27 km.	Original-162.87 Revised-242.06
8	Construction of separate 4-Lane (modified 2-lane) dedicated coal corridor road from Bankibahal to Bhedabhal (on SH-10) in Sundargarh dist. Length-33.00 KM, Bridges-4.	398.97
9	Construction of 2-Lane concrete road from Basundhara West Extension Check post to Sardega Railway Siding.	30.39
10	SILO loading arrangement at Ananta Spur Siding V & VI for 15Mty.	198.66
11	SILO loading arrangement at Lingaraj OCP for 16Mty.	237.56
	Revised – CHP & SILO loading arrangement at Lingaraj OCP	Revised-495.01
12	Jharsuguda - Barpali – Sardega Railway Line.	Original-469.68 Revised-1007.12
13	Railway Link from Angul Station to Kalinga CPP	99.00
14	Auto signalling system between Talcher and Paradeep port	63.23
15	Basundhara Washery (10.00 Mty) on B-O-M basis	334.72
16	Jagannath Washery (10.00 Mty) on B-O-O basis	265.35
17	IB Valley Washery (10.00 Mty) on B-O-M basis	392.76
18	Hingula Washery (10.00 Mty) on B-O-O basis	321.96
19	Infrastructure Master Plan of Basundhara – Garjanbahal Area	498.75
	Total	**5144.90**

Completed Non-Mining Projects of MCL costing > Rs.20Crs:

Sl.	Name of the Project	Capital Cost (Rs. Cr.)
1	Construction of all CT roads in B-G area having life more than 5 yrs with concrete.	22.96
2	Construction of concrete CT Road in Kaniha OCP	26.92
3	Construction of 3rd line from TLSB cabin for Talcher yard to serve Bhubaneswari OCP at Talcher.	47.60
	Total	**97.48**

16.5 Foreign Collaboration: Nil

16.6 Modernisation & Technology Absorption

a. MCL is the trend-setter in introducing Blast-free technology for winning coal in opencast mine by Surface Miner.

b. SILO with Rapid Loading System is going to be introduced in all the major opencast projects of MCL.

c. Construction has been started in case of IB Valley Washery and in case of other 03 washeries, Letter of Intimation (LoI) has already been issued to the L-1 bidders and Letter of Award (LoA) will be issued after receipt of necessary Environment Clearance (EC), Forest Clearance (FC), Consent to Establish (CTE) etc as applicable.

16.7 Projects pending approval of Government: Nil

16.8 Land Acquisition & Possession during 2018-19-18:

(Figures are in Hectares)

Sl. No.	Area	Tenancy		Govt. non-Forest		Forest Land		Total Acquisition	Total Possession
		Acq.	Poss	Acq.	Poss	Acq.	Poss		
1	Jagannath	0	1.804	0	0	0	10	0	11.804
2	Hingula	0	38.942	0	0	0	0	0	38.942
3	Bharatpur	0	121.525	0	0	0	0	0	121.525
4	Lingaraj	0	0	0	0	0	0	0	0
5	Kaniha	0	0	0	0	0	0	0	0
6	Ib- Valley	0	23.534	0	0	0	0	0	23.534
7	Lakhanpur	0	10.817	0	0	0	0	0	10.817
8	B-G Area	0	2.038	0	29.329	0	0	0	31.367
	Total	0	198.66	0	29.329	0	10	0	237.989

16.9 Status of Washeries on Build, Operate and Maintain (BOM) Basis:

In line with the decision of CIL for installation of coal washeries on Build-Operate-Maintain (BOM) basis for economic washing of high ash coal, MCL was intending to establish four number of coal washeries viz., Hingula Washery, Basundhara Washery, Ib-Valley Washery at Lakhanpur Area & Jagannath Washery of 10.0 Mtpa capacity each on BOM concept in Phase-I.

The earlier tenders for Hingula Washery (10.0 Mtpa) & Jagannath Washery (10.0Mtpa) on BOM Concept were not materialized. Hence the process for re-tendering of Hingula Washery (10.0 Mtpa) & Jagannath Washery (10.0 Mtpa) on BOM Concept were initiated, but in the meanwhile a letter from GM (PMD),CIL dtd. 11/02/2017 was received which conveyed the approval of CIL regarding the decision of Ministry of Coal i.e. “All new proposed washeries, whose tender is yet to be finalized, should be built under B-O-O(Build-Own-Operate) concept”. So, MCL planned to set-up Hingula Washery (10.0 Mtpa) and Jagannath Washery (10.0 Mtpa) on BOO concept after intimating MCL’s Board in its 186th meeting dtd.28/02/2017.

Subsequently, pre-tender activities for setting up of Hingula Washery (10.0 Mtpa) & Jagannath Washery (10.0 Mtpa) on BOO concept were started and Bid document preparation were finalized. In the mean time, a review meeting on Washeries was held on 11/01/2018 at New Delhi under the chairmanship of Secretary (Coal). In this review meeting, Secretary (Coal) mentioned that “Subsidiary Companies should take the decision of mode of construction (BOM/ BOO/ EPC) of washeries in their respective boards.

MCL Board in its 198th meeting dtd. 31/01/2018 approved the change in the mode of setting up of Hingula Washery (10.0 Mtpa) and Jagannath washery (10.0 Mtpa, MCL from Build-Own-Operate (BOO) to Build-Operate-Maintain (BOM) concept.

The tender for Jagannath Washery (10.0 Mtpa) and Hingula washery (10.0 Mtpa) on BOM Concept were floated on 26th March, 2018.

MCL Board of Directors in its meeting held on 20/12/2018 approved “award of work” for setting up of Jagannath washery(10.0 Mtpa) to the “Lowest Bidder” i.e. M/s. Global Coal and Mining Pvt. Limited after receipt of revised Environmental Clearance, in accordance with provisions of the Bid Document at a set-up cost of Rs. 384,11,98,291.04 (Rupees Three Hundred Eighty Four Crore Eleven Lakh Ninety Eight Thousand Two Hundred Ninety One and Four Paisa only)”.

Subsequently, Letter of Intimation (LoI) for setting up of Jagannath Washery(10.0 Mtpa) was issued to lowest bidder on 29/12/2018 and Letter of Award (LoA) will be issued to L-1 bidder after receipt of revised Environment Clearance (EC).

MCL Board of Directors in its meeting held on 28/01/2019 approved “award of work” for setting up of Hingula washery (10.0 Mtpa) to the “Lowest Bidder” i.e. M/s. Jhar Mining Infra Private Limited after receipt of revised Environmental Clearance, in accordance with provisions of the Bid Document at a set-up cost of Rs. 424,42,25,587 (Rupees Four Hundred Twenty Four Crore Forty Two Lakh Twenty Five Thousand Five Hundred Eighty Seven only). Subsequently, Letter of Intimation (LoI) for setting up of Hingula Washery (10Mtpa) was issued to lowest bidder on 07/02/2019 and Letter of Award (LoA) will be issued to L-1 bidder after receipt of revised Environment Clearance (EC).

Regarding Ib-Valley Washery (10.0 Mtpa) at Lakhanpur, Letter of Award (LoA) was issued to L-1 bidder on 14/03/2018 and the Contract for setting up of IB-Valley washery at Lakhanpur Area was signed on 15/10/2018 with M/s Global Coal and Mining Pvt. Limited (GCMPL). Construction of Ib-Valley Washery (10 Mtpa) at Lakhanpur Area has been started.

Regarding Basundhara Washery (10.0 Mtpa), Letter of Intimation was issued to the lowest bidder in May, 2014 and Letter of Award (LoA) will be issued to L-1 bidder after receipt of Environment Clearance (EC) & Forest Clearance (FC) from MoEF.

Beyond phase- I, MCL is also planning to set-up three more Washeries viz. Lakhanpur Washery (20.0 Mtpa capacity), Garjanbahal Washery (10.0 Mtpa capacity) and Siarmal Washery (40.0 Mtpa capacity).

Present status of these four washeries under Phase-I is given hereafter.

(A) <u>IB-Valley Washery (10.0 Mtpa capacity) at Lakhanpur on BOM concept</u>:

1. Tender was floated in May, 2015.
2. Letter of Intimation was issued to the lowest bidder, M/s Global Coal & Mining Pvt. Limited on 12/09/2016.
3. EC (dated 30/03/2017) received on 31/03/2017. Modification in some of the specific conditions of EC was sought from MoEF & CC. Amended EC dated 15.06.2017 received on 26.07.2017.
4. In view of implementation of GST w.e.f. 01.07.2017, L-1 bidder submitted Final revised price break-up of Project Capital Cost & Operating cost (considering the impact of GST and anti-profiteering provisions on the quoted price) on 08/01/2018 & 22/01/2018 respectively which was subsequently approved by Competent Authority of MCL in Feb’ 2018.
5. Letter of Award (LoA) issued to L-1 bidder on 14/03/2018.
6. The Contract for setting up of IB-Valley washery at Lakhanpur Area was signed on 15/10/2018 with M/s Global Coal and Mining Pvt. Limited (GCMPL).
7. Construction of Ib-Valley Washery (10 Mtpa) at Lakhanpur Area has been started.

(B) Basundhara Washery (10.0 Mtpa capacity) on BOM Concept:

1. The tender was invited in May’ 2013.
2. Letter of Intimation was issued to “Lowest Bidder”, M/s ACB (India) Ltd. In May’ 2014.
3. ToR was issued by MoEF in September’ 2014.
4. Amended ToR received on 29.02.2016.
5. Letter of Award can be issued to the Lowest Bidder only after getting Environmental Clearance, Forest Clearance and possession of Land (Forest Land, Tenancy Land & Govt. Non forest Land).

6. Acquisition of Tenancy land- Gazette Notification of the 11 (1) Notification was published on 31/10/2018 from the Office of Director, Printing Stationery and Publication, Odisha, Cuttack. Pending for field survey to determine the compensation amount. Action to be taken up by LAO, Sundergarh. In this regard a meeting was conducted by LAO, Sundergarh on 28/11/2018 with the villagers of Kushara in presence of Sub Collector, Sundargarh and Officials of MCL. In the meeting, the villagers demanded either acquire total tenancy land of Kuisira village or change the location of clean coal corridor and railway bulb.Collector, Sundargarh vide his letter no. 491 dated 06.02.2019, communicated to GM, Basundhara Area for acquisition of entire land of Village Kuisira under Hemgir Tehsil instead of acquisition of part area. Accordingly, Basundhara Area initiated a proposal vide no. 31 dated 01.03.2019 seeking approval of the Competent Authority and necessary directives for further needful action for acquisition of Total tenancy land (427.92 Ac) of village kuisira.

7. Acquisition of Govt. Non Forest land- Possession of the land (Ac. 0.58 & Ac. 1.49) has been given by the Tahasildar, Himgir on 30.10.2018. Lease Agreement of the G.N.F. land is to be completed within six months.

8. Stage–I Forest Diversion - FAC in its meeting held on 15.01.2019 has recommended for grant of in-principle approval for the diversion of 29.41 ha of Forest land. Letter from MoEF & CC is awaited.

9. Environment Clearance - EAC in its meeting held on 14/12/2018 has recommended for grant of EC to Basundhara Washery subject to submission of Stage-1 forest clearance for 29.41 ha of forest land and certain other conditions, in addition to the standard conditions for coal washery as specified at Annexure-XVII of this ministry's OM No. 22-34/2018-IA.III dtd. 9th August, 2018.

(C) Hingula Washery (10.0 Mtpa capacity) on BOM Concept:

1. EC was granted on 30th Oct' 2015.
2. Consent to Establish issued by SPCB on 29th December, 2015.
3. Both EC and Consent to Establish were received in favour of MCL on BOM Concept.
4. Letter of Award (LoA) was issued to M/s MIEL on 1st Jan' 2016.
5. LOA issued to M/s. MIEL was cancelled on 03/11/2016 due to non-submission of PFS within the stipulated period and Bank Guarantee against Bid Security of M/s. MIEL was encashed on 05/11/2016.
6. During the course of fresh tender on BOM Concept, directives were received from CIL communicating the decision of MoC that "all the new proposed washeries, whose tender is yet to be finalised, should be built under B-O-O (Build-Own-Operate) concept" and the same was placed before MCL Board in its meeting held on 28/02/2016. While noting the change of BOM to BOO concept, MCL Board noted that it is being done at the instance of CIL/Ministry. Subsequently, pre-tender activities for setting up of Hingula Washery (10.0 Mtpa), MCL on BOO concept were started and Bid document preparation was at final stage.
7. Further, a review meeting on Washeries was held on 11/01/2018 at New Delhi under the Chairmanship of Secretary (Coal). In the review meeting, Secretary (Coal) mentioned that Subsidiary Companies should take the decision of mode of construction (BOM/ BOO/ EPC) of washeries in their respective boards."
8. MCL Board in its 198th meeting dtd. 31.01.2018, approved the change in the mode of setting up of Jagannath Washery and Hingula Washery from BOO concept to BOM Concept.

9. The tender for Hingula washery (10.0 Mtpa) on BOM Concept was floated on 26th March, 2018.
10. MCL Board of Directors in its meeting held on 28/01/2019 approved “award of work” to the “Lowest Bidder” i.e. M/s. Jhar Mining Infra Private Limited
11. Letter of Intimation was issued to lowest bidder on 07/02/2019.
12. Proposal for amendment in EC was uploaded on MoEF website on 26/03/2019.

(D) Jagannath Washery (10 Mtpa capacity) on BOM Concept:

1. Environment Clearance (EC) dated 31/8/2016 received on 05/09/2016. Modification is required in some of the specific conditions. As per the minutes of EAC meeting held on 27/12/2016 for amendment in EC, the committee recommended amendments in the EC dated 31st August, 2016, as requested by the project proponent. Amended EC is still awaited.
2. Consent to establish dated 22/10/2016 was received on 30/11/2016.
3. Both EC and Consent to Establish were received in favour of MCL on BOM Concept.
4. Tender floated in e-tender mode on 15th June, 2015 was cancelled due to rejection of offer of L-1 Bidder due to non-submission of requisite confirmatory documents. Cancellation order dated 06/10/2016 was uploaded on 07/10/2016.
5. The L-1 bidder had filed a writ petition challenging the cancellation of tender at Hon’ble High Court, Cuttack, Orissa. Hon’ble High Court dismissed the writ petition in 21/06/2017 and Bank Guarantee against Bid Security of L-1 bidder was encashed
6. As per the directives received from CIL regarding the decision of MoC that “all the new proposed washeries, whose tender is yet to be finalised, should be built under B-O-O (Build-Own-Operate) concept”, the proposal was placed before MCL Board in its meeting held on 28/02/2016. While noting the change of BOM to BOO concept, MCL Board noted that it is being done at the instance of CIL/Ministry. Subsequently, pre-tender activities for setting up of Jagannath Washery (10.0 Mtpa), MCL on BOO concept were started and Bid document preparation was at final stage.
7. Further, a review meeting on Washeries was held on 11/01/2018 at New Delhi under the Chairmanship of Secretary (Coal). In the review meeting, Secretary (Coal) mentioned that “Subsidiary Companies should take the decision of mode of construction (BOM/BOO/EPC) of washeries in their respective boards.”
8. MCL Board in its 198th meeting dtd. 31.01.2018, approved the change in the mode of setting up of Jagannath Washery and Hingula Washery from BOO concept to BOM Concept.
9. The tender for Jagannath washery (10.0 Mtpa) on BOM Concept was floated on 26th March, 2018.
10. MCL Board of Directors in its meeting held on 20/12/2018 approved “award of work” to the “Lowest Bidder” i.e. M/s. Global Coal and Mining Pvt. Limited.
11. Letter of Intimation was issued to lowest bidder on 29/12/2018.
12. Proposal for amendment in EC was uploaded on MoEF website on 05/03/2019

17. Geological Exploration:

Particulars		2018-19	
Total drilling in CIL blocks (m)		Target	Actual
	Departmental	23000	18767.00
	Outsourced	10000	2475.50
	Total	33000	21242.50
Coal reserves (CIL blocks) in MT		Talcher CF	IB Valley CF
	Proved	—	583.150
	Indicated	—	
	Inferred	—	
	Total	—	583.150

18. ENVIRONMENTAL MANAGEMENT

18.1 Publication of annual reports on CSR and sustainability:

MCL has been publishing the CSR and Sustainability Report since 2011-12. So far, MCL has published seven reports. Our gradual evolution in sustainability reporting is helping us benchmark our performance against the peers and fulfil our commitments to the environment and society. We intend to continue the process of sustainability disclosure to our stakeholders on the material issues. The reports for the year 2016-17 and 2017-18 have been aligned to the Global Reporting Initiative - GRI G4 standards ‘in accordance’ with core criteria including the Mining and Metals Sector Supplement.

18.2 Statutory Clearances and Compliances

18.2.1 Clearances:

18.2.1.1 Obtaining Forest Clearance (FC)

As per Forest (Conservation) Act, 1980 & its amendments, Ministry of Environment, Forest and Climate Change (MoEF & CC), grants Forest Clearance required for using Forest land for non-forest purpose. Accordingly, MCL has obtained following Stage-I and Stage-II FC during FY 2018-19.

a) Stage-I FC

S.N.	Name of the Project	Forest Area (in Ha)	Letter no. and date
1.	Lakhanpur OC Expn.	25.238	F.No-8-280/1989-FC(VOL-I) DT-22.6.2018
2.	Basundhara Washery	29.41	F.No-8-176/1997-FC(VOL-I) Dt. 11.3.2019

b) Stage-II FC

S.N.	Name of the Project	Forest Area (in Ha)	Letter no. and date
1.	Ananta OCP Expn. (Ph-III)	240.672	F.No.8-37/2015-FC, DT-18.05.2018
2.	Lakhanpur OC Expn	25.238 (Change of Land use plan)	F. No-8-280/1989-FC(VOL-II) Dt. 02.11.18

18.2.1.2 Obtaining Environment Clearance:

As per EIA Notification, 2006 (Notified under Environment Protection Act 1986), prior Environment Clearance from MoEF & CC is mandatory for operating/construction of any mine, washery or for expansion/extension of any mine. Accordingly, MCL is regularly applying and obtaining EC for all the mines (New & Expn.). Terms of Reference (ToRs), Public Consultation and Environment Clearances (ECs) obtained/ held during FY 2018-19 are listed in the following table :

a) ToRs obtained during 2018-19

Sl. No.	Name of the Project	Capacity(Mty)	Letter no. and date
1.	Siarmal OCP	50	J-11015/230/2014-IA-II(M) Dtd: 09/07/18
2.	Samaleswari OCP Expn. Ph-IV	15	J-11015/183/2008-IA-II(M)Pt Dtd: 14/08/18
3.	Jagannath OC Expansion	7.5	J-11015/177/2005-IA-II(M) Dtd: 10/12/18 (ToR – EAC(Violation)

b) Public Consultation Conducted during 2018-19.

Sl. No.	Name of the Project	Capacity(Mty)	Public Hearing date
1.	Siarmal OCP	50	Successfully held on 03-01-2019
2.	Samaleswari OCP Expn. Ph-IV	15	Successfully held on 14-12-2018
3.	Basundhara (W) Extn.	8.75	Successfully held on 14-02-2019
4.	Jagannath OC Expansion	7.5	Successfully held on 19-02-2019

c) ECs obtained during 2018-19.

S.N.	Name of the Project	Capacity (Mty)	Letter no. and date
1.	Jagannath OCP Expn.	7.5	J-11015/177/2005-IA-II (M) Dt: 06/09/18 valid till 31-03-2019.
2.	Jagannath OCP Expn.	7.5	J-11015/177/2005-IA-II(M) Dt: 20/03/19 – Extension of validity of EC till 30-09-2019
2.	Lakhanpur OC Expn.P	21	J-11015/391/2012-IA-II(M) dt: 13/02/19
3.	Bhubaneswari OCP	28	J-11015/280/2013-IA-II(M)ptdt: 18/03/19
4.	Kulda OCP	14	J-11015/10/1995-IA-II(M) dt: 28/03/19

d) Application for re-validation of EC submitted through MoEF&CC Portal as per Gazette Notification S.O. 1530 (E) Dtd. 06-04-18

Sl. No.	Name of the Mine	Capacity(Mty)	Date of Submission	Date of Recipt of Acknowledgement
1	Chhendipada OCP	0.35	12/09/2018	12/09/2018
2	Lilari OCP	1.69	19/09/2018	19/09/2018
3	Nandira UG	0.33	24/09/2018	24/09/2018
4	Natraj UG	0.64	24/09/2018	24/09/2018
5	TalcherUG	0.27	26/09/2018	26/09/2018
6	Deulbera UG	0.20	27/09/2018	27/09/2018
7	Basundhara(E)	0.60	01/10/2018	01/10/2018

e) Total available EC for MCL mines

Sl. No.	Particulars	Talcher Coalfield	Ib Valley Coalfield	Total
1	EC available as on 31.03.2018	131.60 Mty	87.51 Mty	219.11 Mty
2	EC Granted in 2018-19 (addl. capacity)	1.50Mty	0.00 Mty	1.50Mty
3	Total EC available as on 01.04.2019	133.10 Mty	87.51 Mty	220.61 Mty

18.2.2. Statutory Compliance:

- "Consent to Operate (CTO)" under Water & Air Acts has been obtained from State Pollution Control Board (SPCB), Govt. of Odisha for all the operating mines of MCL.
- "Authorisation" under Hazardous Waste (Management & Transboundary Movement) Rules, 2016 has also been obtained from the SPCB, Govt. of Odisha, by all operating mines. The used batteries and recovered burnt oil & grease are auctioned to authorised re-processors. Half-yearly return for batteries and annual return for other Hazardous Wastes were submitted to the SPCB, Govt. of Odisha as per the statute.
- Inter-project Environmental Audit of all the working mines of MCL has been carried out from 04.03.2019 to 08.03.2019 to comply the EC conditions for the period from April to September, 2018. The Audit team comprised of 03 Audit members (one from HQ leading the team and two from different areas/projects) and 01 external observer from CMPDI, RI-VII. After evaluation based on the marks obtained by individual projects, ranking of mines have also been done.
- Half-yearly reports of compliance of the Environment clearance conditions with regard to all the operating mines having Environmental Clearance under EIA Notification, 2006 were submitted to MoEF&CC, Eastern Region office, Bhubaneswar and to MoEF&CC, New Delhi timely during 2018-19.
- For preparation of Environmental Statements in Form-V under Rule-14 of Environment (Protection) Rules, 1986, Environmental Audit was conducted by multi disciplinary team of officers, for each of the 22 operating mines during the year. The said reports were submitted for all the 22 operating mines, timely to SPCB vide letter dated 15.09.2018.

- Regular Monitoring of ground water quality and fluctuation due to mining operation is being done through a network of 39 nos. of Piezometers (23 in Talcher Coalfields and 16 in Ib Valley Coalfields) as well as other bore / open wells.
- **Mine water utilisation:**
  - o Surplus water of OCPs stored in disused quarries/mine sumps is utilised for purposes like washing of HEMMs, dust suppression, fire fighting and recharge of aquifers.
  - o Surplus UG Mine water is being used for supply to community for drinking, agriculture etc.
  - o Validated data of Mine water utilisation data submitted to CMPDI, Ranchi on 14.08.2018 for launching of mobile app "Coal Jal" which has been validated by Sambalpur University. Around 85,79,632 m^3/yr for drinking and 54,64,656 m^3/yr of water agriculture / irrigation purposes are supplied to surrounding villages.
- MCL Board approved the proposal to award the work of procurement, installation and commissioning of 11 nos. of CAAQMS (04 nos in Talcher Coalfields, 04 nos. in Ib Valley Coalfields and 03 nos. in Basundhara Area) to CMPDI, RI-VII, Bhubaneswar on 31.01.2018. A work order vide no. 1654, dated 16.03.2018 has been issued to CMPDI, RI-VII. CMPDI issued tender notification on 17.12.2018 and bid opened on 24.01.2019. Scrutiny of eligible bidder's documents is under progress at CMPDI.

18.3 Measures Taken to Protect and Improve Environment.

18.3.1 Air Pollution Control Measures

Keeping the Company's concern for Environment, it has kept up the long standing practices to check air pollution with a good number of measures, some of which are highlighted here.

- MCL has progressively enhanced coal production through the environment friendly **Surface Miner Technology** (from 4.2% in 1999-2000 to 93.29% in 2018-19).Coal production through Surface Miner during FY 2018-19 is tabulated below.

Total Coal production (Mty)	Coal Production by Open Cast (Mty)	Coal Production by Surface Miner	
		Mty	%
144.15	143.28	133.67	93.29

This is a blast-less mining technology which eliminates the dust generating operations like drilling, blasting and crushing completely while sprinkling water at the same time. There is also reduction in generation of greenhouse gases due to elimination of the basic unit operations like Drilling, Blasting, Crushing, Transportation to Crushers-Unloading & Re-Loading and consequent amount of diesel consumption in these operations (had there been coal production through conventional method). There has been further reduction in generation of greenhouse gases resulting from less quantity of transport to the power plants because of 3 to 5 % reduction in ash content and which translates into huge quantity considering the scale and distance of transportation involved. It has been estimated that MCL has reduced Carbon Footprint to the tune of approximately **1.59 lakh te** on these accounts.

- During 2018-19, around 79% of coal transportation is through the most eco-friendly inland mass transport system i.e., Rail, Belt & MGR and despatch through Road is only 21%. In rail mode, per rake carrying capacity is around 3,800Te which is equal to around 240 trucks, each carrying 15-16 Te coal.

- Rake loading facility and Rail Infrastructure are being enhanced / improved and strengthened, presently the coal is dispatched through 21 sidings and 03 MGRs. Average numbers of rakes per day is 66.20 rakes.
- Sardega Siding has been commissioned. Sardega-Barpali-Jharsuguda dedicated rail corridor has been inaugurated for evacuation of coal from Basundhara Coalfield.
- **8 nos of SILO with Rapid Loading System (RLS) are under various stages of construction-**
  - ✓ Lingraj SILO (2X10 MTY) at a cost of Rs 230.82 Cr- 99.93% completed.
  - ✓ Bharatpur SILO (2X10 MTY) at a cost of Rs 173.20 Cr- 99.80% completed.
  - ✓ Hingula SILO (10 MTY) at a cost of Rs 159.20 Cr- 32.33% completed.
  - ✓ Bhubaneswari SILO (10 MTY) at a cost of Rs 247.01 Cr- 68.32% completed.
  - ✓ Upcoming SILOs- Lakhanpur (10 MTY), Kaniha Surge bin (10 MTY), Ananta (2X10 MTY) and Basundhara (10 MTY).
- 137 nos. of Mobile Water Tankers of different capacities (Ranging from 8 kl to 34 kl) both departmental and contractual are deployed in the mines to control the dust pollution due to mining activities.
- Construction of Separate dedicated coal transportation corridor bypassing residential areas, schools and other areas:
  - o Length of dedicated coal transportation corridor is 20.99 km in TCF and 17.03 km in IBCF.
  - o <u>Talcher Coalfield:</u>

    Phase I – Physical Progress of the coal transportation corridor Balram- 30%, Bharatpur-100%, Jagannath-100%, Ananta-100%, Bhubaneswari-75% and Lingaraj-100%.

    Phase II – Tenders have been invited for construction of Coal corridor road (Phase II) in respect to Balaram, Ananta, Lingaraj, Jagannath, Bhubaneswari & Bharatpur OCPs. Works have been awarded for Bharatpur OCP and Balram OCP. Physical Progress of coal transportation corridor Bharatpur OCP-8%
  - o <u>Ib Valley Coalfield:</u>

    In respect of Orient Area, work has been completed for length of 1.6 km and in case of Ib Valley Area, TCR of Lajkura OCP has been placed in MCL Board and for SOCP – Retendering of work is in progress.
- Three Coal Washeries of Capacity 10 Mty each of the following for washing of coal to get coal of ash less than 35% ash content are to be established in the first phase. Status of EC and FC is given below.

Sl.	Name of the Washery	EC and FC status
1	Hingula Washery	Applied for Amendment in EC Dt-28/10/2015 on 26.03.2019. Amendment is being sought due to change in area & washing technology.
2	Jagannath Washery	Amendment in EC Dt-31/08/2016 has been applied on 05.03.2019 due to modification in washing technology.
3	Basundhara Washery	As per the Minutes of Meeting (MoM) EC has been recommended in the 41st EAC held on 13-14/12/2018. EC letter awaited.

- On Coal Transportation road in the Coalfield beyond the ML area, mobile water Tankers of 12 kl capacity are being deployed on contractual basis to control the dust pollution.
- In all the Railway Sidings, fixed sprinklers have been provided for dust suppression. In addition to sprinklers, Mobile Water Tankers are provided. A total of 249 fixed water sprinklers has been installed and are in operation.
- Coal Handling Plants are provided with Mists, Fixed Sprinklers and Rain guns to control the dust pollution. However, negligible conventional coal production (7.27% only) has limited the crushing operation in the CHPs, due to which dust generation from CHPs have been significantly reduced.
- Black topping of permanent and semi-permanent roads have been maintained and further strengthened during the year.
- All road sale trucks are covered with tarpaulin before leaving mine premises.
- Manual sweeping and cleaning of spillage coal and dust along coal transportation roads are done.
- Three numbers of heavy-duty truck-mounted vacuum-operated mechanical road sweepers are in operation for sweeping and collection of coal spillage and dust over pucca coal transportation roads at Talcher Coalfield.
- All the drills are having dust extractor system and wet drilling system.
- For effective dust suppression, procurement of 10 nos. of Mist Blower cum Road fogger on hiring basis has been approved by the MCL Board and 04 nos. proposals are under approval stage.
- Green belts are continued to be developed between residential areas and the mine including infrastructure.

18.3.2 Strategies for water resource management:

- All the Opencast mines of MCL have achieved “Zero discharge” during FY 2018-19.
- Regular Monitoring of ground water quality and fluctuation due to mining operation is being done through a network of 39 nos. of Piezometers as well as other existing bore wells.
- Regular monitoring of surface water quality and effluent quality is being done.
- Check dams have been constructed for soil water conservation.
- Catch drains and garland drains have been constructed for channelizing the surface runoff.
- De-coaled voids are utilized for rain water harvesting and re-charging of the aquifer.The mine sumps supply water throughout the year for industrial purposes, like firefighting, dust suppression, vehicle washing in workshops, watering of plantation in the mining areas etc.
- Underground water is used for supply of potable water to colonies after treatment. Peripheral villages also demand water for irrigation purposes.
- These sumps are also very significant as they act as settling medium for the surface runoff water during rainy season.
- A total of 62 nos. of Rain Water Harvesting structures exists in MCL for recharging of groundwater.
- In the year 2018-19, 6 nos. of bore holes have been drilled for the construction of recharge pits in Samaleswari OCP. Proposal for the construction of 20 recharge pits are in pipeline in respect of Lakhanpur OCP.

- Effluent from HEMM workshops are treated in ETPs/Oil & Grease traps and treated water is being reused.
- Sedimentation ponds/Mine drainage treatment plants have been provided for the treatment of localised runoff.
- Sewage Treatment Plants (STPs) have been provided for all the big colonies (9 nos.). In other colonies septic tank arrangements exit for sewage disposal.

18.3.3 Noise and Ground Vibration Control Measures:

- 93.29% of total coal is being produced through blast less environment friendly Surface Miner technology, drastically reducing the noise and ground vibration compared to conventional mining which requires drilling, blasting and CHP operation for producing sized coal.
- Green belts have been developed between residential areas and the mines as well as infrastructures for reducing this pollution.
- Ear Muffs and Ear Plugs have been provided to workers exposed at high noise working places.
- Non-electric detonators were used where ever necessary for blasting resulting in less noise and ground vibration. Controlled blasting technique is adopted to reduce noise and ground vibration.
- All HEMMs have been provided with adequate noise level reduction technologies.

18.3.4 Land Reclamation and Plantation:

- De-coaled void is used for backfilling the overburden material after which plantation is taken up as biological reclamation process.
- Alternatively, MCL has adopted filling of de-coaled void with flyash, transported through slurry mode in pipelines. MOU with TTPS, STPS Kaniha, NBVL and BSL is made for flyash filling in Jagannath and Balanda mines. Till March'19, a quantity of 16.089 Mm^3 in South Balanda OCP void and 0.558 Mm^3 in Jagannath OCP void have been filled.
- In keeping with the Company's concern for environment, MCL has planted saplings of mixed indigenous species over external dumps and backfilled internal dumps (after adequate physical reclamation), as well as in vacant patches of other land and avenues, in the mines. Plantation since inception (1992-1993 to 2018-19) is 59.411 lakhs (TCF- 21.558 lakhs, IbCF – 31.016 lakhs, HQ and Govt. land – 6.836 lakhs), figures have been reconciled.
- Due to land constraints and consequent decline of plantation in mine areas, MCL has expanded its scope of improving greenery on Government lands in and around its operational districts - Angul, Jharsuguda, Sambalpur, Khordha and Sundergarh.
- During the FY 2018-19, total no. of saplings planted is 4.041 lakhs (including Govt. land plantation). Plantation on Govt. land through CSR funding of MCL has been done to the tune of 3.606 lakhs by the State Forest Department. (Angul-0.4 lakhs, Jharsuguda-1.0 lakhs, Chandaka WL BBSR-0.8 lakhs, Bhubaneswar city- 0.6 lakhs, Sambalpur-0.35 lakhs and Sundergarh- 0.456 lakhs).
- 12,577 tree saplings were distributed during 2018-19.
- Plantations are also done in residential townships and office premises especially with fruit-bearing, flowering and medicinal plants and trees.

- Monitoring of the land reclamation through remote sensing data generated by National Remote Sensing Agency is being done for 16 Open Cast Mines (Every year - 13nos > 5 Mm^3/Yr and Once in three years 3Nos < 5 Mm^3/Yr capacity) in both Ib-Valley and Talcher Coalfields through CMPDIL.

18.3.5 Waste Management:

- Hazardous wastes (burnt oil from HEMMs and used batteries) have been sold on auction to the registered recyclers.
- During 2018-19, Burnt oil of 814.5 kl amounting to Rs. 2.19 Cr. and Lead acid batteries of 390 nos. with value of Rs. 11.08 Lakh have been sold to the authorised recyclers.
- Bio medical and other hazardous wastes from the medical units are disposed off as per the laid down methods /procedures.
- Plastic Waste Management Rules, 2016 & Amendments thereon - To beat the plastic pollution, Environment Department has distributed 2095 nos of Jute bags of 5kg (900 nos), 10kg (600 nos) & 15kg (595 nos) to the residents of Jagruti Vihar and Anand Vihar Colonies of MCL HQ.
- Segregating Dustbins were placed in specified spots of Colonies for collection of garbages.

18.3.6 Environmental Monitoring:

- Routine Environmental Monitoring of air, water and noise was carried out during the year 2018-19 through CMPDI, RI- VII having NABL accredited laboratory at an estimated cost of Rs. 10.43 Crores.
- Methodology, frequency, etc. were strictly maintained as per the guidelines laid down by CPCB.
- Results of monitoring were submitted to SPCB and MoEF as per the statute. The environment monitoring results are uploaded on the company website on monthly basis.
- Two numbers of Continuous Water Quality Monitoring Systems (CWQMS) are installed in Ib River and Brahmani River, the real time monitoring results are directly displayed at SPCB and CPCB sites.

18.4 Web Site Publication:

For maintaining transparency, MCL is publishing & regularly updating the following environmental information on its website www.mahanadicoal.in

- Environment Clearance letters issued by MoEF&CC and its half-yearly compliance.
- Forest Clearance letter issued by MoEF&CC against each diversion proposal.
- Consent to Establish & Consent to Operate issued by SPCB of each Project.
- Hazardous Waste Authorisation of projects issued by SPCB.
- Environmental Statement of all operating mines of MCL.
- Annual CSR & Sustainability Report.
- Annual & Monthly Routine Environmental monitoring reports.
- Reports on Land use plan based on Satellite data.
- Land Reclamation
- Mine Water Utilisation

18.5 Activities of Mine closure cell for the year 2018-19:

- MCL has Escrow Accounts for 26 mines in which funds are deposited every year to undertake Mine Closure Activities as per Mine Closure Guidelines 2009 & 2013.

- Reimbursement withdrawal of Fund of Rs.1,89,58,300/- was effected on 08.02.2019 from the Escrow Account of Bhubaneswari OCP, Jagannath Area.
- Files for the claim of reimbursement of fund from the Escrow Account of the following projects have been submitted to CCO, Kolkata for the Year 2018-19.

Sl.	Name of the Mine	* Phase of Progressive MCP Activities	Amount of Claim (in Rs. Lakh)
1	Samaleswari OCP	Phase-1	2527.296
2	Lakhanpur OCP	Phase-1	4194.00
3	Lilari OCP	Phase-1	733.80
4	Samaleswari OCP	Phase-2	4441.51

*** Phase** indicates a cluster of five years.

18.6 Environment Awareness:

World Environment Day Celebration

World Environment Day was celebrated on the theme "Beat Plastic Pollution" where different activities and competitions like painting, extempore, essay, on spot contest- "Best out of waste", Environment rally, poster competition, cycling, Road show was conducted during the weeklong event (1st week of June-2018) in its coalfield areas and at HQ. Besides the above, to spread awareness against the use of plastic carry bags, Environment Department, HQ distributed 2095 nos of Jute bags to the residents of Jagruti Vihar and Anand Vihar. Segregating Dustbins were placed in specified spots of colonies for collection of garbages.

Vanmahotsav Celebration

"Van mahotsav", a festival of trees was celebrated by planting as well as distributing trees saplings among the employee, to the surrounding schools and ashrams. Total 12,577 numbers of tree saplings were distributed during 2018-19 by MCL.

Workshop

A workshop was conducted by the Environment Department at MCL HQ on "Environmental Issues of Coal Mining" on 26-02-2019 in which members from Expert Appraisal Committee (T & C), MOEF&CC, New Delhi, Dr.Narmada Prasad Shukla, Former Chairman, MPPCB & Dr. Jai Krishna Pandey, Sr. Principal Scientist & Head of Mineral Health & Safety, CSIR-CIMFR have made their presentation which was followed by an interactive session. Workshop was attended by Director (T/O), Director (T/P&P), GMs/HODs, Regional Director from CMPDI RI-VII with his team, Area Environment Officers and Project Environment Officers of MCL.

19. SALES & MARKETING PERFORMANCE

MCL has achieved an off-take of 142.306 Mil. Te. during 2018-19 in spite of strike, bandh and the restriction imposed by State Govt. on transportation of coal to sidings during day hours in summer season.

19.1. Demand & off-take

Off-take during 2018-19 was 142.306 Mil. Te. against the target of 151.5 Mil. Te. which was 93.93% of target with an excess of 4.039 Million Tonnes over last year.

The Sector-wise dispatch during 2018-19 is appended below.

(Fig in Mill.Te.)

Sector	2018-19			2017-18
	Target	Actual	% Achieved	Actual
Power	111.78	102.527	91.72	99.274
Cement	0.26	0.221	85.00	0.186
CPP & Others	39.46	39.555	100.24	38.802
Coll. Consumption	0.00	0.003	-	0.005
Total	151.50	142.306	93.93	138.267

The reason for the loss of coal off-take during 2018-19 due to force majeure are stated below:

Fig in Mill.Tes

Name of Project / Particulars	2017-18			Actual Loss due to Force Majeure	Remarks
	MOU Target	Actual	Difference		
Kaniha Area	08.0	6.854	1.146	1.146	Less lifting of coal by NTPC-Kaniha, NALCO through dedicated MGR. Less dispatch due to restriction imposed by State Govt. during summer season from 11.00am to 3.30 PM. Less dispatch due to local agitations / strikes at Talcher Coalfields.
Lingaraj Area	15.0	13.3202	1.68	1.68	
Hingula Area	13.0	7.3401	5.66	5.66	
Bharatpur Area	15.0	12.614	1.679	1.769	
Less dispatch due to Less availability of Rakes from Railways	71.50 (Rakes/ day)	66.20 (Rakes/ day)	5.30 (Rakes/ day)	7.42	1 Rake=1.4MT/year

Total loss in Off-take due to force majeure 17.585 MT but effective loss was 9.194 MT as other mines have dispatched more during 2018-19 through other modes other than Railway.

19.2. Wagon Loading

Daily average wagon loading during 2018-19 in MCL was 66.2 Rakes/Day against 65.2 Rakes/ Day during 2017-18 with increase of 1.0 Rakes/ Day more than last year. The Field-wise loading against target and supply is appended below:

Fig in Rakes/Day

Field	2018-19			2017-18
	Target	Supply	Loading	Actual
Ib Valley	30.7	29.97	29.97	30.0
Talcher	40.8	36.22	36.22	35.2
Total	71.50	66.20	66.20	65.2

19.3. e-Auction:

During 2018-19, MCL had offered 19.611 Mill. Tes under Spot and other special type of e-auction against this 18.280 Mill.Tes. was booked by different bidders registering a premium of Rs. 1510.75 Cr. over notified price.

19.4. Fuel Supply Agreement (FSA)

MCL has signed (128) one hundred twenty eight numbers of FSA with consumer during 2018-19.

20. COAL QUALITY IMPROVEMENT

MCL has taken several measures to supply sized and quality coal to different Power Houses as well as other consumers to fulfill the consumer satisfaction. During the year, various measures were taken for ensuring dispatch of proper quality and size of coal.

The following steps were taken by the Company to improve quality and consumer satisfaction.

1. Frequent interaction with different consumers has been done to improve consumer satisfaction.
2. Consumers were encouraged for checking and supervising personally the coal loading system arrangement at Sidings as well as at Coal Analysis Laboratories.
3. All sidings from where huge quantity of coal is despatched to major consumers and Core Sector industries, have been put directly under the supervision of the Nodal Officers.
4. Whenever any complaint whether major or minor in nature is received, the same is being inquired and corrective measure is taken by the concerned Area.
5. All the railway sidings at area level are being constantly monitored electronically by QC Department in respect of despatch of assured quality coal to all consumers.
6. Frequent inspections of workings, sidings and coal analysis laboratories are being done regularly by QC department. In case of any discrepancy or fault found during inspection, the same is communicated to the concerned GM of the Area for information and taking corrective measures.

7. For better transparency and Consumer satisfaction CIMFR has been deployed as an independent 3rd Party Sampling Agency based on the directives of MoC/CIL to carry out the activities for collection and analysis of coal being supplied to IPP & Power utility consumers. Non-regulated sector like CPP, Sponge & cement sector etc., Linkage Auction, other e-Auction schemes consumers for non-power are being covered for Third Party sampling by Quality Council of India/IIT-ISM.

8. There are total Ten coal analysis laboratories in different Areas like Ib Valley, Lakhanpur, Orient, Basundhara, Jagannath, Lingaraj, Bharatpur, Hingula, Talcher and Kaniha. Five coal analysis laboratory of Ib Valley, Bharatpur, Jagannath, Hingula & Kaniha Areas have been NABL accredited. Final assessment for NABL accreditation of Lakhanpur Coal Analysis Laboratory have been successfully completed and certificate by NABL authority is likely to be issued shortly. Necessary steps have been initiated for obtaining NABL accreditation for analysis laboratory of remaining Areas in phased manner.

9. During this year also selective mining method of extraction of coal was being continued and approximately 93% of production has been achieved through surface miners.

10. By using surface miners the rejects are being separated from the coal seam which helps to maintain the quality of coal.

11. Proper care has been taken towards supply of -100 mm size coal to the consumers. For this, coal which has been dispatched by rail, belt & MGR was crushed by CHPs & FBs.

12. For the purpose of transparency and to get active participation of consumers on quality, bound paged registers has been kept in all sidings/loading points, in which the representatives of the consumers present at the time of loading, are free to write their comments/suggestions in respect of quality/ sizing & other facilities.

13. By adopting stringent sampling procedure by CCO, Kolkata, quality of coal in seam, siding & tipper samples were assessed and declared as appropriate grade for the period 2018-19. This has built confidence in consumers.

21. SAFETY AND RESCUE

'Safe Mining' is one of the core capabilities of your Company, which has been attained through continuous practice of safety methods and techniques. Having a 'Zero Accident' target, your Company prepares, plans, and equips itself on a regular basis so that the target is best achieved and becomes the motivating force for the employees to be more productive.

1. Accident Statistics

S N	Particulars	2018-19	2017-18
1	No of fatal accidents	7	3
2	No of fatality	7	3
3	No of serious accidents	4	6
4	No of serious injury	4	6
5	Rate of fatality		
	Per million tonne output	0.049	0.021
	Per 3 lakh manshift	0.436	0.191
6	Rate of serious injury		
	Per million tonne output	0.028	0.042
	Per 3 lakh manshift	0.249	0.382
7	Place-wise fatality		
	U G	1	0
	O C	3	2
	A G	3	1

2. Steps Taken for improving safety:

(i) All the employees are provided with the safety gadgets such as helmets; safety foot wears, LED cap lamps etc. to provide protection against conditions which may cause ill-health and injuries. During 2018-19, 6000 nos. of Mining Safety helmet, 10344 pairs of mining shoes & 14229 pairs of gumboots were procured. Also, 1030 LED Cap lamps & 09 charging racks were procured & supplied, in addition to the existing LED Cap Lamps in different mines of MCL.

(ii) The recommendations of 11th safety conference, standing committee on safety in coal mines, CIL Safety Board, Company level Safety Committee, Area level safety committee and project level safety committees are religiously implemented.

(iii) In addition to the statutory inspections by the Mine Officials appointed under the provisions of Coal Mines Regulation, 2017, safety standards of the mines are also monitored by Workmen's Inspectors (appointed under Mine Rule 1955), Safety Committee at mine level (constituted under Mine Rule 1955), Area Level Tripartite safety committees and Company Level Tripartite safety committee.

(iv) Joint consultations on safety matters are held with workmen representatives in Project level Safety Committees, Area Level Tripartite Safety Committees and Subsidiary Level Tripartite Safety Committee. Subsidiary Level Tripartite Safety Committee meeting was conducted successfully on 27/08/2018.

(v) Multi-level monitoring of the implementation of Statutory Rules, Regulations and Safety Plans is done through Internal Safety Organization by Area Safety Officer at Area level and a full-fledged ISO Department at company headquarters level.

(vi) Job related training and retraining are imparted to workmen, supervisors and executives to make them aware about the safety aspects and upgrade their skills at Group Vocational Training Centres and other training institutes established at convenient locations throughout the Company. Training in outside institutes is also imparted as per the requirement, for example to improve the skill of dumper operators, 26 dumper operators were imparted Simulator training at Northern Coalfields Limited, Singrauli during 2018-19.

(vii) Regular medical examination of workmen and supervisors are conducted for detecting diseases so that they can be treated in time. During 2018-19, Periodical Medical Examination of 5880 Departmental employees & 1447 Contractual work persons was carried out at PME Centers of MCL.

(viii) Electrical Safety Officer for every mine & area was posted in compliance with provision of Central Electricity Authority (measures related to safety & electric supply) Regulation 2010.

(ix) Safety App was developed and launched on Final Day Function of Annual Safety Fortnight on 29/04/2018. The App can be downloaded free of cost from Google play store under tag "Mine Safety Info." This will enable easy sharing of Safety related information among all stakeholders.

(x) First Aid Competition was held successfully on 16/01/2019 at Talcher Coalfield. 09 Ladies teams representing Orient Area, Ib Valley Area, Lakhanpur Area, Talcher Area, Jagannath Area & CWS (Talcher) participated. Altogether 22 teams participated in the Competition.

(xi) Establishment of Geo Technical Cells at Subsidiary level, Area level & Mine level with active functioning at each level for effective monitoring of OB dumps and strata. On-site training on geological mapping in mines was provided to 14 executives posted at different mines & areas of MCL at BTI, Belpahar from 28/01/2019 to 02/02/2019 by resource person from IIT(ISM).

(xii) Furnishing of Safety information online through Coal India Safety Information Portal.

2. Rescue Services

MCL has a well-equipped Mines Rescue Station, Orient Area in IB Valley Coalfields and a RRRT, Talcher Area in Talcher Coalfields to cater to the needs of emergencies in the mines of MCL. The various activities that have been completed by the rescue services of MCL are as follows:

1. The Zonal Mines Rescue Competition was successfully conducted at Mines Rescue Station & Mine No-4 of Orient Area from dated 26/10/2018 to 27/10/2018.
2. Participated in All India Mines Rescue Competition from 10/12/2018 to 13/12/2018 at Mines Rescue Station, Sitarampur of M/s ECL, Asansol and awarded 1st position in Theory Test.
3. Mines Rescue Station & RRRT attended total 13 number of emergencies/fire-fighting operations, two at U/G mines, 01 at Opencast mine and 10 numbers not related to any mining activity but arising in nearby society/civil township during 2018-19.
4. 11 persons were imparted initial training in Rescue & Recovery operation during 2018-19.
5. 194 Rescue trained persons were imparted refresher training in Rescue & Recovery operation at Mines Rescue Station, Orient Area and RRRT, Talcher Area.
6. Total 194 rescue trained persons were medically examined and found to be fit.
7. Training and Emergency support given to private U/G mines Gare Palama IV/4 & IV/5 of M/s Hindalco Industries Limited, Raigarh Region during 2018-19.

The Following Proposals were approved by the competent authority in the year 2018-19:

1. 160 Nos. Chord less Cap lamp.
2. 01 No. First- Aid Manikin.
3. 01 No water purifier cum cooler.

Following Materials were Procured in the year 2018-19:

1. 02 nos. of Gas chromatograph, one each installed at MRS, Orient Area & RRRT, Talcher.
2. 02 nos. of Isolation Transformer.
3. 01 no. A/C-1.5 ton
4. 02 nos. Invertors-UPS
5. 02 nos. Stabilizer.
6. 01 no. Rescue Van
7. 06 nos. SDBA (Short duration breathing apparatus)
8. 16 nos. FRP basket Stretcher.
9. 01 no. Oxygen purity Tester.

22. COMPUTERISATION

Customized ERP (CoalNet System) :– Various modules of Coalnet like Financial Information System (FIS), Personal Information System (PIS), Payroll, Sales & Marketing, Production Information System, Materials Management System and Equipment Monitoring System are in use. Some miscellaneous modules have also been added in Coalnet system which includes the Personnel Information System (PIS) for capturing detailed information along with photographs of contractual workers, Periodical Medical Examination, Tenders and awards below Rs. 2 lakhs, Online booking of Holiday home at Puri, File Tracking System and Online Contract Management System etc.

The activities like Road sale & Rail sale billing, bill payment status entry, updation of employee data, production detail entry, Online Material Management System (MMS) etc. are operational in central coalnet server up to Area & Project level. Activities like financial accounting, payroll and Personal Information System at MCL, Bhubaneswar including Debtors accounting at MCL Office, Kolkata after getting shifted to central coalnet server are running smoothly with value addition as and when required. After migration of Financial Information System from legacy system to Coalnet system in respective servers located at nodal areas of Talcher Coalfields, Ib Valley Coalfields and Basundhara Area, the module is running satisfactorily. Similarly, after migration of Payroll system from legacy system to Coalnet System for all the locations of MCL, centralized salary processing through Coalnet Server at MCL, HQ is working successfully.

Cost Management and Budget Control:- The Cost Management and Budget Control module has been modified, tested and is ready for implementation from the financial year 2019-20.

Improvements in Sales & Marketing Module of CoalNet:-

I. Generation of Customer Ledger in real time basis.

II. Reprinting of the Rail Sale bill by MCL Office, Kolkata.

III. Auto delivery of Rail sale bill to Consumer through e-mail

IV. Generation of E-way bill challan and auto communication of the same to the consumer through email for dispatch through Rail.

V. Auto communication via SMS of rake wise/ siding wise under loading details to the concern Officials in real time basis

VI. Entirely system based generation of Debit/ Credit note based on the analyzed grade.

Payments of TA/DA, LTC and Medical Reimbursement: Modifications have been made in the Finance and Payroll module of Coalnet to facilitate the payment of TA/DA, LTC, Medical reimbursement expenses along with the monthly salary at Area level. The same has been tested and will be implemented soon.

Income Tax Calculation through central Coalnet Server:- Income tax calculation and generation of allied reports through central Coalnet server has been implemented across MCL.

Central Disbursement of salary through CMP portal:- Disbursement of salary for all locations of MCL is being done centrally through HQ using CMP (Cash Management Product) of SBI.

Electronic Capital fund Management:- The module developed in Coalnet for maintaining PR provisions of projects – Head wise & Unit wise, Initiation of request for fund allocation, re-appropriation of fund (if needed), scrutiny & approval of the request at various levels of P&P Department, Finance Department and final approval of the Competent Authority, is running successfully. Further, provision has been made in the module for initiating the file from project level in case the fund is exhausted for a particular project under Beyond-PR provision. Auto generated SMS is delivered to the concerned executives who are involved in the process whenever a request for fund allocation/ re-appropriation in online mode moves from one level to another.

e-Payments & e-Receipts:- All payments and Receipts are being done through electronic mode.

MCL Website:- The website of MCL www.mahanadicoal.in is hosted in the server of CMPDI, Ranchi and is being maintained by them. The website is being restructured as per the need. With the facility for updation of relevant data remotely the information related to refund to the coal consumers, monthly third party coal sample analysis result, notices and results of recruitment department, CSR related activities, tenders and awards below Rs. 2 lakhs etc. are updated on regular basis. The status of bill payments to contractors/vendors is being reflected in the website in real time through Coalnet Server.

The relevant information related to payment disbursal of bills of Stakeholders is uploaded on weekly/monthly basis under **Payment Disbursals** tab.

MCL CPRMSE-ARPAN:- A portal has been developed for retired executives through which they can view the payment status of their medical bills. And, they can also check their remaining balances against with-limit and without-limit entitlements. A mobile application- **"ARPAN"** has been developed by MCL for the same purpose. Auto generated SMS alerts are being sent to retired employees in regard to life certificate submission and user credentials.

Online Grievance Redressal (Samadhan) :- "Online Grievance Redressal (Samadhan)" which was added in the existing website as an interface is being used for addressing grievances of stakeholders.

e-mail Accounts:- All executives of MCL have been provided with email accounts under "coalindia.in" domain obtained from NIC. Additionally, some selected non-executive employees of MCL HQ have also been provided with email accounts under "coalindia.in" domain as per the requirement of e-Office implementation.

Uploading of tenders:- All tenders floated through e-procurement portal of CIL are automatically mirrored in the Central Public Procurement (CPP) Portal of Govt of India. Information related to tenders below Rs. 2 lakhs are captured in Coalnet and hosted in the website of MCL on regular basis.

Online Material Management System (OMMS):- The OMMS is running in central Coalnet Server for carrying out stores related activities of all the Regional/Central Stores and Central Workshops and also for issue / receipt of POL / Explosives. Various reports are also available for effective control of inventory. 100% of the store items have been codified as per the CIL's standard codification scheme with check digit. Further, reclassification of E&M/HEMM items, part no. corrections are being carried out as per instruction of CIL for ERP data preparation purpose.

Linking between MCL Office at BBSR and Kolkata: - MCL Office at Bhubaneswar and Kolkata are connected to MCL HQ through 1 Mbps leased line obtained from BSNL for the purpose of accessing Coalnet Modules. The redundant MPLS network from BSNL has also been extended to these Offices. Additionally to meet any eventuality, Coalnet accessibility through VPN connectivity over internet also exists.

Internet Leased Line:- The existing Internet leased line obtained from BSNL meant for providing internet access to the users of MCL through the existing corporate network has been upgraded to 40 Mbps. Another 40 Mbps internet leased line obtained from RAILTEL Corporation is also in place which is being used for GPS/ GPRS based Vehicle Tracking System.

Productivity Improvement Scheme Software :- Software developed for calculation of incentives under Productivity Improvement Scheme, is running successfully at various opencast mines of MCL. The software undergoes modification as and when required to incorporate changes in the Scheme from time to time.

Connectivity to Weighbridges:- The weighbridges, both rail & road (static and in-motion) have been connected through Radio Links established by M/s. ITI Ltd.

Redundant Data Communication Network:- MPLS/VSAT based secondary data communication network connecting Area Offices / Project Offices / Weighbridges etc. with HQ is being established by BSNL. MPLS connectivity has been completed.

Installation of Servers at Central data Centre and Nodal Computer Centers:- High-end IBM servers are installed at HQ and three Nodal Areas i.e Jagannath Area of Talcher Coalfields, Ib Valley Area of Ib Valley Coalfields and Bansundhara Garjanbahal Area. All these servers at the nodal locations are in sync with HQ server. Basundhara Area Server has been established as the Disaster Recovery site.

Monitoring of Contractual Bill Payment:- The Bill Tracking module is successfully running in Coalnet server. In this system, the bills received from the contractors/vendors are being captured in Coalnet Server by the respective user departments. The status of these bills up to the final destination i.e. their payment, is also being updated in Coalnet server and the same is made available on real-time basis through “Bill Status” link of the official website of MCL i.e www.mahanadicoal.in for online viewing by the concerned parties. Thus, the concerned parties can track the status of their respective bill from our website itself. A mobile app has also been developed to enable the concerned parties to know the status of their bills on the basis of either work order no. or bill no and work order date.

Further improvements in the Bill Tracking module have been introduced on development platform and necessary interactive sessions have been conducted for users at Area level for eliciting feedback from them. Subsequent to it, modifications have been incorporated in the module and are ready for implementation from 1st May, 2019.

Operator Independent Truck Despatch System (OITDS):- The OITDS installed in three open cast projects of MCL namely, Balram, Lingaraj and Bharatpur is running successfully.

GPS/GPRS based Vehicle Tracking System :-

(i) GPS based VTS (Vehicle Tracking System) units have been installed in 1800 private trucks/tippers engaged in production and internal transportation of coal. Live tracking of these vehicles along with viewing of various reports related to violation of geo fences, trip, long stoppages, distance traveled etc. are available on the web enabled link i.e. http://mclvts.in. This link is also available in our website www.mahanadicoal.in. There is also the provision in the system for sending auto generated SMS alerts to the concerned users of the projects and the Area offices.

(ii) Geo-fencing of the mine boundary along with the routes have been done for tracking the vehicles if they are crossing the geo-fence boundary.

(iii) Central Control Rooms have been set up at MCL HQ and at all Area Offices.

(iv) On the basis of Rate Contract (RC) finalized for 3483 nos. of GPS Units, GPS Units are being installed on vehicles / equipments engaged in production / internal transportation of coal and OB removal work, both contractual and departmental.

CCTVs for surveillance of Weighbridges & Railway siding :-

(i) Video Surveillance cameras installed in 22 nos of railway sidings.

(ii) IP cameras installed at 94 in-motion and static weighbridges.

(iii) Weighment data from the in-motion & static weighbridges are being transmitted online to the central VTS and Coalnet Server at MCL HQ.

File Tracking System:- The software developed in Coalnet for tracking the movement of important files across various departments and locations of MCL is being used effectively. Till 31st March, 2019 around 68091 files have been processed through this module.

SMS/Email Alert:- As per the e-Initiatives taken by MCL, SMS alerts are being sent to Customers regarding details of Road Delivery Order (RDO) wise daily dispatches, refund against RDOs. SMS alerts are also sent to employees related to salary preparation, to the HODs/GMs of concerned departments on status of pending files which are being tracked through the File Tracking module of Coalnet, on regular basis. Provision has also been made to send SMS to concerned vendors / parties and executives of Finance Deptt. regarding expiry of Bank Guarantees. Automated mailing system which was developed in Coalnet for sending copies of rail sale challan for e-way bill generation and coal invoices to Consumers is operational.

Mobile application(Android based):- Mobile apps have been developed for (i) Viewing weighment details being captured at the Static and In-motion weighbridges related to production/ internal transportation of coal, (ii) Viewing video streaming of CCTV cameras installed at Railway Siding through Mobile, (iii) Tracking status of bills submitted by contractors / suppliers (iv) Providing useful information related to CSR of MCL like activities completed / undertaken across several Districts of Odisha, in addition to information about CSR policy, annual report, budget & expenditure under CSR, images of major CSR activities (v) for viewing RDO Details, Loading Schedule, Daily Dispatch Summary and Dispatch details against any RDO, which has been integrated with CIL's mobile app "Grahak Sadak Koyla Vitran". Further, mobile app for Mine Safety Information has been implemented to provide the information regarding Safety initiatives, glimpses of events, DGMS circulars, video clips on mine safety etc.

E-Office Implementation:- e-Office is in use at MCL HQ under first phase implementation. Diarization of Receipts and Files movement through e-Office is operational at MCL HQ.

Procurement / Replacement of PCs and Peripherals:- Procurement of PCs (774 nos.) against replacements and additional requirement, has been done through GeM portal. Procurement of PCs and peripherals against the replacements of another set of old PCs and some more additional requirements is under process.

Up-gradation of existing LAN:- The work of upgrading the LANs at MCL HQ, Areas Offices & Central /Regional Stores has been completed on the basis of supplied materials. Further, action is being taken to complete the upgradation work against additional requirement as per provision of the work order.

Contract Management Monitoring System:- The module developed in Coalnet for capturing contract related information like contract details, commencement of work, daily performance at HQ / Area / Project has helped in effective monitoring of all Coal/OB Contracts. Various MIS reports are being generated through this module.

Road E-way bill challan : Provision has been made for printing the additional information required for e-way bill submission by the Road consumer, in the existing Gate Pass being issued through i3MS (Integrated Mines, Mineral Management Systems) at the Road weighbridges.

Preparedness for implementation of ERP and HMS: Considering the existing infrastructure and the working of Coalnet across MCL, it has been placed in 1st phase of ERP implementation. All the work related to preparedness for smooth implementation of SAP ERP like development of ERP center, timely completion of FRS(Functional Requirement Specification), FMS(Functional Matrix), Identification and formation of Core group, SMEs(Subject Matter Expert), Providing the relevant and information to CIL as and when required in time. Finalization of AS-IS documents in time, ensuring 100% participation of Executives involved in implementation of SAP ERP and Hospital Management System(HMS).

Future Plan / Other Ongoing Activities:

» **Implementation of ERP in MCL:** CIL has placed Notification of award on M/s Tech Mahindra Ltd. for implementation of ERP and HMS in CIL and its Subsidiaries (Phase-I) and MCL will be covered in Phase-I. The Functional scope of work of this SAP-ERP will be (1) Sales & Marketing, (2) Material Management, (3) Plant Maintenance, (4) Human Resource Management, (5) Finance(Accounting & Controlling), (6) Production Planning & Maintenance, (7) Project Management. As per the agreed Project Plan the Go-Live is scheduled from 21st September, 2020.

» **Implementation of HMS in MCL:** NSCH Talcher Hospital and Central Hospital Ib Valley have been selected for implementation of HMS. All clinical and non-clinical departments, management of out-door and in-door units apart from pharmacy, diagnostic sections and stores will be integrated into a unified platform for effective management. And, the HMS functionalities will be integrated with SAP ERP. As per the agreed Project Plan the Go-Live is scheduled from 24th Aug, 2020.

» **Implementation of e-Office at Area and Projects:-** e-Office is to be implemented at Area and Projects for diarization of Receipts and movement of Files in 2nd phase.

» **Mobile Apps:-** Development of additional mobile applications to share maximum relevant information as far as possible and permissible with stakeholders.

» **Auto generated SMS:** Covering more and more activities for sending auto generated SMS to our stakeholders. Introduction of sending SMS as acknowledgement on Receipt of Bills in Coalnet, Information regarding the shortfall documents (if any) related to the bills and payment confirmation etc.

» **Payslip through e-Mail:** Introduction of sending Monthly salary slip to the employees through auto generated mail in encrypted pdf format.

23. TELECOMMUNICATION

- **Operator Independent Truck Despatch System (OITDS)**:- The OITDS installed in three open cast projects of MCL namely Balram, Lingaraj and Bharatpur, is running successfully. A total of 137 HEMMs have been installed with the equipment for OITDS.

- **Redundant Data Communication Network**:- MPLS/VSAT based secondary data communication network connecting Area Offices/ Project Offices / Weighbridges etc with HQ is being established by BSNL. MPLS connectivity has been completed at 50 locations of Phase-I & Phase-II.

  In Phase III, installation of MPLS VPN Connectivity at 116 weighbridges through 66 VSAT Nodes is underway.

- **GPS/GPRS based Vehicle Tracking System :-**

(i) GPS based VTS (Vehicle Tracking System) units have been installed in 3978 trucks/ tippers/ HEMMs engaged in production and internal transportation of coal, OB removal as well as some ambulances and school buses. Live tracking of these vehicles along with viewing of various reports related to violation of geo fences, trip, long stoppages, distance traveled etc are available on the web enabled link i.e http://mclvts.in. This link is also available on our website www.mahanadicoal.in. There is also a provision in the system for sending auto generated SMS alerts to the concerned users of the projects and the Area offices.

(ii) Geo-fencing of the mine boundary along with the routes has been done for tracking the vehicles if they are crossing the geo-fence boundary. Incase of breach of Geo-fence, there is a provision for sending auto generated SMS alerts to the concerned users of the projects and the Area offices.

(iii) Central Control Rooms have been set up at MCL-HQ and at all the Area Offices.

- **Connectivity to Weighbridges**:- The weighbridges both rail & road (static and inmotion) have been connected through Radio Links established by M/s ITI Ltd.

- **CCTVs for surveillance of Weighbridges & Railway sidings**:-

(i) Video Surveillance cameras installed in 22 nos of railway sidings. The newly commissioned Sardega Siding has been brought under CCTV Surveillance, after closure of Orient Siding.

(ii) IP cameras installed at 94 in-motion and static road weighbridges.

(iii) Weighment data from the in-motion & static Road Weighbridges are being transmitted online to the central VTS and Coalnet Server at MCL-HQ.

- **Wi-Fi Network** has been established at corporate office of MCL. The WiFi Network at Residential Areas of Jagruti Vihar is being strengthened and revived again.

  All Area Offices are also equipped with Wi-Fi broadband facilities.

- **Mobile CUG facility** has been provided to all Executives of MCL, and also to JCC Members, Key Staff, Railway Siding Officials, Security Personnel, Rescue Brigade Personnel and Drivers of Mines Rescue Stations, etc. of MCL serving at different Units of the Organization all over the state of Odisha, enabling 24x7 unlimited communications at minimum cost, thereby reinforcing the communication infrastructure of MCL.

In 2018-19, the existing CUG plans have been upgraded to provide unlimited data, voice and national roaming facility for all CUG users without any additional cost to the company.

- The IP based Wide Area Network (WAN) or Integrated Communications Network of MCL, covering almost all the units of MCL, is being widely and successfully used as a network backbone for running different financial, personnel and operational applications, thereby facilitating online data communication and management for various activities of the Organization. Steps have been taken up for expanding and upgrading the network to increase its use for other real time data services like ERP, e-Surveillance, etc. Interfacing of existing CoalNet Network (ICN) with BSNL MPLS Network, which now acts as a redundant network for CoalNet connectivity, has also been facilitated.

  The connectivity for e-Office has also been interfaced with the ICN-MCL.

- **VHF communication**: VHF communication network has been installed in different mines for communication at the Projects up to the Coal Faces. The same is being enhanced every year for increased operational efficiency.

- **CCTV Surveillance System**:

A. At Office Campus of MCL HQ, Burla, CCTV Surveillance System has been installed and is being used to enhance the security of the Corporate Office. The newly constructed ERP Centre and a few more areas have also been brought under the CCTV Surveillance Network.

B. CCTV Surveillance Systems have been installed in all Regional / Central Stores and Central Workshops of MCL.

C. CCTV Surveillance System has also been installed in all Coal Stocks, Loading Points, Coal Sampling Points and Labs of all Areas of MCL.

D. 37 cameras have been interfaced over internet for viewing upto CIL HQ.

E. Multiple Cameras have been installed in various vulnerable locations in different Projects of MCL including Jambubali Magazine, Bharatpur Area.

F. Initiatives have been taken for installation of CCTV Surveillance system at various entry/exit points of mines and magazine clusters, HEMM Workshops, Diesel Dispensing Stations, and other vulnerable points of projects to further reduce the chances of unauthorized activity, and to create a sophisticated network of cameras to enhance the security and prevent entry of unauthorized vehicles and personnel, whose stream shall be available upto CIL HQ or any other location connected with internet.

- **Aadhaar Enabled Biometric Attendance System (AEBAS):** In-line with the Digital India Programme of Government of India and the HR Vision 2020 of CIL, AEBAS has been installed at MCL HQ, MCL Bhubaneswar Office, Area Offices, in 2017-18, with a total of 75 devices.

In 2018-19, **additional 732 devices** have been installed and commissioned in all attendance locations of MCL, thereby providing the infrastructure for marking Biometric Attendance of all employees and contractors' workers. Internet connectivity with redundancy has been provided to all devices.

- **<u>Telephone exchange:</u>** Thousands of lines of internal telephone connectivity and EPABX systems have been installed and maintained in almost all Units of MCL for enhancing the internal communication facilities at these Offices.

- **High Speed Wireless Internet Hotspots** have been provided to all Directors, CVO and HoD's at MCL HQ and some other executives, in addition to BSNL Broadband at residential offices, for on-the-go internet connectivity to ensure a 24x7 communication and information channel for faster and more informative decision making. All these advents in internet connectivity have shifted the daily communications from paper to electronic mode, resulting in saving of time and resources.

- **Secured Telephone Network**: An internal closed telephone network has been created specifically for Directors and CVO, to ensure privacy and quick access within the top management of the Company.

- **WiMAX Internet facility** has been provided to all the Road weighbridges of MCL and is being used to enable generation of online e-transit pass for the trucks to be dispatched through Road Sale mode. WiMAX Internet facility has further been extended to in-motion road weighbridges for transmission of weighment and other related data to Central Server at MCL HQ.

- **DTH Service**: Being an obscured place, for recreation of the employee at MCL HQs., DTH services with about 700 connections at the residence of staff and executives of MCL HQ and other places like guest houses, etc., covering both Jagruti Vihar and Anand Vihar have been arranged and maintained by the Department.

  In 2017-18, MCL had upgraded from Analog Cable TV to Digital Addressable Cable TV for all locations.

  In 2018-19, MCL has upgraded from Digital Addressable Cable TV to DTH (Direct to Home) TV services for all locations.

- **Underground Communications System** has been installed in all underground projects for fast and safe communication. Environmental Tele-monitoring System is also being maintained in various underground projects and steps have been taken to enhance the same.

- **Video Conferencing System**: An enterprise grade Video Conferencing System has been installed at MCL HQ, Sambalpur and MCL Office, Bhubaneswar for conducting meetings through Video Conferencing over the Private Network of CIL as well as over Internet (Public Network), enabling quick and collaborative decision making by the Key Management Personnel and saving time and cost. This system runs on the licensed enterprise grade Multi Conference Unit and Client Server of MCL, which ensures privacy and availability of resources. We are also in the process of extending the Video Conferencing System to all Area Offices as well as to MCL Offices at Bhubaneswar and Kolkata.
- In 2018-19, 227 Video Conferencing Sessions, encompassing more than 417 hours, amongst MoC, New Delhi, CIL HQ, CIL Delhi Office, MCL HQ, MCL Bhubaneswar Office, National Informatics Center, GM Offices of Jagannath and Ib Valley have been successfully conducted.

24. DEVELOPMENT OF ANCILLARY INDUSTRIES

MCL is committed to provide self-employment opportunities to the local budding entrepreneurs and provide a sustainable business to them by apportioning a substantial share by revenue in the areas of Stores / Consumable / Repairing etc.

For the above cause, MCL has full-fledged MSME-Ancillary Development Cell which is committed for the following activities:

- Undertakes, allows & encourages all endeavours to explore and develop the potentialities of the micro and small scale industries in its operational jurisdiction within the state of Odisha.
- To improve the availability of spares, import substitution for meeting the growing demand of MCL, with the help of Directorate of Industries of the State and D.I.C's.
- A broad outlook to create scope of increased self-employment and thus self-dependency amidst the young population of the locality of State.
- Prosperity of General masses, in the state and elevation of this state in the industrial map of the nation and adjusting the industrial products of the MSEs including SC/ST MSEs & Women MSE of this state to reach the new dynamics of achieving the GLOBAL COMPETITIVE STANDARD.

Since inception of the Company, MCL has helped and developed MSEs of Odisha. MSEs units were awarded proven / provisional ancillary status for various consumable spares / items and service related jobs directly linked to production processes involved in engineering and mining section of MCL.

Further, in its continued efforts in keeping alive ancillary units of MCL, MCL has been giving sustainable business to those ancillary units who are committed to supply of quality materials and maintaining prompt delivery schedules. After reviewing the performance of the ancillary units, their cases are considered for renewal of ancillary status. As on 31/03/2019, 17 MSEs units (ancillary units) have proven ancillary status based on merit and actively participating in the procurement process of MCL and supplying various quality ancillarised spares to the user areas. There are 49 ancillarised items identified by MCL apart from the reserved 358 items for MSEs identified by Govt. of India.

MCL has been continuously keeping track with the ancillary units and trying to redress their grievances from time to time by conducting interactive sessions / meetings. It's a matter of fact that in the FY 2018-19, MCL has already participated in total 08 (eight) nos. of State Level and National Level Vendor Development Programmes cum B2B meets and Vendor Interactions as detailed below:

i. **"MSME Summit cum Expo 2018"** was scheduled at Bhubaneswar on 16th April 2018 organized by Indian Chamber of Commerce (ICC). In the event, MCL has sponsored Rs. 1 lakh (Rupees One Lakh only).

ii. **"32nd Annual National Convention and Seminars"** was scheduled at Bhubaneswar on 12th and 13th August 2018 organized by OASME, Cuttack. In the event, MCL has sponsored Rs. 2 lakh (Rupees Two Lakh only).

iii. **"National SC/ST Hub, Regional Conclave"** was scheduled at Bhubaneswar on 30th August 2018 organized by NSSHO, Bhuaneswar. In the event, MCL has sponsored Rs. 2 lakh (Rupees Two Lakh only).

iv. **"Mega Vendor Development Programme – cum – Buyers Sellers Meet under National SC/ST Hub Scheme"**on 22nd January 2019 at Rourkela, Odisha.

v. **"Odisha MSME International Trade Fair - 2019"** at Bhubaneswar from 28th January to 3rd February 2019 organized by Directorate of Industries, Odisha in association with Ministry of MSME, Odisha, Directorate of Export, promotion and Marketing & Orissa Small Industries Corporation, Bhubaneswar. In the event MCL has sponsored Rs. 5 lakh (Rupees Five Lakh only).

vi. **"Udyam Samagam"** at Baliyatra Upper ground, Cuttack from 26.02.2019 to 27.02.2019 jointly organized by MSME-DI, GOI, Cuttack; MSME Department, GOO & CTTC, Bhubaneswar. In the event MCL has sponsored Rs. 1 Lakh (Rupees One Lakh only) as financial assistance.

vii. **"Mega Vendor Development Programme–cum–Buyers Sellers Meet under National SC/ST Hub Scheme"** on 1st March 2019 at Angul, Odisha. In the event MCL has sponsored Rs. 50,000.00 (Rupees Fifty Thousand only) as financial assistance.

viii. Special Vendor Development Programme was scheduled at Sundergarh on 20.03.2019 organized by NSIC, Rourkela.

The Salient Features of Policy followed by MCL are as follows:

As per MSEs Order 2012 issued by Secretary to Government of India, Ministry of Micro, Small and Medium Enterprises (MSME); implementation of Public Procurement Policy has become mandatory from the year 2015-16. MCL had framed and implemented this policy along with existing ancillary policy w.e.f. July 2013. New Procurement Policy for MSEs and Ancillary followed by MCL is available in MCL Portal under heading Ancillary and MSEs (http://www.mahanadicoal.in/About/pdf/ANCILLARY_POLICY.pdf).

– Procurement of minimum of 25 percent shall be made from MSEs, of total annual purchases of products produced and services rendered by MSEs. Out of 25 percent of annual procurement from Micro and Small Enterprises, a 20 percent (i.e., 5 percent out of 25 percent) shall be procured from Micro and Small Enterprises owned by the Scheduled Caste or the Scheduled Tribe entrepreneurs. However, in the event of failure of such MSEs to participate in the tender process or meet the tender requirements and the L1 price, the 5% sub-target for procurement earmarked for MSEs owned by SC/ST entrepreneurs will be met from other MSEs. Apart from that 3 percent out of 25 percent also shall be procured from Micro and Small Enterprises owned by Women Entrepreneur.

- In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 percent be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise and such Micro and Small Enterprise will be allowed to supply up to 20 percent of total tendered value.
- To reduce transaction cost of doing business, Micro and Small Enterprises shall be facilitated by providing them tender sets free of cost, exempting Micro and Small Enterprises from payment of earnest money.
- Procurement of 358 items from Micro and Small Enterprises, which have been reserved for exclusive purchase from them. For implementation of the new policy, a standard NIT has already been implemented where only MSEs or authorized representative of MSEs can participate & offers from others will not be accepted.

It may be mentioned here that MCL has a policy to go for e-tendering for tenders having estimated value more than 2.00 lakhs and is open to all including MSEs provided they meet the eligibility criteria.

MCL's Annual Procurement and % of Procurement from MSEs of the last three years are given below:

		2018-19	2017-18	2016-17
1	Total Annual Procurement (in lakhs)	8181.00	9460.00	7927.00
2	Total Purchase from MSEs (in lakhs)	3281.66	5621.76	3002.69
3	% Purchase from MSEs out of total procurement	40.11	59.42	37.87

MCL has achieved 40.11% purchase for MSEs out of total annual procurement in the FY 2018-19 and continuously achieving the minimum 25% target and also committed to maintain the trend in future. Policy entails about achieving 25% of the total annual purchases of the products or services produced or rendered by MSEs which has been **successfully** achieved.

MCL is monitoring procurement process, updating of database of bidders in e-procurement portal, interaction with stake holders in order to achieve target of 25% & improve the same.

25. HUMAN RESOURCES MANAGEMENT (HRM)

INDUSTRIAL RELATIONS:

As a leading industrial establishment, the Company has maintained healthy cordial industrial relations with its workers' representatives for creating harmonious working environment in the organization. It has also maintained friendly relation with outside agencies and adjoining villagers of the mining vicinity.

Harmonious relation between management and employees is pivotal for achieving higher growth and as such, the company always emphasized on maintaining good industrial relations. This year too, MCL has been successful in maintaining the industrial relations harmoniously with the three tier IR system mechanism i.e. at Unit level, Area level and Corporate level. Depending upon the issues and delegation of power, the grievances/demands of employees were resolved at different levels of IR system.

Barring one strike held on 8th January 2019 by Central Trade Unions of Coal India due to "Bharat Bandh" called by various political parties, Industrial Relation remained peaceful. Apart from this, there were no strikes during the year 2018-19 reflecting the strong relationship between the Management and Trade Unions.

The efforts of all four operating Trade Unions were highly appreciable for maintaining high standards of Industrial Relations with the management.

PARTICIPATIVE MANAGEMENT:

Employees' participation in decision-making in day-to-day affairs as well as corporate planning up to a certain level with the management, paves the way for achieving corporate goal. MCL, your Company, knowing the values of participative management has adopted the principle since its inception.

Trade Union representatives are nominated by operating trade unions (covered under IR system) to represent in JCC and Welfare Board. In addition to the said bipartite forums, Tripartite Safety Committees at the Area as well as Corporate level are also functioning in which representatives nominated by operating Trade Unions are included. The above said bipartite and tripartite committees were actively involved in assisting the Management to take certain decisions and resolving problems.

MCL believes in developing work culture, amicable environment and solidarity among its employees not only through participative management but also by imbibing best practices such as employee engagement through participation in debates and seminar on the occasion of Rajbhasa Pakhwada, celebration of Safety Week, Quality fortnight etc.

MCL recognizes the importance of gender sensitivity and takes special care for protecting the interests of its women employees and addressing issues / grievances raised by women employees. To promote the development and growth of women so that they will continue to make best use of opportunities, emerge more confident and contribute effectively to the process of inclusive growth, MCL has facilitated for networking, exchanging information and ideas through participation of its women employees in trainings and seminars in WIPS (Women in Public Sector) forum.

Regular structured meetings related to IR, Welfare, Safety, JCC etc. were held at Company level / Area level / Project level in 2018-19 wherein various matters regarding employee welfare, safety and employee grievances were discussed with the Union representatives and problems were amicably sorted out. In the course of such discussions, many new ideas and suggestions were also generated for improving work processes and for the betterment of day-to-day affairs of the organization.

In addition, meetings with Coal India Schedule Caste/Scheduled Tribe Employees' Association (CISTEA) were held at Area/HQ where the grievances of employees belonging to SC/ST communities were discussed and steps were initiated to resolve the grievances amicably.

One member of SC/ST Association has been included in the following forums at Unit/Area/HQ level, heralding a positive step towards participative management:-

i) House Allotment Committee

ii) Area Joint Consultative Committee

iii) Corporate Joint Consultative Committee

25.3 **Training and Development**

Keeping pace with the fast changing energy scenario the company strives to develop its employees through a process of continuous training and retraining in various aspects of technical as well as managerial skills. Training is an integral part of our company's corporate policy which envisages development of human resources as the key to organizational development.

To cope up with the task emerging from strategic plan, annual HRD plan is worked out every year to integrate HRD efforts in three incompany training institutes namely, Management Training Institute (MTI), Burla, Belpahar Training Institute (BTI), Lakhanpur Area, Mining Engineering & Excavation Training Institute (MEETI), CWS Talcher and five Group Vocational Training Centers (GVTC) located in Jagannath Area, Talcher Area, Lakhanpur Area, Orient Area and Basundhara Area.

Training Details for the Year 2017-18 & 2018-19

1. **Internal Training – MTI, BTI, MEETI & GVTCs**

Sl. No.	Employees	Year 2018-19	Year 2017-18
1.	Executive	246	384
2.	Supervisor	789	1098
3.	Worker	5797	6292
	Total	6832	7774

2. **External Training Details**

Sl. No.	Employees	Year 2018-19	Year 2017-18
1.	Executive	741	747
2.	Supervisor	50	50
3.	Worker	61	45
	Total	852	842

3. **Total Training (Internal & External)**

Sl. No.	Employees	Year 2018-19	Year 2017-18
1.	Executive	987	1131
2.	Supervisor	839	1148
3.	Worker	5858	6337
	Total	7684	8616

4. **Internship Training to Students of various Educational Institute**

Sl. No.	Students	Year 2018-19	Year 2017-18
1.	Mining Engineering	146	167
2.	Mining Diploma	1756	1028
3.	B. Tech	98	104
4.	MBA	91	48
5.	Others	73	63
	Total	1164	1410

As per the decision of the MCL Board in its 155th Meeting held on 05.02.2014, newly appointed employees are being sponsored to different empanelled institutes for their Schooling and Skilling for duration of 02 years under Skill Development Programme.

5 **Details of sponsorship for Skill Development Training Under Schooling & Skilling (ITI)**

Session	Trade		Total
	Fitter	Electrician	
2017-19	48	82	130
2018-19	29	39	68

6. **Details of sponsorship for Skill Development Training (Under Schooling)**

Session	KSAS, Bhubaneswar	MITS, Raygada	Total
2017-19	145	41	186
2018-19 (31.03.19)	-	91	91

7. National Skill Development Council (NSDC) Recognition Prior Learning (RPL) Training of 02 days duration of departmental mine operation employees (more than 05 years experience) started from 03.04.2017 to 30.05.2017 for 571 employees and National Skill Development Council (NSDC) RPL (Bridge Course) for 10 days training programme started from 10.07.2017 to

01.11.2017 for 921 employees (less than 05 years experience) in the F.Y. 2017-18, but the training partner of NSDC has stopped the training programme after 01.11.2017 as per the direction of NSDC.

8. **Training Imparted to MCL Board Members**

Sl. No.	Year	Nos. of training	Within India	Foreign
1.	2018-19	NIL	NIL	NIL
2.	2017-18	NIL	NIL	NIL

9. **Training Man Day's Achieved in the year 2017-18 & 2018-19**

Sl. No.	Employees	Year 2018-19	Year 2017-18
1.	Executive	5523	5081
2.	Supervisor	4438	6079
3.	Worker	59422	60606
	Total	69383	71766

10. **Specialised Training Programme**

Sl. No.	Employees	Year 2018-19	Year 2017-18
1.	Project Management	11	8
2.	Contract Management	9	14
3.	Risk Management	4	23
4.	Environment, Forest Management and Land Acquisition	12	10
5.	Simulator Training	17	34

In 2018-19, 34.3% of employees have been given Skill upgradation training of as against the target of 34%.

MCL Institute of Natural Resources and Energy Management (MINREM) at Bhubaneswar

MCL has taken up a novel initiative to cater to the growing & emerging developmental needs of the executive population within the coal sector. The upcoming facility at Tomando, Bhubaneswar aims at multifarious activities like Training & Development, R&D, consultancy & General education Programmes. Competency gaps arising out of introduction of new Technology, diversification of Business, and superannuation of executives can be replenished at a faster rate through structured HRD interventions for which the Institute is poised.

MCL Institute of Natural Resources and Energy Management (MINREM) solely promoted and fully funded by MCL, will come out as a world class Institute in the capital city of Bhubaneswar. It has been registered by the Inspector General (Registration), Odisha as a Society on 16.01.2016 under the Societies Registration Act, 1860.

As it becomes operational MINREM is destined to develop and nourish the existing talent of executives as well as to instill innovativeness and competitiveness in them to make them capable of facing futuristic challenges.

Management Training Institute, Sambalpur, Belpahar Training Institute, Belpahar/ Mining Engineering & Excavation Training Institute, Talcher

Training Curriculum:

A. **Executive Development Programmes**.

General Management Programme. For enhancing the managerial skill & performance of executives.

Functional & Cross Functional Programmes: For developing knowledge regarding function of other department.

Computer Awareness Programme: for efficient and smooth functioning of all related official jobs.

B. **Supervisors Programmes**.

Supervisory Development Programme: For knowledge and skill up gradation.

Safety Management for Supervisors: For creating safety awareness among the supervisors.

Coaching class for carrier growth like for Overman's and Mining Sirdar's Competency Examination.

Computer Awareness Programme: For efficient and smooth functioning of all related official jobs.

C. **Workers' Programmes.**

Workers Development Programme: For skill up-gradation of workers

HEMM training: Land oustees are selected for this training to be posted in different mine after proper training.

Computer Awareness Programme: To handle computer efficiently for smooth function of office.

Management Training:

Executives at each level are imparted need based training in various managerial and behavioral aspects of organizational development. In house training on various subject of company's interest is imparted at the Management Training Institute, Burla. Besides, a few executives are also sent to various external organizations like IICM, Ranchi, IIMs, IITs, NITs and other renowned training centers in India for acquiring new skills and updating knowledge.

Technical Training:

Technical training to the workers of various categories is imparted in GVTCs as per the provisions outlined in Mines Vocational Training Rules. The main objective of such programmes is to enhance the technical skill of workers/ operators/mechanics to keep them upto date with the fast advancing technology. Following are the type of training being imparted to workers in GVTCs. All trainings imparted in GVTCS are statutory in nature.

Basic Course: This training basically aims at acquainting newly appointed workers with mining activities, rules and regulations and technologies.

Refresher Course:-

These programmes are conducted once in five years for those who have already gone through basic course and are employed in the mines. These programmes aim to refresh and update the technical knowledge of the workers and make them more skillful.

Specialized Course:

These programmes are imparted to workers in case of change in technology, change in job profile, change in equipment configuration/ capacity & improvement in the system of production.

HR Initiatives

Mentor-Mentee Scheme

In accordance with the CILs mentor mentee scheme, to ensure high retention rate of new entrants and to develop a pool of trained & committed mentors, MCL has appointed 29 mentors from different disciplines for 125 mentees (Assistant Manager in E-3 grade). This is a key priority area for the organization. This scheme is intended to help in building sociological contact with the mentees for ensuring their professional growth and to develop high potential executives for assuming senior leadership roles in future.

For training of Mentors & Mentees under Mentor Mentees scheme 1 no of interaction programme was arranged during the year 2018-19 at HQ by inviting faculties from the institutes of repute.

Imparting Training under Apprentices Act, 1961 (Amended 2016)

Sl. No.	Year	Nos. of ITI Pass out engaged as Apprentice	Nos. of PDPT engaged	Nos. of PGPT engaged
1.	**2017-18**	205	195	02
2.	**2018-19**	705	145	03

25.5 Recreational Activities

In order to induce team spirit and to develop sense of fellow feeling amongst the employees, social, and other Recreational activities are being regularly conducted in different Areas of MCL as well as at MCL HQ Sports calendar is being drawn-out every year to conduct various Inter Area tournaments for the benefit of our employees. As per the CIL Sports Calendar our teams were deputed to participate in various CIL Tournaments organized at different subsidiaries of CIL. A Run for Excellence was organized on the occasion of Coal India Foundation day & MCL Foundation Day for Veterans, Gents, Ladies and Children at MCL HQ. The Winners were awarded Prizes. The participants were given T-shirt and Caps in both the occasion containing company logo. A series of Cultural programme, Golf Tournament and other socio cultural activities were organized from 1st April 2018 to 3rd April 2018 covering Utkal Diwas, MCL Foundation day etc. Best Sports persons were awarded prizes on the Miners Day celebration 2018. MCL Mahila Mandal undertook lot of philanthropic works in and around MCL periphery. Financial assistance has been extended to different organisation for undertaking recreational and social activities in their Area. For cultural promotion of our employees of MCL as well as outside agencies, we have extended financial support of Rs.77,10,302/- during the financial year 2018-19 . Activities like women empowerment, health, cultural promotion are taken care of for our employees and their family members.

25.5.1 EDUCATION:

MCL has rendered Financial Assistance to the Educational Institutions running in and around collieries in the form of Grant-in-aid to 16 nos of privately managed Schools. In order to have better educational facilities for our children, 09 DAV Public Schools are functioning in MCL. This includes a DAV Girls High School exclusively for Girl students & provision of smart classes in all DAV Project Schools under MCL. During the year 2018-19, Rs 3918.71 Lakhs (Revenue) was sanctioned for DAV Public Schools towards recurring expenditure and Rs 98,06,800/- has been sanctioned to Privately Managed Schools in the year 2018-19. In addition to above 40% seats were reserved for Wage Board employee wards for admission into IGIT Sarang and OSME Keonjhar (Diploma Tech. Schools).

25.5.2 SCHOLARSHIP OF MERITORIOUS STUDENTS

As per CIL Scholarship scheme employee wards have been awarded scholarship on merit basis. An amount of Rs 10,78,440/- was provided on this head during 2018-19 to 620 nos of meritorious students (all are employees wards).

MCL had given financial assistance to employee wards towards cost of tuition fees and hostel rent for Technical and Medical Education. An amount of Rs 50,15,346/- was disbursed under this head during 2018-19 to 171 Nos of employee wards.

Decent Housing / Social amenities:

During financial year 2018-19, special budget of Rs.68,00,00,000/- was sanctioned towards decent housing which covers residential building, road & other allied works, non residential building & Sanitation.

26. OFFICIAL LANGUAGE

In order to implement the Official Language policy of Govt. of India in HQs. and Areas of MCL an Annual Programme/Calendar is prepared every year and programmes are performed as per the calendar.

During the year 2018-19 following programmes/ activities were organized in MCL :

1. **Meetings of Official Language Implementation Committee :**

Official Language Implementation Committee meetings were held on 28.04.2018, 25.07.2018, 30.10.2018 and 24.01.2019 wherein progress of Rajbhasha activities in Areas and HQs. were reviewed and important decisions were taken for smooth implementation of the Official Language Policy of Govt. of India.

2. **Rajbhasha Workshop :**

Rajbhasha Workshops were organized at MCL HQs and Areas as under:

In the year 2018-19 total 13 Rajbhasha Workshops were organized in MCL wherein 519 participants were made conversant with the Rules and Regulations of Official Language Policy of Govt. of India. The participants were also practiced noting & Drafting in Hindi. In the year 2017-18, 14 Rajbhasha Workshops were organized in which total 445 executives /non-executives of various disciplines were trained.

3. **Training of Official Language (Hindi) :**

Training of Official Language (Hindi) and Examinations were conducted under the Hindi Teaching Scheme, Govt. of India. In the financial year 2018-19 total numbers of employees passed 167. In the financial year 2017-18 total number of employees passed 181 under Hindi Teaching Scheme as detailed given below:-

Session	Prabodh	Praveen	Pragya	Total
2018-19	45	43	79	167
2017-18	38	63	80	181

One-time lump sum cash awards were given to successful candidates as per circular of CIL. Pragya passed candidates were also awarded with one time cash incentive equivalent to their annual increment, in addition to the lump sum cash award by MCL.

1. **Unicode supported Hindi Typing Training on computer :**

During the year 2018-19 a technical seminar was held on 09.11.2018 and Unicode supported Hindi Typing Training on computer were organized at Management Training Institute (MTI), Anand Vihar, MCL Hq. from 25.02.2019 to 02.03.2019 in which 91 employees of MCL were trained whereas in the year 2017-18, 52 employees were trained.

2. **Translation Training :**

For the skill development of the translators, a five-days translation training programme was organized at MCL, HQ from 03.12.2018 to 07.12.2018 in which 18 employees of MCL were trained.

3. **Rajbhasha Puraskar Yojna :**

To promote and accelerate the implementation of Official Language in MCL, a scheme of **"MCL Rajbhasha Karyanvayan Puraskar"** has been introduced in the year- 2015. 03 out of 09 prizes were given to Areas 03 prizes to big departments and rest 03 were given to small departments of company HQ. For the year 2017-18 all 09 prizes have been awarded by chairperson on the occasion of closing ceremony of Rajbhasha Fortnight -2018 dated on 28.09.2018.

4. **Hindi Diwas / Hindi Pakhwara:**

Hindi Diwas was celebrated on 13.9.2018 at MCL HQs. and Areas. The programme was inaugurated by Chairperson of the programme Shri J.P.Singh, Director technical (Operation), MCL. Rajbhasha Pakhwara was celebrated at MCL HQs. and Areas from 13th to 28th September, 2018. During the Pakhawara various competitions like Hindi essay writing, Debate, Noting & Drafting, Hindi Typing on Computer and Quiz competition for employees' house wives were organized in which huge number of participants took part.

Prizes and Certificates were distributed by Shri O.P. Singh, Director Technical (Project & Planning) and Shri Munawar Khursheed (IRPF), CVO, MCL to all winners of Hindi competitions on Concluding-Day function of Hindi Pakhwara held on 28.09.2018 at MCL Auditorium, Jagruti Vihar.

5. **Akhil Bhartiya Hindi Hasya Kavi Sammelan:**

"All India Hindi Hasya Kavi Sammelan" was organized on 28.09.2018 at MCL HQs. on the Concluding-Day function of Rajbhasha Fortnight -2018.

6. **Vishwa Hindi Diwas:**

Vishwa Hindi Diwas was celebrated at MCL HQs. on 10.01.2019. The programme was inaugurated by Shri P.K. Sahoo, Chef Manager (MTI/RB). A Rajbhasha seminar was also organized on the occasion. Prof. K.P. Gupta, Ex-HoD(Hindi), G.M. university and Dr. Sadan Kumar Paul,HODs Hindi G.M. university and Dr Kamal Prabha Kapani, Principal Panchayat college, Bargarh were honored and they addressed the gathering.

7. **Meetings of Town Official Language Implementation Committee, Sambalpur :**

During the year two half yearly meetings of Town Official Language Implementation Committee (TOLIC), Sambalpur were organized on 22.06.2018 and 28.11.2018 at MCL HQ. Meetings were chaired by the Director (Personnel), MCL.

8. **TOLIC, Rajbhasha Shield competition:**

To promote the implementation of Official Language in all the member offices of TOLIC, Sambalpur a "Narakas Rajbhasha Shield" Competition is organized every year. In the year of 2018-19 total 09 selected member offices were awarded with "Narakas Rajbhasha Shields-2018". Shields were given by the CMD, MCL, TOLIC, Sambalpur during the meeting, held on 06.12.2018.

9. **Website of MCL:**

Website of MCL has been made bilingual and is being updated on regular basis.

10. **Rajbhasha portal:**

Rajbhasha Portal is available in Mahanadi Coalfields Limited website, in which various activities related to the implementation of the Rajbhasha activities of MCL, can be seen as updated.

11. **Rajbhasha Magazine:**

6th edition of Sambalpur, NARAKAS in-house Magazine "**Sambalprabha**" has been published during the year 2018-19 on dated 22.06.2018 in the first meeting of Town Official Language implementation committee held at MCL HQ.

27. Land/ R&R

Your Company is committed to help the Project affected / displaced families for execution of its projects and has been making efforts to improve the socio economic status of Project Affected Families and also committed for progress with development which amply reflected in its R&R Policy. MCL follows the R&R Policy of the state of Odisha and has provided 837 Employments / Cash compensations in lieu of employment / Annuity during 2018-19 and total 15,849 numbers of Employments / Cash compensations in lieu of employment / Annuity since inception. MCL is acting on the advice of RPDAC towards redressal of grievances related to land oustees. Resettlement colonies have been set up with Pucca Roads, Street Lighting, Health Centers, Post Offices, Daily Markets, Schools, Community Centers, Worshiping Places etc. for the benefit of the land oustees. MCL provides OPD facility to all peripheral villagers in its existing hospitals / dispensaries available in the Coalfields with free of cost or at a nominal charge of Rs. 2.00 per patient.

Your Company acquires land for expansion of mining activities by providing rehabilitation and resettlement to the affected villagers. During the year 2018-19, MCL has taken physical possession of **237.989** hectares of land.

28. CORPORATE SOCIAL RESPONSIBILITY

While persuing the enhancement of Coal production, CSR is being undertaken to ensure inclusive growth of villages and affected community. MCL regards CSR as a key business process for sustainable development of the Society.

MCL has allocated Rs.136.36 Crore for the year 2018-19 based on 2% of average net profit of the company for the three immediate preceding financial years towards CSR activities as per CIL and MCL's CSR policy. The amount spent under CSR during financial year 2018-19 is Rs.167.16 Crore.

MCL has also embarked on the construction of Mahanadi Institute of Medical Science and Research (MIMSR), Talcher. The MIMSR will have a 100-seat medical college with 500 bedded multi-specialty Hospital with the state-of-the-art medical facilities. The project envisages 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-bedded nurses' hostel. An amount of Rs.492.62 Crore has been allocated to MIMSR out of which MCL has spent Rs 64.58 Crore in the FY 2018-19.

An amount of Rs. 25.54 Crore has been spent towards construction of school toilets.

Your Company has complied with CSR provisions as per Companies Act, 2013. Pursuant to Clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 necessary disclosure as required by the Statute is enclosed as Annexure-I.

29 GENDER BUDGETING

Your Company strongly believes in Gender Budgeting as a powerful tool for achieving gender mainstreaming so as to ensure that benefits of development reach women as much as men. At MCL, it is not an accounting exercise but an ongoing process of keeping a gender perspective in policy/programme formulation, its implementation and review. As on 31st March 2019 total Women employees' strength was 2085, which constitute 9.33 %of MCL's total workforce.

Out of its social responsiveness, your company has always shown its sensitivity to Gender specific issues within and beyond the company and tried to address them through best possible efforts. Few examples are stated below:

- Stimulating the women in Public Sector (WIPS) forum, MCL Branch to function in an active manner with its members participating in seminars and conferences within and outside company for wide exposure and knowledge enhancement.
- Maintenance of Gender specific database of the workforce.
- A complaint committee has been formed to address complaints lodged by women employees in an appropriate and timely manner.
- Granting Child Care Leaves to eligible Women employees as per CIL Rules & Regulations.
- Relaxation of age for employment to female spouses of employees dying in mine accidents.
- Encouraging Women employees to participate in Industrial Relations meetings held between Management and Trade Unions for representation and addressing women related issues.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

"The Company has in place an Anti Sexual Harassmnent Policy in line with th requirements of the Sexual Harassament of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No. of complaints received	: 02
No. of complaints disposed off	: 01

30. Public Relations

It's all your company being proactive and accessible to the stakeholders. The Team PR (Public Relations) of your company is responsive and always keen to provide communication solutions for the challenges w.r.t. business operations of the company, welfare measures for employees, corporate social responsibility (CSR) as well as the information needs of public at large through media management. Thus being proactive and accessible in the hour of need, the MCL PR has remained true to its Motto: "*Sampark Se Samadhan*" (Solution through Communication).

Your company is very proactive towards keeping all stakeholders informed and updated about the happenings/events in the organisation as well as its stand on various issues related to business operations as well as social activities.

With open communication platforms, our bond with the stakeholders is strengthening day by day, as we consider mass media as the force multiplier that help in accomplishing various business-related as well as social and developmental initiatives of the company.

I feel proud to inform you that your company maintains a very healthy professional relation with the members of the Fourth Estate, who truly are the ears and eyes of the society.

During the year 2018-19, the Team PR remained proactively involved in communication campaigns to eradicate corruption and spread awareness on cleanliness, using successfully a mix of conventional and new media tools for mass communication.

Categorised as 'big department' for Rajbhasha activities, the Department of PR remained instrumental in successful conduct of corporate events/activities of other Departments/Areas.

The campaigns conducted by MCL PR for spreading awareness on Swachhta and corruption-free society were widely appreciated. The idea of mass communication through organising one-act-play, in collaboration with students of performing arts, added to quality of content delivery. Odisha Police also made special request to organise similar activity for "Pari" campaign, which was launched State Government to curb the incidents of crime against girls/women.

The audio-visual advertisement created and released in cinema halls during Vigilance Awareness Week-2019 and a radio jingle to create mass awareness were awarded by the professional national PR & media organisations, Public Relations Society of India (PRSI) and Public Relations Council of India (PRCI), etc.

Besides conventional media for regular release of press statements/releases, the Public Relations of your company is efficiently using social media - for social networking site Facebook @/mahanadicoal; micro-blogging site Twitter @/mahanadicoal; and audio-video channel at YouTube @/MahanadiCoalfields — for propagation of information among the stakeholders at large.

To further penetrate into social media space, particularly among teenagers, your company is also now on android based social platform called Instagram @/pro.mcl for sharing photos and video.

For its excellence in various initiative the Public Relations earned accolades during 2018-19 —

Sl. No.	Award Name & Category	Constituted by	Presented by	Received on
1.	Excellence in PR	Odisha Bhasker	Chairman, NALCO	15.08.2018
2.	PRSI National Awards 2018 ● Silver Prize (Best Company) ● Bronze Prize (Best Corporate Film – *A Growing Coal Giant*)	PRSI	Uttrakhand Chief Minister Mr Trivendra Singh Rawat	08-12-2018
3.	13th Global Communication Conclave ● Gold Award (Radio Advt for mass awareness) ● Bronze Award (Table calendar) ● Bronze Award (Public Service Advertising) ● Special Appreciation (Wall Calendar)	PRCI	Chief Election Commissioner	16-02-2019

31. CAPITAL INVESTMENT ON SOCIAL AMENITIES

Details of Capital Investment on Social Amenities as on 31.03.2019 vis-à-vis 31.03.2018 is briefed here under:

(₹ in Crore)

Sl. No.	Particulars	Gross Value of fixed Assests	
		As at 31.03.2019	As at 31.03.2018
1	Buildings	524.71	476.49
2	Plant and Mechineries	75.96	74.56
3	Furniture	9.44	9.16
4	Vehicle	7.43	7.56
5	Development	9.29	9.29
	Total	**626.82**	**577.06**

32. VIGILANCE ACTIVITIES AND ACHIEVEMENTS

The prime focus of the Vigilance Department of MCL has been on preventive Vigilance through the use of leveraging technology. The main thrust is to suggest systemic improvement in the identified vulnerable area of corruption in order to minimize the human interface in business transactions of the Company. During the current financial year, as a preventive, predictive and pre-emptive vigilance measures, frequent surprise inspections have been made under the guidance of CVO to identify the irregularities in various field operations as well as in due system and procedures. In addition, awareness on vigilance and anti-corruption issues amongst the employees also on the priority agenda which int+er-alia includes newly inducted Management Trainees, Vendors, Students and common citizens through interactions/Seminar.

1. **Preventive Vigilance Activities:**

(a). **Inspections:**

During the financial year 2018-19, 81 Surprise Inspections and 33 Regular Inspections have been carried out. The major focus of such inspections has been on streamlining of system/procedure to bring in fairness and transparency in the field operations.

(b) **Systemic Improvement undertaken during 2018-19:**

During the year, total 26 Nos advisories issued on various issues for Systemic Improvement.

2. **Punitive Vigilance:**

Details of Vigilance Cases taken up for investigation, inquiry etc. Reporting period from 01.04.2018 upto 31.03.2019:

	Particulars	Period from 01.04.2018 to 31.03.19	No. of employees involved
(a)	Total No. of Vigilance Cases Registered	20	49
(b)	Total No. of cases taken up for Departmental Proceedings	18	42
(c)	No. of Major Penalty Proceedings	13	33
(d)	No. of Minor Penalty Proceedings	18	40
(e)	Total No. of cases in which penalty imposed	24	46
	i) Major	4	9
	ii) Minor	16	31
	iii) Others	4	6

3. **Rotation of Employees:**

Company has a policy for rotating the employees, who are working in sensitive posts/departments. During the period, 222 employees had been rotated. This includes those officers whose names were figured in the “Agreed List” & “List of Officers of Doubtful Integrity” for the year 2018.

4. **Vigilance Clearance:**

During the year, vigilance clearance status in respect of 11,544 employees including the officers at the level of Directors, Senior Executives and Non-executives had been furnished to the CIL/MOC/CVC with relation to promotion, probation, superannuation matters. On line Vigilance Clearance Module has been implemented in respect of both Executives and Non-executives for furnishing vigilance status on line.

5. Leveraging of IT and other Technologies for better Surveillance and Monitoring in Coal Mines.

Following IT tools and other Technologies are in place in the Company for better Surveillance & Monitoring in Coal Mines and Offices:

i) Geo-Fencing

ii) GPS/GPRS Bases Vehicle Tracking Devices

iii) RFID Tagging of Internal Coal Transporting Tippers and RFID Readers

iv) Digitization of land records

v) Weighbridges

vi) CCTV Camera Surveillance

vii) Control Rooms

viii) Modern Coal Survey & Measurement Gadgets:

a) SURPAC Software

b) 3D Terrestrial Laser Scanner (3DTLS)

c) Unmanned Aerial Vehicle (UAV Drones)

ix) Explosive Testing (VoD Metre)

x) Mobile Applications

xi) Asset Management Portal

xii) Biometric Attendance System

xiii) Integrated Fuel Management System

xiv) e-Office

xv) Modules of CoalNet

9. Observance of Vigilance Awareness Week - 2018:

As per the directives received from the Central Vigilance Commission, New Delhi, the Company observed Vigilance Awareness Week-2018 (VAW-2018) from 29th October to 3rd November, 2018 at HQs and in all its Coal mining Project Areas. The Vigilance Awareness activities were carried out on the dates prior to and after the stipulated week as well. The activities pertaining to the VAW-2018 were conducted by the Vigilance Department of MCL in 18 locations:

In addition to the above locations, the VAW-2018 was also observed in 47 Gram Sabhas of Odisha. Thus, the VAW-2018 was observed by Mahanadi Coalfields Limited at 65 different location of Odisha.

32. e-PROCUREMENT

The e-Procurement System of MCL, which was started on 15.08.2009 has been running successfully and till date more than 16000 tenders have been finalised through this mode. MCL has been immensely benefited by implementing this web-based software solution. There has been significant reduction in cycle time in finalization of Tenders and it entails better transparency and convenience in tender management process. Management of Earnest Money Deposit(EMD), being paid by different bidders have been automated and after implementation of this process the bidders get back their EMD on next day of rejection of bid automatically. The goodwill of the organization has been enhanced due to better transparency and convenience to the bidders. There have been constant improvements in the system and efforts are being made to add better features from time to time. Reverse Auction mode of tendering which was introduced on the portal in the recent past has resulted in substantial reduction in quoted rates / prices during this financial year also. At present as a matter of policy, the Tenders valuing Rs 2.00 Lakhs and above, are being finalised through e-Procurement mode. This includes procurement of Works, Goods and Services including multicurrency Global tenders. During this year a couple of Turn-Key Tenders of very complex nature related to erection and commissioning of Washery on Build-Own-Maintain (BOM) concept has been successfully finalised in this mode.

Special Features of the MCL e-rocurement System

1. The evaluation of Technical part of the Tenders is done automatically by the portal software based on the data provided by the Bidder in a structured and objective format and as a result human intervention in evaluation of Bid is minimised.
2. Bidders are required to upload few documents in support of the information furnished by them in Tender.
3. The business logic required for the evaluation of Tenders is incorporated in the portal software to validate the input data and to give appropriate alert messages.
4. Online Reverse Auction process is adopted for the tenders valuing Rs 1 crore and above with a provision to eliminate the highest Bid(H1) to secure, better price discovery.
5. Two Part tendering system with verification of supporting documents before opening of Price Bids is being followed for the high value Tenders for procurement of Heavy Earth Moving Machinery(HEMM) and critical equipments.

34. Integrated Management System (IMS)

MCL is pursuing ISO/IMS Certification from 1995 and in the year 2012-13, company-wide Integrated Management System (IMS) of MCL was accredited with ISO 9001:2008 – Quality Management System, ISO 14001:2004- Environmental Management System & OHSAS 18001:2007- Occupational Health Management System which conforms to all the applicable international standards for a period of 3 years will be completed in 2019 as follows.

ISO 9001: 2015 QMS- for managing customer focus and internal efficiency of the organization.

ISO 14001: 2015 EMS- for managing environmental concerns of the organization

OHSAS 18001:2007 OHSMS- for managing occupational-health and safety concerns of the organization

The Certification was done by MS Certification Services Pvt. Ltd, Kolkata through CMPDI, Ranchi.

In September 2018, MCL has revised against all the above-mentioned standards for a further period of 3 years valid up to 06.06.2019.

Activities carried out by IMS Cell in the year 2018-19:-

These standards have revised and complied to the latest international versions i.e. ISO 9001: 2015, ISO 14001: 2015 & OHSAS 18001 within 3 years of release of the new standards i.e. Sept' 2018.

For the purpose, CMPDIL was awarded the job for consultancy & up-gradation of ISO standards and effective implementation. Subsequently CMPDIL carried out extensive study of the IMS in MCL by organizing meetings & discussion sessions with MCL officials. New corporate management policy was formulated and included in the draft new IMS Manuals.

CMPDIL submitted the final draft manuals in March 2018 for the approval of CMD, MCL. Updated IMS Manuals have been drafted after thorough study of the changes made in the revised standards. The new manuals are made relatively lean, easy to understand and accessible by merging redundant features and rooting out obsolete requirements. For effective implementation, so far 25 Nos. of young executives from different dept. & Areas/Units have been awarded training in IICM Ranchi and MTI, MCL HQ.

Upon approval of IMS Manuals by CMD, MCL, the certifying agency, M/s MS Certification conducted surveillance cum transition audit in the month of June-2018, upon successful completion of which, MCL has been certified against the revised standards.

In Oct- 2018, these 25 newly trained internal auditors with lead auditors conducted 1st Internal Audit against the revised system.

Apart from above, IMS cell has successfully accomplished:

- Half Yearly Internal Audits for the year 2018-19.
- Half-yearly Surveillance audit by the certification agency, next being scheduled in April 2019.
- Distribution of 200 Nos. of updated IMS Manual to HODs of MCL HQ and Area/Unit's Heads and Nodal Officer.
- IMS 11.3 Annual Objectives, Targets, Action Plans & Achievements; Programs for the year 2018-19 prepared.
- 360* Feedback system on implementation of IMS; Felicitation of Best performing Units on Miners Day & CIL Foundation Day.
- Brainstorming –cum- Motivation sessions for employees across MCL.

IMS Cell at MCL HQ is working for the betterment of management system by implementation of internationally accepted best art of practices as ISO standards with the following purpose in view:-

- To install a comprehensive management system for systematic and simultaneous management of focuses towards Quality, Internal efficiency, Environment, Occupational Health & Safety, social accountability and energy performance of the Company.
- To eliminate duplication and costs of efforts through a unified approach and simplified procedures for implementing different management-system, which may otherwise appear diverse and unrelated.
- To include a better work culture, ensuring consistency of operations and eliminating operational conflict through clarity-defined roles, responsibility, accountabilities and authorities under a well-networked management-system and healthy work environment.
- To reduce wasteful and non-value-adding operations during routing functioning, thus resulting into direct savings on time, costs and resources during operations and indirect savings on environment and societal costs.
- To inculcate confidence in all its interested Parties regarding
- Mining & Supply of Coal that can consistently meet the requirement of customer, regulatory bodies and society.
- Committed to its responsibilities towards environmental, Occupational health and safety, social and energy concern.
- Systematic approach for achieving continual improvement
- Compliance of all legal and other requirements
- Thrust is on sustained and continual improvement, rather than on some short-term achievements.

FUTURE ACTION PLAN:- Year 2019-20

1. In the financial year 2019-20 MCL is going to apply for accreditation for ISO 50001:2011-Energy Management System for MCL as a whole which will help in managing rationalized consumption of all energy inputs in the organization.

The process for the integration of ISO 50001 with the existing standards is being undertaken by CMPDIL, Ranchi and the same is reflected in the updated Management Manuals.

A committee has been constituted at MCL HQ for the process of selection of certifying agency and to find out some suitable and viable procedure for selection of Certifying Agency in consultation with CMDIL, Ranchi.

2. MCL also plans to upgrade OHSAS 18001:2007 to ISO 45000 as and when the guidelines from ISO for the same are finalized.

35. AWARDS AND RECOGNITION

1. MCL was conferred with “MGMI Excellence in Performance Award for Overall productivity” on 6th September’2018 at The Hotel Ashok in New Delhi.
2. MCL received CVC’s “Vigilance Excellence Award -2018” for excellent contribution in the category of Best Institutional practice for fighting corruption. Mr. Munawar Khursheed, CVO (MCL) and Mr. K. R. Vasudevan, D (F), MCL received the award from Shri Ram Nath Kovind, the President of India at Vigyan Bhawan, New Delhi on 31st October, 2018.
3. MCL was conferred with Odisha CSR Award- 2018 at Make in Odisha Conclave 2018 under the Category of Diversity of CSR spending across sectors. Shri L.N. Mishra Ex. D (P) received the award from Shri Naveen Pattnaik, Hon’ble Chief Minister of Odisha on 15th November at Bhubaneswar, Odisha.
4. MCL was conferred with “Corporate Management Innovative Excellence Awards” during 18th Annual GeoMinetech Conference on 11th May at Hotel Swosti Premium, Bhubaneswar.
5. Shri A.K.Jha, CMD MCL was conferred with “Best Achiever Award” during 18th Annual GeoMinetech Conference on 11th May at Hotel Swosti Premium, Bhubaneswar.
6. Smt. Dr. Nisha Thakur, first lady of MCL received the “Best Social Responsibility Management Excellence Award” on behalf of Jagruti Mahila Mandal during 18th Annual GeoMinetech Conference on 11th May at Hotel Swosti Premium, Bhubaneswar.
7. Shri A.K.Jha was conferred with “Bharat Rattan Atal Bihari Vajpayee Excellence Award” by India International Friendship society in its Conference on “Economic Growth and National Integration” on 24th December’18 at New Delhi.
8. MCL was conferred with 4 National Awards for Excellence in Public Relations from The Public Relations Council of India (PRCI) at 13th Global Communication Conclave held at Jaipur on 16th February, 2019.
9. MCL was conferred with “Best Enterprise Award” under MiniRatna category in the 29th Annual Meet of Women in Public Sector held in New Delhi. The Award was presented by Dr. Najma Heptulla, Hon’ble Governor of Manipur to Smt. Komala Valli Javaid, Chairperson of WIPS, MCL.
10. Dr. A.I.J. Tiru, Ex. CMS, MCL received the Best Women Executive Award (2nd Prize) in the 29th Annual Meet of Women in Public Sector held in New Delhi.
11. MCL was conferred with “Sambad Corporate Excellence Award in CSR” in Platinum Category for large enterprise. The Award was presented by Shri Naveen Pattnaik, Hon’ble Chief Minister of Odisha.
12. MCL was conferred with 2 PRSI National Awards 2018, which was presented by Hon’ble Chief Minister of Uttarakhand at the 40th All India Public Relations Conference held at Dehradun on 8th December, 2018.

13. Shri L.N. Mishra Ex. D (P), MCL was the awarded with "Best Corporate Leadership HR Management Excellence Award by GeoMinetech.

36. AUDITORS

36.1 Statutory Auditors

As per the provisions of Section 139 of the Companies Act, 2013, the following Audit Firms were appointed as Statutory/Branch Auditors for the year 2018-19

Statutory Auditors Singh Ray Mishra & Co., Chartered Accountants, Bhubaneswar **Branch Auditors** M/s SRB Associates 5th Floor, IDCO Towers, Janpath, Bhubaneswar Odisha-751022

36.2 Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of mining of coal is required to be audited.

Your Directors had, on the recommendation of the Audit Committee, appointed (i) M/s Chandra Wadhwa & Co, 204, Krishna House 4805/24, Bharat Ram Road, Daryaganj, New Delhi as the Principal Cost Auditor of the Company to audit Cost records of Company, Head Quarters and its units, IB Fields Areas, Basundhara Area and CWS (IB Valley) for the financial year 2017-18 at a total Audit fee of ₹ 2,78,910.00, Out of Pocket Expenses of ₹ 139455.00 (maximum) and applicable Service Tax on audit fee and (ii) M/s S. Dhal & Co., Cost Accountants, Plot-400/4897, Baramunda Village, Bhubaneswar, Odisha as the Branch Cost Auditor of the Company for the year 2018-19, to audit Cost records of Talcher Coalfields Areas including Kaniha area and CWS (Talcher) at a total Audit fee of ₹ 1,84,570.00, Out of Pocket Expenses of ₹ 92,285.00 (maximum) and applicable Service Tax on audit fee."

36.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Deb Mohapatra & Associates, Company Secretaries, Bhubaneswar, Odisha to undertake the Secretarial Audit of the Company for the year 2017-18. Copy of Report submitted by the Secretarial Auditor is enclosed as **Annexure II**. Further, the Company has taken steps to comply with the provision of Secretarial Standard on report of the Board of Directors (SS-4). A report on compliance with the SS-4 is placed as **Annexure III**.

37. FIXED DEPOSITS

Your Company has not accepted any deposit from the Public during the year as defined under Section 73 of the Companies Act, 2013 and the Rules made there under.

38. PARTICULARS OF INFORMATION U/S 134(3)(m) OF THE COMPANIES ACT, 2013.

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 regarding Conservation of Energy, Technology absorption and Foreign Exchange earning and outgo is given in **Annexure-IV** to this Report.

39. BOARD OF DIRECTORS

39.1 The following persons, continued to be the Directors during the year under report.

1. Shri A. K. Jha	-	CMD
2. Shri R.K. Sinha	-	Director
3. Shri J. P.Singh	-	Director (Tech/Op.)
4. Shri L. N. Mishra	-	Director (Personnel)
5. Shri O. P. Singh	-	Director (Techl/P&P)
6. Shri K. R. Vasudevan	-	Director (Finance)
7. Shri S. N. Prasad	-	Director
8. Dr. R. Mall	-	Director
9. Shri H. S. Pati	-	Director
10. Ms. S. Sharma	-	Director

39.2 The following persons were appointed as Director during the year under report.

1. Shri R. R. Mishra - CMD (w.e.f 25.09.2018)

Pursuant to the letter recieived from MoC, New Delhi, Dr. Rajib Mall and Shri H. S. Pati have been reappointed as Independent Directors / Non official Part time Directors who were on the Board of MCL from 17.11.2015 to 16.11.2018, for a period of one year w.e.f. 17.11.2018 or until further orders, whichever is earlier. Accordingly, in compliance to Section 149 (10) of the Companies Act, 2013, their re–appointment is being placed before AGM of the Company for ratification / approval.

39.3 The following persons ceased to be Director during the year under report.

1. Shri A. K. Jha - CMD (Upto 24.09.2018)
2. Shri J. P.Singh - Director (Tech./Op.) (Upto 28.02.2019)
3. Shri L. N. Mishra - Director (Personnel) (Upto 31.12.2019)

40. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b. That the Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;

c. That the Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 1956 / Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;

d. That the Directors have prepared the Accounts for the financial year ended 31st March, 2019 on a 'going concern' basis.

e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

41. CORPORATE GOVERNANCE

A report on Corporate Governance is attached to this Report as **Annexure –V.**

42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

"Management Discussion and Analysis Report" is attached to this Report as **Annexure - VI.**

43. C&AG COMMENTS

Comments of the Comptroller & Auditor General of India on the Accounts of the Company for the year ended 31st March, 2019 are placed at **Annexure-VII** to this report.

44. AUDIT COMMITTEE

The Committee has been reconstituted in the 213th Board meeting of MCL held on 07.03.2019 with the following members.

1. Dr. Rajib Mall - Chairman
2. Govt. Nominee Director - Member
3. Shri S. N. Prasad, D(M), CIL - Member
4. Shri H. S. Pati - Member
5. Ms. Seema Sharma - Member
6. Shri O. P. Singh, D(T) - Member
7. Shri K. R. Vasudevan D (F) / CFO - Invitee

44.1 **The scope of work**

The scope of work and authority vested with the reconstituted Committee is as per provision of Section 177 of the Companies Act, 2013 read with the Companies (meeting of Board and its powers) Rules, 2014.

The Audit Committee has access to financial and other data / information of MCL. Observation made by the Committee is reported to MCL Board. The Committee can meet as often as desired but is expected to meet at least once in a Quarter.

46. COST RECORDS

Maintenance of Cost records for the Company, as per Section 148 of the Companies Act, 2013 has been prescribed by the Central Government w.e.f. 01.04.2011. The Company produces only one product, i.e. Coal and has a continuous integrated system of recording, determining and reporting element-wise cost with break up of cost including overheads and reconciliation of cost report at regular interval.

47. PERFORMANCE AGAINST MoU PARAMETERS

The performance of MCL against MoU for 2017-18 signed between CMD, MCL and Chairman, CIL as per the Guidelines of Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India, has been prepared. The overall MoU rating of your Company for the year 2017-18 based on physical and financial performance is "**Excellent**".

48. SUBSIDIARY ACCOUNTS FOR THE SHAREHOLDERS OF THE CIL

Pursuant to General Circular No. 2/2011 dated 08.02.2011 of Ministry of Corporate Affairs, the Annual Accounts of MCL would be available at MCL Headquarters for inspection and providing relevant information to the shareholders of CIL on demand.

49. ACKNOWLEDGEMENTS

49.1 Your Directors express their sincere thanks to the Ministry of Coal and Coal India Limited for their valuable assistance, support and guidance. Your Directors also thank the various Ministries of the Central Government and the State Government of Odisha for their valuable support. The Directors are thankful to the sister organisations for the co-operation and assistance rendered by them.

49.2 Directors place on record their deep sense of appreciation for the co-operation extended by the Trade Unions and Officers' Association for the team spirit shown, valuable and sterling services rendered by the employees at all levels towards the achievement of the objectives of the Company and its all-round growth.

49.3 The Directors also thank the valued customers profusely for their continued support, patronage and encouragement without which the Company would not have emerged so strong.

49.4 The Directors also record their appreciation of the services rendered by the Auditors, the officers and staff of the Comptroller & Auditor General of India and Registrar of Companies, Odisha.

49.5 The Directors also extend their thanks to various important citizens of Sambalpur and those residing in the Coalfield areas of Odisha for their co-operation from time to time.

50. ADDENDA

The following papers are annexed.

1. Information as required to be given in the Directors' Report under Section 134(3) of the Companies Act, 2013.
2. Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
3. Addendum to the Directors' Report under Section 134(3) of the Companies Act, 2013.
4. Report on Corporate Governance submitted by Auditors.
5. Management Discussion and Analysis Report.
6. Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013.

Sd/-

(B. N. Shukla)
Chairman-cum-Managing Director
(DIN: 05131449)

Sambalpur
Date: 08.07.2019

I confirm that for the year under review, all directors and senior management have affirmed their adherence to the provisions of the Code of Conduct.

Sd/-

(B. N. Shukla)
Chairman-cum-Managing Director
(DIN: 05131449)

Sambalpur
Date: 08.07.2019

ANNEXURE -I

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

I. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Brief Outline of MCL CSR Policy:

Objective:

The main objective of CSR policy of MCL is to lay down guidelines to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

MCL will act as a good Corporate Citizen, subscribing to the principles of Global Compact for implementation.

Scope:

MCL follows the Schedule VII of the Companies Act, 2013 with time to time amendments as the scope of CSR.

Areas to Be Covered:

In respect of MCL, for carrying out CSR activities, 80% of the budgeted amount should be spent within the radius of 25 Km of the project/Site/mines/Area HQ/Company HQ and 20% of the budget would be spent on the CSR activities in rest of Odisha.

In respect of MCL (HQ), CSR Should be broadly executed in All over Odisha including the four operational districts.

Allocation of Fund:

The fund for the CSR is allocated based on 2% of the average net profit of the Company for the three immediate preceding financial. Average net profit is computed in accordance with the provision of Section 198 of the Companies Act, 2013.

The complete CSR policy of MCL has been displayed on Company's Website. Web link to the CSR Policy: *http://www.mahanadicoal.in/About/csrpolicy.php*

II. The Composition of the CSR Committee.

There are three types of CSR Committees at MCL as listed below:

1. Area Level CSR Committee:

• Area CGM/GM	Chairman
• Area Personnel Manager	Member
• Project Officer of the Area	Member
• Staff Officer (Civil)	Member
• Area Finance Manager	Member
• Area Medical Officer	Member
• Staff Officer (E&M)	Member
• Staff Officer (L&R)	Member

2. HQ Level CSR Committee:

• Director (Personnel), MCL	Chairman
• GM (CSR), MCL	Member
• GM (Civil), MCL	Member
• GM (Finance), MCL	Member
• GM (Envt), MCL	Member
• GM (L&R), MCL	Member
• GM (P&IR), MCL	Member
• CMS, MCL	Member

3. CSR & SD Sub-committee of MCL Board is a committee at Board level. The members are:

• Shri H.S. Pati (Independent Director)	- Chairman
• Dr. Rajib Mall (Independent Director)	- Member
• Ms. Seema Sharma (Independent Director)	- Member
• Shri S. N. Prasad	- Member
• Director (Technical)	- Member
• Director (Finance / Personnel)	- Member

III. Average net profit of the Company for last three financial years Budget Calculation

Calculation of 3 Years Profits Before Tax for CSR (For 2018-19)

Year	Amount (Rs in Crore)
2015-2016	6260.43
2016-2017	6853.32
2017-2018	7339.66
Total	20453.41
Average net profit (Profit before Tax) of last three financial years is	6817.80
2 % of Average Profits	**136.36**

IV. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The two per cent of the Average net profit (Profit before Tax) of last three financial years is Rs.136.36 Crore.

V. Details of CSR spent during the financial year.

a. Total amount to be spent for the financial year;

The total amount to be spent for the financial year is **Rs.136.36 Cr.**

b. Amount unspent, if any;

The unspent/Balance amount after audit from previous year is NIL (Actual spent is more than the budgeted amount) (Rs.122.85 Cr. – Rs 267.52 Cr.)

The unspent/Balance amount in this year is NIL. (Actual spent is more than the budgeted amount) [(Rs.136.36 Cr. + Rs 0) – **Rs 167.16 Cr**.]

c. Manner in which the amount spent during the financial year is detailed below.

The list of activities in prescribed format has been enclosed as **annexure-1.**

VI. 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.

Not Applicable

VII. 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

A responsibility statement of the CSR Committee as required in Companies Act, 2013 is attached separately as **Annexure-2.**

ANNEXURE-1

(Figure in Lakh)

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified for the financial year 2018-19**	**Sector in which the Project is covered**	**Projects or Programs (1) Local area or other (2) Specify the State and district where Projects or Programs were undertaken**	**Amount outlay (Budget) project or program wise**	**Amount spent on the projects or programs Sub-Heads (1) Direct expenditure on projects or programs (2)Overheads**	**Cummilative expenditure upto the reporting period 31.03.2019**	**Amount Spent: Direct or through implementing agency**
1	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, Khurda, Bolangir, Dhenkanal, Gajapati, Ganjam, Jajpur, Kalahandi, Nayagarh,Rayagada, Sonepur,Kandhamal, Bargarh & Cuttack	27583.18	**5401.22**	**21713.49**	MCL, NPCC, CPWD & State Govt.
2	Promoting education, including special education and employment enhancing vocation skills aspecially among children, women, elderly, and the differently abled and livelihood enhancement projects;	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, & Bargarh	53849.77	**6941.82**	**39873.97**	MCL & NBCC & State Govt.
3	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially economically backward groups;	All Mining District & Other District of Odisha	Angul, Jharsuguda & Nuapada	31.56	**14.83**	**30.28**	MCL & State Govt.
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;	All Mining District & Other District of Odisha	Sambalpur Angul, Jharsuguda, Sundergarh, Khurda	898.07	**623.11**	**745.61**	MCL & State Govt.
5	Protection of national heritage, alt and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional ans. And handicrafts;	All Mining District & Other District of Odisha	Angul, Sambalpur, Khurda & Cuttack	616.21	**245.78**	**504.82**	MCL & State Govt.

6.	Measures for the benefits of armed forces veterans, war widows and their dependents.			0.00	**0.00**	**0.00**	
7.	Training to promote rural sports, nationally recognezed sports, paralympics sports and Olympic sports;	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur	2638.06	**757.02**	**1596.01**	MCL & State Govt.
8.	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for Socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, Other backward classes, minorities and women;			0.00	**0.00**	**0.00**	
9.	Contribution or funds provided to technology incubators located within academic institutions which areapproved by the Central Government.			0.00	**0.00**	**0.00**	
10.	Rural development projects.	All Mining District	Angul, Jharsuguda, Sundergarh, Sambalpur	1013081	**2732.41**	**4588.98**	MCL & State Govt
11.	Slum Area Development			0.00	**0.00**	**0.00**	
	Total			**95747.66**	**16716.20**	**69053.16**	

Annexure-2

CERTIFICATE

It is Certified that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
GM(CSR), MCL

Sd/-
Director (Personnel), MCL

Sd/-
Chairman, CSR & SD Committee
(DIN: 05283445)

ANNEXURE - II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 2018 – 2019

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

To,

The Members,
Mahanadi Coalfields Limited,
Jagruti Vihar, Burla, Sambalpur.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MAHANADI COALFIELDS 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 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 audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable)**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable)**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable)**

v. 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; **(Not Applicable)**

. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable)**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable)**

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable)**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable)**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable)** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable)**

vi. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises.

vii. Compliances and processes under following Industry Specific Laws are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company by different departments and on the basis of verification of documents & records maintained by the company on test check basis:

a. Mines Act, 1952
b. Mines Concession Rules, 1960
c. The Mines Rescue Rules, 1985
d. The Mines Vocational Training Rules, 1966
e. Mines (Posting of Abstracts) Rules, 1954
f. Mines & Mineral (Development Regulations) Act, 1957
g. Indian Electricity Rules, 1985
h. Indian Explosives Act, 1884
i. Indian Explosives Rules, 2008
j. Coal Mines Regulations, 1957
k. Coal Mines Conservation & Development Act, 1974

l. Coal Mines Pension Scheme, 1998
m. Coal Mines provident (Miscellaneous Provisions) Act, 1948
n. Environment Protection Act, 1986
o. The Water (Prevention & Control of Pollution Act), 1974
p. The Air (Prevention and Control of Pollution) Act, 1981
q. Payment of Wages(Mines) Rules, 1956
r. Payment of Undisbursed wages (Mines) Rules, 1959
s. The Maternity Benefit(Mines) Rules, 1963
t. Colliery Control Order, 2000
u. Colliery Control Rules, 2004
v. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules, 1990

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India**.**
ii. The Listing Agreements entered into by the Company with any Stock Exchange(s); (**Not Applicable**)

We are not reporting on compliance of Fiscal Laws and the maintenance of financial records and books of accounts, since those are to be reviewed by the Statutory Auditor in the course of Statutory Audit.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, DPE Guidelines, Secretarial Standards, etc. as applicable to the Company subject to the Observations and Qualifications specified in Annexure- B.

COMPOSITION OF BOARD:

The Board of Directors of the Company is duly constituted subject to the Observations and Qualifications specified in **Annexure- B** and the changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and disclosure of information to the Board were adequate and proper board procedure had been followed by the company.

HOLDING OF MEETINGS:

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. Majority decisions at Board & Committee Meetings are carried unanimously and duly recorded in the Minutes Book.

COMPLIANCE WITH APPLICABLE LAWS, RULES, REGULATIONS & GUIDELINES:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

BUY BACK OF EQUITY SHARES:

During the Audit Period, the Board of Directors in its meeting held on 28th January, 2019 pursuant to Section 68, 69 and 70 and all other applicable provisions if any of the Companies Act, 2013 has approved the Buy Back of Equity Shares by the Company up to 442967 no. of fully paid-up Equity shares of Rs.1000 each of the Company representing 6.27% of the total paid-up equity Share Capital of the Company at a price of Rs. 8014.13 per equity share (Buy Back Price) payable in Cash for an aggregate amount of Rs. 354,99,95,124.00 which is 6.32% of the fully paid up equity share capital and free reserves as per the latest half yearly standalone financial accounts of the Company for the half year ended September 30, 2018 on proportionate basis through the tender offer route to all the shareholders who hold equity shares as on 28.01.2019 (Record Date) and the Buy Back does not include any expenses incurred or to be incurred for the Buy Back.

APPOINTMENT OF CMD:

The Under Secretary to the Govt. of India, MoC, New Delhi vide letter No. 21/27/2018-BA-Part (1) dated 24.09.2018 has conveyed the approval of the Minister of Coal for entrustment of the additional charge of the post of Chairman-cum-Managing Director, Mahanadi Coalfields Limited to Shri R. R. Mishra, CMD, WCL with effect from 24.09.2018 and till further orders or till the appointment of a regular incumbent to the post which ever is the earliest. Accordingly, Shri Mishra took over the charge of CMD, MCL on 25.09.2018. The appointment of Shri Mishra was noted by MCL Board in its 204th meeting held on 5th October 2018.

The Board of Directors in its meeting has appointed, as CMD, MCL.

RE-APPOINTMENT OF NON-OFFICIAL PART TIME DIRECTOR:

Shri S. Bhattacharya, Under Secretary to the Govt. of India, vide his letter No. 21/33/2018-BA(V) dated 17.11.2018 has communicated the approval of the President for re-appointed of Dr. Rajib Mall and Shri Himansu Sekhar Pati w.e.f 17.11.2018 for a further period of 01 year or untill further order whichever is earlier. MCL Board noted the same in its 208th meeting held on 29th November, 2018.

Place: Bhubaneswar
Date: 14.05.2019

For Deba Mohapatra & Co,
Company Secretaries

Sd/-
CS Anchal Agarwal, Partner,
FCS No. 9393, C P No: 10548

Note: This report is to be read with our letter of even date which is annexed as **Annexure A & Annexure B** and forms an integral part of this report.

'Annexure-A'

To,

The Members,
Mahanadi Coalfields Limited,
Jagruti Vihar, Burla, Sambalpur.

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

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

For Deba Mohapatra & Co,
Company Secretaries

Place: Bhubaneswar
Date: 14.05.2019

Sd/-
CS Anchal Agarwal, Partner,
FCS No. 9393, C P No: 10548

'Annexure-B'

Observation of Secretarial Auditor & Management Reply

SL. No.	OBSERVATIONS	MANAGEMENT REPLY
1.	No evaluation of performance of independent Directors was done by the Board of Directors during the year under the provision of Clause VIII of Schedule IV of the Companies Act, 2013.	MCA vide its Notification dated July 5, 2017, has amended Schedule IV of the Companies Act, 2013, under which Govt. Companies are exempted from the provision of evaluation of performance of independent Directors.
2.	Whether Company had adhered to the Guidelines issue by the Department of Public Enterprise on Corporate Governance for CPSE Dated 14-05-2010 and the Companies Act, 2013 w.r.t Optimum Combination of Board Members in the Board & Committee.	The constitution of MCL Board has 04 Independent Directors. 03 of them have been appointed by MOC. Appointment of remaining 01 Independent Director is pending with MoC. Once, he / she appointed, the Board / Committee would meet the provisions of the Company Law and DPE guidelines as well.

Annexure-III

Report on compliance of Secretarial Standard on report of the Board of Directors

DISCLOSURES

1. COMPANY SPECIFIC INFORMATION

1.1 Financial summary and highlights: Covered in the main report.

1.2 Major events occurred during the year

a) State of the Company's affairs: Covered in main report

b) Change in the nature of business

During the year under report, no new business venture was commenced. However, during the year, Neelanchal Power Transmission Company Private Limited (NPTCPL), a joint venture Company of MCL and OPTCL was struck-off from the Register of Companies, by ROC, Cuttack on 28.06.2018 under Section 248.

c) Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the Year and till the date of the Report: Covered in Independent Auditor's Report.

1.2 Details of revision of financial statement or the Report: Financial Statement or the Report of the Company has not been revised in the last three financial years.

2. GENERAL INFORMATION: Covered in the main report.

3. CAPITAL AND DEBT STRUCTURE

Any changes in the capital structure of the Company during the year, including the following:

(a) Change in the authorised, issued, subscribed and paid-up share capital: Due to buy back of 442967 no. of fully paid-up Equity shares, the issued, subscribed and paid-up equity share capital of the Company has been reduced from 7061330 nos to 6618363 nos.

(b) Reclassification or sub-division of the authorised share capital: NIL

(c) Reduction of share capital or buy back of shares: The Company has bought back 442967 no. of fully paid-up Equity shares of Rs.1000 each of the Company representing at a price of Rs. 8014.13 per equity share.

3.1 Issue of shares or other convertible securities: NIL.

3.2 Issue of equity shares with differential rights: NIL

3.3 Issue of Sweat Equity Shares: NIL

3.4 Details of Employee Stock Options: NIL

3.5 Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees: NIL

3.6 Issue of debentures, bonds or any non-convertible securities: NIL

3.7 Issue of warrants: NIL

4. CREDIT RATING OF SECURITIES: *The Company did not require any credit rating in the financial year.*

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF): *As there was no amount of unclaimed / unpaid dividend and no such activity for which amount is required to be transferred to IEPF, no amount was transferred to IEPF.*

6. MANAGEMENT

6.1 Directors and Key Managerial Personnel: *Covered in the main report.*

6.2 Independent Directors: *Being a Govt. Company, Independent Directors are appointed / reappointed by Govt. of India.*

6.3 Declaration by Independent Directors and statement on compliance of code of conduct:

Necessary declaration with respect to independence has been received from all the Independent Directors of the Company and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. Further, the Company has formulated a Code of Conduct for Directors and senior management personnel and the same is being complied with by the concerned Officials.

6.4 Board Meetings: *Covered in the main report.*

6.5 Committees: *The details of Board Committees have been covered in the main report.*

6.6 Recommendations of Audit Committee: *There was not any case where the Board has not accepted any recommendation of the Audit Committee.*

6.7 Company's Policy on Directors' appointment and remuneration: *Being a non-listed Company, the provision of having policy on directors' appointment and remuneration, etc. is not applicable to the Company.*

6.8 Board Evaluation: Board Evaluation: *Being a non-listed Company, the provision of Board Evaluation is not applicable to the Company.*

6.9 Remuneration of Directors and Employees of Listed Companies: *Not applicable.*

6.10 Remuneration received by Managing/Whole time Director from holding or subsidiary company: *NIL*

6.11 Directors' Responsibility Statement: *Covered in the main report.*

6.12 Internal Financial Controls: *Covered in the main report.*

6.13 Frauds reported by the Auditor: *No fraud was reported by the Auditor (Statutory Auditor, Secretarial Auditor or Cost Auditor) in the year.*

7. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES: Covered in the main report.

7.1 Report on performance and financial position of the subsidiaries, associates and joint ventures

In case of companies having subsidiaries, associates and joint ventures, the Report shall include a separate section highlighting the performance of each of the subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company.

7.1.1 Companies which have become or ceased to be subsidiaries, associates and joint ventures

During the year, Neelanchal Power Transmission Company Private Limited (NPTCPL), a joint venture Company of MCL and OPTCL was struck-off from the Register of Companies, by ROC, Cuttack on 28.06.2018 under Section 248.

8 DETAILS OF DEPOSITS: The Company did not accept deposits during the year.

9 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has disclosed the aforesaid particulars in the notes to the financial statement.

10 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES: NIL

11 CORPORATE SOCIAL RESPONSIBILITY (CSR): Covered in main report.

12 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO: Covered in main report.

13 RISK MANAGEMENT: Covered in main report.

14 DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM: Covered in main report.

15 MATERIAL ORDERS OF JUDICIAL BODIES / REGULATORS:

Details of significant and material orders passed by any Regulator, Court, Tribunal, Statutory and quasi-judicial body, impacting the going concern status of the company and its future operations: NIL.

16 AUDITORS: Covered in main report.

17 SECRETARIAL AUDIT REPORT: Attached as Annexure - II.

18 EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS: Covered in main report.

19 COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has taken due care in compliance of applicable Secretarial Standards viz. SS-1 & SS-2. Further, the Company has also taken steps in compliance of Secretarial Standards on Report of the Board of Directors (SS-4) which is voluntarily adopted by the Company. All relevant and applicable disclosures as required under SS -4 have been made.

20 CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

20.1 The Company has not filed any application for corporate insolvency resolution process. Further no application for corporate insolvency resolution process has been filed against the Company by a financial or operational creditor under the IBC before the NCLT.

21 FAILURE TO IMPLEMENT ANY CORPORATE ACTION: NIL

22 ANNUAL RETURN: Covered in the main report.

23 OTHER DISCLOSURES

23.1 Consolidated financial statement is also being presented in addition to the standalone financial statement of the Company.

23.2 Key initiatives with respect to Stakeholder relationship, Customer relationship, Environment, Sustainability, Health and Safety: Covered in the main report.

23.3 Reasons for delay, if any, in holding the annual general meeting: Not applicable

23.4 Details on maintenance of cost records by the Company: Covered in main report.

24 ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS

24.1 Statement of deviation or variation: Not applicable.

24.2 Management Discussion and Analysis Report (MDAR): Covered in main report.

24.3 Certificate on Compliance of conditions of Corporate Governance: Covered in main report.

24.4 Suspension of Trading: Not applicable.

25 Disclosures pertaining to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013: Covered in main report.

ANNEXURE - IV

ANNEXURE TO DIRECTORS' REPORT

Information as required to be given in the Director's Report under Section 134 (3) of the Company's Act, 2013 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earning and outgo.

1. CONSERVATION OF ENERGY

1 (A). Electrical Energy Conservation Measures Taken

The highlights of this year's power position are furnished below with comparative statement:

i. Specific consumption of power (for Coal) during 2018-19 is 2.16 kWh/T in comparison to 2.12 kWh/T for 2017-18 i.e. % increase of 1.88%.

ii. Specific consumption of power (for Composite Production) (i.e. Coal + O.B Removal) during 2018-19 is 1.44 as against 1.35 kWh/Cu.M during 2017-16 .i.e. % increase of 6.66%.

iii. Power Factor incentive of Rs. 100.02 Lakhs was received during 2018-19 for maintaining p.f. above 0.97.

iv. A total rebate of Rs. 178.01 lakhs was availed from WESCO / CESU during 2018-19 or arranging payment of monthly electricity bills of all supply points with in the fourth day of every month.

1.(B) Special Initiatives

i. 2 MWp Solar Plant successfully commissioned on 13/10/2014 and has been operational with an average PR ratio of 75%. Till date, Plant has reduced 73,25,938 Kgs of carbon emission.

ii. 66 service buildings of MCL have been identified for installation of the solar roof top power plants in MCL. In first phase 16 number buildings have been identified which can accommodate 2.5 MWp Solar Capacity. As per Direction of Nodal officer (Solar), CIL, MCL's aggregated capacity 1.21 MWp has been approved by competent authority to include in CIL's centralized tender published through M/s Solar Energy Corporation of India. The tender will be opened on 11/04/2019.

iii. The identified locations are tabulated below.

Sl. No.	Area/ Location	Buildings	Capacity (KWp)
1	IB Valley area	GM Office	65
2		Central Hospital	335
3	Orient area	Area GM Office	85
4	Lakhanpur area	Area GM Office	45
5		Belpahar PO Office	55
6		Triveni Guest House	25
7	Basundhara area	GM office	40
8		Meghdoot Community Centre	30
9	Talcher area	CWS Talcher (3 Building + 5 shed)	230
10		DAV School	20
11	Jagannath area	DAV School	155
12	Lingaraj area	Area GM Office	50
13		Dispensary	5
14		Lingaraj Project Office	20
15	Hingula area	Area GM Office	35
16		Balrampur Project Office	15

i. Proposal for providing 30 nos. of solar street lights for Chendipada, Bharatpur Area, 02 nos. of solar water heating system for 48 bedded MT hostel of Basundhara Area and 02 nos. of solar water heater for the transit house of Bhubaneswari OCP have been approved and procurement of the same is under process.

1.(C) Steps taken wherever feasible / possible for reduction in power consumption for effective conservation of energy.

i. Maintaining of power factor above 0.97: Power Factor incentive of Rs 100.02 Lakhs was received during 2018-19 for maintaining power factor above 0.97.

ii. Procurement of 4 nos. 3.3KV, 450 KVAR capacitor banks for North Quarry sub-station, Bharatpur area for improving Power Factor

iii. 3.3KV overhead lines running from sub-station to mines have been rearranged to minimise the circuit distance to avoid power loss in Ib Valley area.

iv. Installation of capacitor banks 11 KV, 2x 900 KVAR, and 3.3 KV, 3x450 KVAR in sub-stations of Lingaraj area for improving Power Factor.

v. Augmentation of Nandira Sub-station from 60MVA to 120MVA for providing reliable power supply for Talcher Coalfield is completed.

vi. Procurement of Air conditioners of only higher star rating, regular cleaning of filters of air conditioners, switching off of air conditioners when not required etc. All new Window and Split Air-conditioners being purchased are of five star rating. Details of 5 star rated AC procured in 2018-19 is as following:-

Sl. No.	Type of Air Conditioners	Quantity (Nos.)
1	1.5 Ton split AC, 5 star	463
2	1.5 Ton Window AC, 5 star	134
3	2 Ton split AC, 5 star	154

i. Procurement of 5 star rated ceiling fans. MCL has procured 4521 nos. of 5 star rated ceiling fans in 2018-19.

ii. Conversion of CFL & HPSV light fittings with energy saving LED light fittings. MCL has procured 2191 nos. LED Street / flood lights and 4388 nos. LED tube light / bulbs in 2018-19.

iii. Procurement for replacement of 13,908 nos. of 40W fluorescent tube lights with 20 Watt LED lamps from M/s EESL is under the approval process of MCL Board. These lamps are expected to be replaced during the year 2019-20.

iv. Procurement for replacement of 7,044 nos. of higher wattage conventional street lights with lower wattage LED lamps from M/s EESL is under the approval process of MCL Board. These street lights are expected to be replaced during the year 2019-20.

v. Installation of energy meters in executive's quarters of MCL is under process and it is expected to be fully installed during the year 2019-20.

vi. Reorganisation of Township Power Distribution from single point transformer to Multi point pole mounted Transformer.

vii. To reduce peak demand of power and to avail TOD (Time of the day) incentive as maximum as feasible, regular loads, such as pumping etc. are being operated during off-peak hours.

viii. To reduce energy consumption by industrial pumps, some steps have been taken such as effective maintenance, use of pontoons, deliveries and cables through bore-holes etc.

ix. Use of electronic regulators for fans instead of conventional chokes and regulators.

x. Avoiding loose connections and using proper size of fuses.

xi. Ensuring minimum cable losses with proper size of cables, i.e. of rated capacity.

xii. Optimum usage of transformer capacity thereby reducing transformer losses.

xiii. Maintenance of Power factor close to 0.97 by using power capacitors thereby reducing energy loss.

xiv. Minimum transmission loss has been ensured by using proper sizes of overhead conductors.

xv. Stage pumping / intermediate pumping has been reduced to minimize energy loss and ensuring proper capacity electric motors in pumps.

xvi. Automatic Timer switches have been installed with light fittings to prevent energy wastage.

xvii. Use of proper size of suction and delivery lines as per design of pumps to avoid throttling.

xviii. Ensuring no leakages in pipelines thereby improving pumping efficiency.

xix. Ensuring proper condition of bearings etc.

xx. To contain maximum demand close to the contract demand, close monitoring during peak hours are exercised by controlling non-productive load, i.e., resorting to load-shedding, if necessary. Capacitors of appropriate specification are being used to enhance power factor for dual benefit of reduced maximum demand.

2. A. Fuel & Lubricants:

Following steps were taken for reduction of consumption of Fuel & lubricants:

a. Periodical overhauling of Engines, Transmissions & Hydraulic operated systems are being carried out.

b. Specific Diesel Consumption is regularly monitored to keep within

c. the norms fixed by CMPDI.

d. 3. Periodical checking of hoses and their routing is being carried out to minimize leakage of hydraulic oil of equipment.

e. Proper inflation of Tyres is being carried out regularly.

f. Regular checking of Self-starters, Alternators and Batteries.

g. Efforts are being taken to minimize idling of equipments.

h. For better control and monitoring of Diesel consumption, fitment & installation of Integrated Fuel Management System (IFMS) are being started.

2. B. Impact of measures of (a) for Energy Consumption and consequent impact on the parameters of production.

DESCRIPTION	18-19	17-18	% change over previous year
Electrical Energy			
(i) Specific Consumption of power (for Coal), in kWh/Tonnes	2.16	2.12	(-2.36) (FAVOURABLE)
(ii) Specific Consumption of power (for Composite Production) (i.e. Coal + O.B removal), in KWh/Cu.M	1.44	1.35	(-8.15) (FAVOURABLE)
Fuel and Lubricants			
(i) Consumption of HSD, in ltrs/Cum of composite Production.	0.192	0.193	(-05.00) (F)
(ii) Consumption of lubricants, in Ltrs./Cum of composite Production.	0.009	0.009	(00.00)
(iii) Consumption of HSD, in ltrs/Tonne of Coal Production	0.289	0.303	(-4.62) (F)
(iv) Consumption of lubricants, in Ltrs./Tonne of Coal Production.	0.013	0.014	(-7.14) (F)
(v) Specific cost of POL, in Rs. / Tonne	22.09	20.07	(10.06) (A)

F – FAVOURABLE A – ADVERSE

2. C. FOREIGN EXCHANGE EARNING and OUTGO

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

(ii) Foreign Exchange used and earned

(₹ in crore)

Description	Current Year	Previous Year
(a) Foreign Exchange used :		
(i) CIF value of imports		
a) Components, Stores and Spare parts	2.45	0.03
b) Capital goods	1.98	1.93
(ii) Travelling	0.17	0.09
(iii) Interest	0.07	0.07
(iv) Others	-	-
(b) Foreign Exchange earned :	-	-

ANNEXURE - IV

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members
M/s. Mahanadi Coalfields Limited

We have examined the compliance of conditions of Corporate Governance by **M/s. Mahanadi Coalfields Limited** (herein after referred as "the Company"), for the year ended on 31st March, 2019 as stipulated in Department of Public Enterprise (DPE), Government of India Guidelines on Corporate Governance.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE Guidelines, subject to the observations mentioned at "**Annexure-1"**.

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 Raghav Garg & Associates
(Company Secretaries)

Sd/-
CS Raghav Garg, ACS
Proprietor
M No. 51644, CP No. 18834

Place: Sambalpur
Date: 20.05.2019

ANNEXURE-1

A. Composition of Board of Directors:-

The Constitution of Board of Directors of MCL includes 05 Functional Directors, 02 Govt. Nominee Directors, 04 Independent Directors and 01 Permanent Invitee from East Cost Railway. Out of the 04 Independent Directors, the Company has only 03 Independent Directors and other 01 post of Independent Director is lying vacant. In the mean time, two (02) Functional Directors have retired. Consequently, since last Quarter (January-March, 2019), the criteria for having 1/3rd non-official part time Director as per the said DPE guidelines is met.

B. Composition of Audit Committee:-

As stated above, 01posts of Independent Directors is lying vacant since long and could not be filled up by Govt. of India during the financial year 2018-19. This has resulted in non-compliance of the DPE guidelines in respect of the Composition of the Audit Committee, as two-third of the members of the Audit Committee shall be Independent Directors.

The Management of the Company has stated that once 01 more Independent Director is inducted by Ministry of Coal, Government of India, Audit Committee of the Company would be re-constituted by inducting all the 04 Independent Directors as members of the Audit Committee. This would comply with the provisions of DPE Guidelines.

For Raghav Garg & Associates
(Company Secretaries)

Sd/-
CS Raghav Garg, ACS
Proprietor
M No. 51644, CP No. 18834

Place: Sambalpur
Date: 20.05.2019

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY:

Corporate Governance as a business philosophy is being integrated more deeper in to the organisational system of Mahanadi Coalfields Limited (MCL) with an aim to ensure transparency, greater organisational justice and corporate sustainability.

With the directives from the Central Government for complying with the Guidelines on Corporate Governance from 2010-11, the Guidelines have been re-looked with fresh perspective and due diligence.

Equity, justice, transparency, accountability etc. being touchstones of good governance have been accepted as core values to be practised to the best extent in every sphere of business activities pertaining to MCL.

BOARD OF DIRECTORS

In adherence to the principle of optimum combination of functional, nominee and independent directors on the Board, the Board of Directors of MCL is comprised of 08 (Eight) Directors as on 31.03.2019 categorized as below.

a) 03 (four) Functional Directors including Chairman-cum-Managing Director.

b) 03 (two) Independent Directors.

c) 02 (two) Official part-time Directors (Nominee).

Besides, Chief Operation Manager, East Coast Railway, Bhubaneswar is also appointed as a Permanent Invitee to the Board.

The Board met Twelve (12) times during the year 2018-19 on 24.05.2018, 06.08.2018, 05.10.2018, 23.10.2018, 30.10.2018, 15.11.2018, 29.11.2018, 18.12.2018, 20.12.2018, 28.01.2019, 16.02.2019, and 07.03.2019 with attendance of Directors of minimum 80% on average.

A table is prepared with details on composition of the Board, attendance of the Directors in the Board meeting and in the last AGM and number of Directorship in other Companies.

Name and Designation	Category	Board meetings: Held during tenure	Board meetings: Attended	Directorships in other Companies	Attended last AGM	Membership in other Committee: Audit Committee	Membership in other Committee: Other Committee
Shri Rajiv Ranjan Mishra Functional	Functional	10	10	The Singareni Collieries Company LimitedWestern Coalfields Limited	No	Nil	01
Shri A. K. Jha, Functional	Functional	02	02	Nil	Yes	Nil	01
Shri J. P. Singh,Director (Tech./ OP)	Functional	11	11	NIL	No	01	05
Shri O P Singh, Director (Tech./P&P)	Functional	12	12	(i) MJSJ Coal Limited(ii) MNH Shakti Limited(iii) Mahanadi Basin Power Limited(iv) Mahanadi Coal Railway Limited	No	01	05
Shri L.N. Mishra, Director (Personnel)	Functional	09	09	NIL	No	Nil	05
Shri S. N. Prasad,Director	Govt. Nominee	12	06	(i) Coal India Limited (ii) Northern Coalfields Ltd (iii) South Eastern Coalfields Limited (iv) Eastern Coalfields Ltd	Yes	01	02
Dr. Rajib Mall, Director	Independent	12	12	Nil	No	01	02
Shri H.S. Pati, Director	Independent	12	12	Nil	No	01	02
Shri R. K. Sinha	GovtNominee	12	10	Coal India Ltd.	No	01	01
Smt. Seema Sharma	Functional	12	12	Nil	No	01	02
Shri K.R.Vasudevan	Functional	12	12	(i) MJSJ Coal Limited (ii) MNH Shakti Limited (iii) Mahanadi Basin Power Limited (iv) Mahanadi Coal Railway Limited	No	Nil	04

Certain items of governance like the Half-yearly and Annual Accounts, Capital expenditure, Coal sale contracts, Manpower budgets, statutory compliance reports etc. are reserved for Board's review and approval.

Remuneration of Directors:

A) Whole time Directors

Name	Relationship with other Directors	Business relationship with the Company if any	Remuneration for the year 2018-19: All elements of remuneration package i.e. Salary, Performance linked incentive Scheme, PF contribution, Pension etc. (Rs.)
Shri Rajiv Ranjan Mishra	Nil	Chairman-cum-Managing Director	NIL (Salary is paid by WCL)
Shri A. K. Jha	Nil	Chairman-cum-Managing Director	26,78,859.35
Shri J. P. Singh	Nil	Ex-Director(Tech/OP)	53,97,156.14
Shri L. N. Mishra	Nil	Director(Personnel)	39,75,390.64
Shri O. P. Singh	Nil	Director (Tech./P&P)	55,41,952.77
Shri K. R. Vasudevan	Nil	Director (Finance)	28,23,427.08

B) Official Part- time Directors

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

C) Non Official Part- time Directors

No remuneration except Sitting Fee for attending the Board/Committee meetings is paid to the Non-official Part-time Directors.

D) Service Contracts, Notice Period, Severance Fees:

All the Functional Directors of the Company are appointed by the Hon'ble President of India. The appointment may be terminated by either side on 03 months' notice or on payment of 03 months' salary in lieu thereof.

COMMITTEES OF THE BOARD:

i. Audit Committee

MCL believes that a well comprised Audit Committee with proper autonomy and defined scope of work can be efficient machinery for smooth conduct of business. The Committee meets at regular intervals and addresses the issues as early as possible. Meetings of the Audit Committee are also very structured with proper agenda and action taken reports put in place timely.

The Audit Committee has access to financial and other data/information of MCL. Observation made by the Committee is reported to MCL Board. The Committee meets as often as desired but is expected to meet at least once in a Quarter.

Scope of work

The scope of work and authority vested with the Audit Committee is as per provision of Section 177 of the Companies Act, 2013 read with the Companies (meeting of Board and its powers) Rules, 2014.

Composition and meeting details of the Audit Committee:

The Audit Committee met for Seven times on 24.05.2018, 05.08.2018, 17.09.2018, 30.10.2018, 18.12.2018, 28.01.2019, 07.03.2019 during the year and the details of Directors attending the meetings are given as under:

Sl. No	Name	Status	No of meetings held during tenure	Attendance
1.	Dr. R. Mall	Chairman	7	7
2.	Shri R. K. Sinha	Member	7	3
3.	Shri S. N. Prasad	Member	7	4
4.	Shri H. S. Pati	Member	7	7
5.	Mrs S. Shrama	Member	7	7
6.	Shri J. P. Singh	Member	6	4

In Audit Committee meetings, Director (Finance), Chief of Internal Audit, and Statutory Auditors are invited to clarify the matters relating to Finance, Accounts, Audit and Internal Control System.

In addition to the existing Audit Committee, following Sub-committees have been constituted in the 134th and 135th Board meeting during 2011-12, keeping in view, further strengthening of Company's strategic and technical decision-making process, adherence to Corporate Governance in true letter and spirit, value addition through HR and urgency of R & R.

ii) Technical Sub-committee:

Scope of work:

Evaluation, appraisal and recommendation of projects for approval of MCL Board.

Composition and meeting details of the Sub-committee:

The Sub-committee met once during the year, i.e. on 24.06.2018 with attendance of members as under:

Sl. No	Name	Status	No of meetings held during tenure	Attendance
1.	Shri A. K. Jha	Chairman	1	1
2.	Shri J. P. Singh	Member	1	1
3.	Shri L. N. Mishra	Member	1	1
5.	Shri O. P. Singh	Member	1	1
6.	Shri K. R. Vasudevan	Member	1	1

iii) CSR and Sustainable Development Sub-committee (CSR & SD):

Scope of work:

The scope of work and authority vested with the reconstituted Committee shall be as per Section 135 of the Companies Act, 2013, as per provisions of DPE guidelines and as decided by the MCL Board from time to time.

Composition and meeting details of the Sub-committee:

The CSRSD Sub-committee met five times during the year on 27.06.2018, 05.10.2018, 20.12.2018, 11.02.2019 and 16.02.2019 with attendance of members as under:

Sl. No	Name	Status	No of meetings held during tenure	Attendance
1.	Shri H.S. Pati	Chairman	5	5
2.	Shri S. N. Prasad	Member	1	0
3.	Shri J.P. Singh	Member	5	4
4.	Shri L.N. Mishra	Member	3	3
5.	Shri O.P Singh	Member	1	1
6	Dr.Rajib Mall	Member	5	5
7.	Ms. S. Sharma	Member	5	5
8.	Shri K.R. Vasudevan	Member	5	5

iv) Risk Management Committee (RMC):

Scope of work:

The scope of the Committee will be as per the policy of CIL & provisions of the Companies Act, 2013.

Composition and meeting details of the Sub-committee:

The Risk Management Committee has been formed with the following members on 09th February, 2016 and no meeting was held during the year 2018-19.

v) Nomination and Remuneration Committee:

Scope of work:

The scope of work and authority vested with the Committee shall be as per Section 178 of the Companies Act, 2013 subject to the exemption granted to Govt. Company as per notification in the Official Gazette.

Composition and meeting details of the Sub-committee:

The Nomination & Remuneration Sub-committee met two times during this year on 05.08.2018 and 23.10.2018 with attendance of members as under:

Sl. No	Name	Status	No of meetings held during tenure	Attendance
1.	Shri S. N. Prasad	Chairman	2	1
2	Dr. R. Mall	Chairman	2	2
3.	Shri H. S Pati	Member	2	2
4.	Smt. S. Sharma	Member	2	2
5.	Shri L. N. Mishra	Member	2	2

vi) Sub-committee for Land oustee cases:

Scope of work:

To consider and approve all the cases of employment, cash compensation etc. as per existing norms of R&R Policy being followed by the Company.

Composition and meeting details of the Sub-committees:

The Sub-committee for Land oustee cases met 16 times during this year on 23.05.2018, 29.06.2018, 14.08.2018, 24.10.2018, 06.11.2018, 21.11.2018, 11.12.2018, 12.12.2018, 09.01.2019, 08.02.2019, 16.02.2019, 25.02.2019, 13.03.2019, 18.03.2019, 23.03.2019, 26.03.2019 with attendance of members as under:

Sl. No	Name	Status	No of meetings held during tenure	Attendance
1	Shri R. R. Mishra	Chairman	13	13
2.	Shri A. K. Jha	Chairman	03	03
2	Shri J. P. Singh	Member	12	09
3	Shri O. P. Singh	Member	16	16
4	Shri L. N. Mishra	Member	07	07
5	Shri K. R.Vasudevan	Member	16	16

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013, the following Audit Firms were appointed as Statutory/ Branch Auditors for the year 2018-19.

Statutory Auditors
Singh Ray Mishra & Co.,
Chartered Accountants,
Bhubaneswar

Branch Auditors
M/s SRB Associates
5th Floor, IDCO Towers,Janpath,
Bhubaneswar, Odisha-751022

Type of Audit	Remuneration (Rs.)	Remarks
Statutory Audit for the year 2018-19	Rs 40,43,235/-(Rs 25,88,170 for Principal audit and Rs.14,55,065 for Branch audit)	Reimbursement/payment of travelling expenses on actual basis and applicable Tax payable thereon. (Audit Fees of Principal Auditor is inclusive of fees for review of Consolidation of Accounts of MCL, with its four subsidiaries)
Compliance with the conditions of Corporate Governance	Rs. 30,000.00	Reimbursement/payment of travelling expenses on actual basis and applicable Tax payable thereon.

General Meetings of Shareholders:

Details of the General Meetings of the Shareholders held during last 03 years are as under:

Annual General Meeting

Year	Date	Time	Location	Special Resolution, if any
2016-17	11.07.2016	4.00 PM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	NIL
2017-18	21.07.2017	11.00 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	One
2018-19	27.07.2018	10.00 AM	Coal Bhawan, Premises No-4 Mar, Plot No- AF-III, Action Area-1 A, New town , Rajarhat, Kolkata , West Bengal	NIL

Extraordinary General Meeting:

Year	Date	Time	Location	Special Resolution, if any
2016-17	12.03.2017	11.00 AM	Mahanadi Coalfields Limited, JagrutiVihar, Burla, Sambalpur	One
2017-18	21.03.2018	10.30 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	One
2018-19	NIL	NIL	NIL	NIL

Code of business conduct and ethics for Board members and Senior Management Personnel in MCL.

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management Personnel in its 94th meeting held on 29th March, 2008 at Kolkata and the same has been posted at Company's website www.mahanadicoal.in.

Report on Internal Financial Controls (IFC):

All the Internal Auditors of MCL has submitted their reports on Internal Financial Control prevailing in MCL. All the Auditors have opined that MCL 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 2018-19.

Risk Management:

Due importance is given for risk identification, assessment and its control in different functional areas of the Company for an effective risk management process because of inherent risk, external and internal, necessary control measures are regularly taken. Acquisition of land, forest clearance, land oustee problems are some of the critical factors which are monitored continuously by the Management. Due importance is also given to the internal factors like preventive maintenance of machinery, security, industrial relations etc. for ensuring smooth operation of the Company. At an apex level, a separate Sub-committee of the Board has been formed in the year 2011-12 for reviewing the functioning of risk management mechanism at MCL. Further, to comply with the provisions of the requirements of Section 134(3)(n) of the Companies Act, 2013, the said Committee has been re-constituted on 09.02.2016 by MCL Board named as "Risk Management Committee" (RMC). General Manager (S&R), MCL has been nominated to act as Chief Risk Officer (CRO), a representative of MCL's RMC to co-ordinate and comply with the matters related to Risk Management at MCL.

Whistle Blower Policy:

Being a Govt. Company, the activities of the Company are open for audit by C&AG, Vigilance, CBI etc. A policy in the line with the Policy of CIL has been framed and the same is being followed.

Accounting Treatment:

The Financial Statements are prepared in accordance with the applicable mandatory Accounting Standards and relevant requirements under the Companies Act, 2013.

Means of Communication:

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

Audit Qualifications:

It is always the Company's endeavour to present unqualified Financial Statements. Management Reply to the Statutory Auditors' observations on the Accounts of the Company for the year ended 31st March, 2019are furnished as an Annexure to Directors' Report. Comments of the Comptroller & Auditor General of India under the provisions of Section 143 of the Companies Act, 2013 on the Accounts of MCL for the year ended 31st March, 2019 is also enclosed.

Training of Board Members:

The Functional Directors, by virtue of their possessing the requisite expertise and experience in their respective functional areas, are aware of the business model of the Company as well as the risk profile of the Company's business. The Part-time Directors are fully aware of the Company's business model. However, having aimed at better familiarity with Corporate Governance practices, the Independent Directors are nominated for undergoing training programmes organised by Top Institutions. A suitable Training Policy for Directors in line with DPE Guidelines on Corporate Governance is also in place.

Compliance on Corporate Governance as per DPE Guidelines

Your Company has implemented the Guidelines issued by DPE as per OM No.DPE/14(38)/10-Fin Dated 28.06.2011 and a certificate has been given by CEO for compliance of DPE Guidelines.

Your Company has achieved an annual score of 97.65% in Corporate Governance for the year 2018-19, which entails '**Excellent'** grading.

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENT:

Coal - primary source of Energy:

Coal is the dominant, sustainable and reliable source of energy. Globally, use of coal for commercial energy has been going down since 1950, largely because of environmental considerations and availability of cheap oil and gas. However, in India the scenario is totally different. Here coal is likely to play a dominant role in power generation because of its abundant reserve and cheap availability coupled with limited oil reserve within the country.

Coal Reserve:

Coal accounts for 97% of the fossil resources in our country .The National Coal Inventory places the hard coal resources at 319.020 Billion Tonne (BT) upto 1200 meter depth in 68 different coalfields as on 01.04.2018, details are as below:

SL NO	STATE	NO. OF CF	COAL RESERVE (BT)	% OF INDIA
1	JHARKHAND	12	83.152	26.06%
2	ODISHA	2	79.295	24.86%
3	CHHATTISGARH	13	57.206	17.93%
4	WEST BENGAL	4	31.667	9.93%
5	M.P.	8	27.987	8.77%
6	TELENGANA	1	21.702	6.80%
7	MAHARASHTRA	5	12.299	3.86%
8	NE STATE	20	1.703	0.53%
9	A.P.	1	1.581	0.50%
10	U.P.	1	1.062	0.33%
11	BIHAR	1	1.367	0.43%
	TOTAL	68	319.020	100

Odisha stands 2nd to Jharkhand in the reserve position in India. Total coal reserve of Odisha as on 1st April 2018 is estimated to be 79.295 Billion Tonnes which is around 24.86 % of the total National coal reserve. The two coalfields of Odisha, namely Talcher and Ib-valley coalfield are under command area of MCL; Talcher being the largest coalfield (51.220 BT) and Ib-valley being the 3rd largest (28.074 BT) coalfield of India. Out of 79.295 Billion Tonnes of coal reserve, the measured coal reserve is 37.391 BT (47.15 %).

Talcher and Ib-valley coalfields of Odisha are the store house of huge thermal grade non-coking coal having most favorable quariable prospects. Demand of coal for existing thermal plants and upcoming ones of southern and western India is in a growing trend.

Coal off-take and dispatch:

Off-take programme for MCL the year 2019-20 has been planned for 160.00 Mt.

Sector-wise actual coal off-take of MCL for XI Plan, XII Plan, 2017-18, 2018-19 & Projection for 2019-20

(Fig. in Million Tonne)

	XI Plan					XII Plan							
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 (BE)
Power	68.09	70.47	70.88	74.73	77.11	88.16	78.223	87.717	91.173	98.550	99.274	102.527	116.670
Cement	0.19	0.17	0.26	0.27	0.23	0.348	0.340	0.432	0.24	0.257	0.186	0.221	0.264
Fertilizer	-	-	-	0.02	0.026	0.060	0.0367	0.024	0.004	0.00	0.052	0.053	0.000
Others	15.35	20.06	27.01	27.07	25.16	23.396	35.742	34.828	48.797	44.204	38.750	39.505	43.066
Total	83.63	91.30	98.15	102.09	102.52	111.964	114.342	123.001	140.214	143.011	138.262	142.306	160.000

Mode-wise actual coal movement of MCL for XI Plan, XII Plan, 2017-18, 2018-19 & Projection for 2019-20:

(Fig. in Million Tonne)

	XI Plan					XII Plan							
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 (BE)
Rail	51.68	54.18	55.84	59.24	60.310	68.727	72.2246	81.260	89.079	90.776	89.442	87.384	101.20
Road	12.16	18.68	23.35	25.12	25.623	25.219	24.506	25.152	34.515	38.210	34.816	42.780	44.00
MGR	18.59	17.08	17.37	16.11	14.797	16.191	15.745	15.166	15.231	12.611	12.588	10.567	13.00
Others	1.20	1.36	1.59	1.62	1.791	1.819	1.866	1.423	1.389	1.410	1.416	1.575	1.80
Total	83.63	91.30	98.15	102.09	102.521	111.959	114.342	123.001	140.214	143.007	138.262	142.306	160.00

Coal Availability:

The actual coal production from 2008-09 to 2018-19 and production projection during 2019-20 from existing mines, completed projects and on-going projects in MCL, is given below.

(Fig. in Million Tonne)

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 (BE)
Existing Mines	1.32	1.35	1.32	1.333	0.967	0.778	1.127	0.981	0.8936	0.91	0.764	
Completed Projects	64.85	71.19	73.27	66.645	67.344	59.988	70.906	76.220	77.5699	68.817	59.381	
On-Going & New Projects	30.17	31.54	25.69	35.140	39.584	49.674	49.346	60.70	60.7549	73.331	84.006	
Total	96.34	104.08	100.28	103.118	107.895	110.440	121.379	137.901	139.2084	143.058	144.151	160.00

Productivity:

In MCL the coal production and OB removal from OCPs is done contractually and departmentally. In few projects OBR has also been outsourced. The OMS position of MCL is as below:

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 BE
UG	1.25	1.29	1.25	1.24	0.97	0.84	0.77	0.67	0.65	0.74	0.82	0.83
OC	23.05	18.89	20.50	20.38	21.34	22.16	22.11	24.24	25.72	31.52	28.75	29.21
OVERALL	16.59	14.66	15.37	15.36	16.07	16.69	17.10	18.88	20.08	24.22	23.83	24.49

SWOT ANALYSIS

Strength:

- 2nd Largest Coal Producer among subsidiaries of CIL.
- Strong track record of growth in terms of Coal production, productivity & revenues.
- Good work culture- Skilled, experienced and dedicated Work force.
- Strong Capabilities of exploration & mine planning
- Mining Operations spread across the coal mining region in the states of Odisha and serving major consumers in the country.

Weakness:

- Loss making UG operations
- Evacuation of coal largely dependent on external agencies & lack of evacuation infrastructure facilities in growing coalfields.
- Dominance of low grade coal in available resources.

Opportunities:

- Huge demand of coal in the country especially for power generation.
- Huge potentiality of coal mining in MCL
- Power Plants located in the northern India are also linked to MCL.
- To formulate a sound marketing strategy& Long term agreement with Consumers, Railways and Shippers**.**
- To set up washeries
- Diversification to power
- JV for coal gasification and coal to liquid (oil).

Threat:

- Coal amenable to opencast mining thus requirement of more land.

- Land acquisition and consequent social displacement.
- Rehabilitation and resettlement issues.
- Proneness of opencast mining to Environmental pollution.
- Inadequacy of Railways in coal transportation.
- Majority of consumers are far away from coalfields i.e. increase in rail freight means high landed cost to the consumers.
- The Coastal based TPPs have option to use imported coal.
- Captive Mining – allotment of blocks to MCLs consumers, some Central PSUs and State PSUs, for power generation and coal mining by State Govt. companies for sale of coal in the market.

A. PERFORMANCE:

Covered in the main report

B. OUT LOOK

Members may be aware that at present, there are 37 completed projects in MCL with rated capacity of 73.78 Mt (Including capacity of exhausted mines), out of which 02 projects with rated capacity of 1.60 Mt have been exhausted during XI Plan period. There are 16 On-going projects under implementation (as on March 2019) with rated capacity of 156.83 Million tonne. Production from these On-going projects during 2018-19 is 84.006 Million tonne.

Basundhara Area (known as Gopalpur Tract) of Ib-valley coalfield has enough potentiality, but the only bottle neck is coal evacuation arrangement. Your company has completed a 52 Kms long railway line from Basundhara Area to Jharsuguda Rly station to augment the Coal transportation.

Similarly, in Talcher coalfield, construction of Kalinga-Angul link railway line is going on. Once this segment is completed, there will be unidirectional movement of empty rail rakes from Angul side and the loaded rakes will be evacuated through Talcher side. This will increase the rake movement capacity of Talcher coalfield by double.

C. RISKS AND CONCERNS:

Mining is site specific and location of a mine can not be changed. Following risks and concerns are involved:

- Delay in obtaining forestry clearance and environmental clearance.
- High cost of Rehabilitation and resettlement
- Demand of employment beyond the prescribed norms resulting in frequent law and order problem and obstruction of mining and coal transportation operation.
- Long lead time to procure HEMMs and other E&M items.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Covered in the main report.

E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Covered in the main report.

F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

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

Covered in the main report.

H. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

ANNEXURE-VI

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

The preparation of standalone financial statements of Mahanadi Coalfields Limited for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent Audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.05.2019 and revised Audit Report dated 27.06.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the standalone financial statements of Mahanadi Coalfields Limited for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. In view of the revision made to include write-back of provision amounting to rupees 12.64 crore and non-payment of penalty amounting to Rs. 50.97 crore in item (e) under "Other matters" and item (vii) (a) of annexture - I to the Independent Auditors' Report respectively, as a result of my audit observations highlighted during supplementary audit, I have no further comment to offer upon or supplement to the Statutory Auditors' Report under Section 143(6)(b) of the Act.

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

Sd/-
(Mausumi Ray Bhattacharyya)
Director General of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Kolkata
Dated: 05.07.2019

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 MAHANADI COALFIELDS LIMITED FOR THE YEAR ENDED 31 MARCH, 2019.

The preparation of consolidated financial statements of Mahanadi Coalfields Limited for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent Audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.05.2019 and revised Audit Report dated 27.06.2019.

I, on the 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 Mahanadi Coalfields Limited for the year ended 31 March, 2019. We conducted a supplementary audit of the financial statement of Mahanadi Coalfields Limited, Mahanadi Coal Railway Limited, MJSJ Coal Limited, MNH Shakti Limited and Mahanadi Basin Power Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revision made to the Independent Auditors' Report to include item (e) under "Other Matters"as stated in item (a) therein as a result of my audit observations highlighted during supplementary audit, I have no further comment to offer upon or supplement to the Statutory Auditors' Report under Section 143(6)(b) of the Act.

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

Sd/-
(Mausumi Ray Bhattacharyya)
Director General of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Kolkata
Dated: 05.07.2019

INDEPENDENT AUDITORS' REPORT

To the Members of Mahanadi Coalfields Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of Mahanadi Coalfields Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements"). These Financial Statements include figures in respect of six mines area and one Central workshop of Talcher Field, all located in Talcher, District Angul audited by Branch Auditors.

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 Companies Act, 2013 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 March 31, 2019, and Profit (financial performance including other comprehensive income), the change in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for 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 of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit & loss(financial performance including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Other Matter

(a) The financial statements/information of six mine areas and one Central workshop of Talcher Field were audited by Branch Auditors (included in the standalone financial statements of the company whose financial statements/financial information reflect total assets of Rs. 15,996.25 crore as at 31st March 2019 and the total revenue of Rs. 9,787.32 crore for the year ended on that date) whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

(b) It is to state that the Company has not disclosed its mining right as an intangible asset as per the requirement under Schedule-III to the Companies Act, 2013 (IND AS compliant financial statement format), as because it is of the opinion that at present there is no measuring yardstick to assign a value to it.

(c) The Company has not taken any insurance coverage on its assets like Fixed Assets, Stores & Spares and Closing Stock of Coal for fire, burglary and allied activities.

Our opinion is not modified in respect of these matters.

We have placed reliance on:

(a) The Technical data submitted by the management in Advance Stripping, Coal Exposed, Average/ Standard Ratio, Current Ratio, Ratio Variance etc. in the matter of Over Burden Accounting including adjustment for variation between standard ratio and current ratio of OBR cost;

(b) The mine closure plan prepared by the Central Mine Planning and Design Institute Limited (CMPDIL) and approved by the management of the Company for the purpose of making provision towards Mine Closure expenses.

c) The Management's evaluation/estimates, whether technical or otherwise for making the provision towards impairment of fixed assets.

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 Companies Act, 2013, we give in the "**Annexure-1"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us in the"**Annexure-2**" on the directions and sub-directions issued by Comptroller and Auditor General of India.

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 of the aforesaid Ind AS Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books.

   (c) The reports on the accounts of the six mines area and one Central workshop of Talcher Field audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   (d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of change in Equity dealt with by this Report are in agreement with the relevant books of account maintained (including the returns received from the Branch Auditors) for the purpose of preparation of the Ind AS Financial Statements.

(e) In our opinion, the aforesaid standalone Ind AS 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) We are informed that the provision of section 164(2) of the Act in respect of disqualification of the directors are not applicable to the company, being a Government Company in the terms of notification no G.S.R 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs.

(g) 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 separate Report in "**Annexure-3**".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements vide Point No. 4 of Note-38.

ii. As explained to us, the Company has not entered into any derivative contracts and the Company has not foreseen any material losses on long term contracts, hence no provision has been made on this account.

iii. Since the Company does not have to transfer any amount to Investor Education & Protection Fund as required under section 125(2) of the Companies Act, 2013 (previously section 205C of the Companies Act, 1956), the delay in transferring any amount to the Fund does not arise.

For Singh Ray Mishra & Co
Chartered Accountants
FRN 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028
Place of Signature: Sambalpur
Date: 27.05.2019

Annexure - 1 to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As per information available the fixed assets of the company have been physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. However for 58.984 acres of leasehold land in AnandVihar and JagurtiVihar in possession of the company, the company has deposited the premium and applied for sanctioning the land in its favour for which Conveyance Deed is yet to be executed.

(ii) As explained to us stocks of coal have been physically verified by the Management at reasonable intervals and stock of stores and spare parts (excluding stock in transit and/ or under inspection with suppliers/contractors) have been physically verified by the Management in accordance with the phased programme. The discrepancies between physical stocks and book records, arising out of physical verification, have been properly dealt with in the books of accounts.

(iii) According to the information and explanations given to us and on the basis of the examination of records, we noticed that short term interest bearing Current Account balance are maintained with Coal India Limited, the holding company and Mahanadi Basin Power Limited, MJSJ Coal Limited, MNH Shakti Limited, Mahanadi Coal Railway Limited, the subsidiary companies. We also observed that the Company has disbursed balance amount of unsecured loan of Rs. 1000 Crore to NLC India Ltd.,as granted and agreed in the previous year with the concurrence of Ministry of Coal.

(a) On the basis of the examination of record and on the basis of the information and explanation available we report that the terms and conditions of the loans are not prima facie prejudicial to the interest of the company.

(b) The receipts of interest are regular on current account balance maintained with Subsidiary Companies. MCL is charging interest which is at par the interest rate charged by Coal India Limited to its subsidiaries and the same is accepted and accounted for by subsidiary companies of MCL.

In respect of loans given to NLCIL, repayment of principal and payment of interest by NLCIL is regular to the company.

(c) Therefore, in our opinion and according to the information and explanations given to us, there is no overdue amount in respect of Current Account maintained with Mahanadi Basin Power Limited, MJSJ Coal Limited, MNH Shakti Limited, Mahanadi Coal Railway Limited, the subsidiaries companies as the repayment period is not stipulated, and in respect of loan granted to NLCIL, there is no overdueamount of principal and interest.

(iv) According to the information and explanations given to us, the provisions of section 185 and 186 of the Act have been complied with, in respect of the loan, investment and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.

(vi) An independent cost audit is being carried out by the company and we have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014, prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained.

(vii) (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods & Service Tax, Cess and other Statutory dues as applicable, with the appropriate authorities during the year. There are no outstanding dues as of the last date of financial year for a period more than six months from the date they became payableexcept the following:

Name of the statute	Nature of Dues	Amount (Rs in lakhs)	Period to which the amount relates	Due Date	Date of Payment
MMDR Act	Penalty	5096.88	2015-16	04.07.2017	Not yet paid

(b)According to the records of the company and the information and explanations given to us, details of disputed dues in respect ofIncome Tax, Sales tax, duty of excise, service tax ,Entry Tax and Clean Energy Cess as at 31st March 2019 are given below:-

Sl. No.	Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relate	Forum where dispute is pending
1	Income Tax Act	Income Tax	155604.63	2016-17, 2015-16, 2011-12	CIT (A), Sambalpur)
2	Income Tax Act	Income Tax	5542.09	2015-16	ITAT, Cuttack
3	Income Tax Act	Income Tax	26714.82	97-98, 98-99, 07-08, 08-09, 09-10, 10-11,11-12, 12-13, 13-14, 14-15	High Court, Orissa

Income Tax Act	Income Tax	32151.28	1999-00 to 2006-07, 2008-09 to 2014-15	DCIT/JCIT, Sambalpur

Basundhara

Sl. No.	Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relate	Forum where dispute is pending
1	Central Excise Duty ACT , 1944	Excise Duty	654.11	2011-2014	CESTAT KOLKATA
2	Finance Act,1994	Service Tax	2.75	2009-2012	Commissioner Appeals

Orient

1	Finance Act 1994	Service Tax	17.78	2014-15	Commissioner (Appeal)
2	Central Excise Duty ACT, 1944	Excise Duty	17.83	2013-14	Commissioner (Appeal)

IB Valley

1	Central Excise ACT	Excise Duty	843.24	2011-12	CESTAT KOLKATA
2	Central Excise ACT	Excise Duty	1,015.06	2012-13	CESTAT KOLKATA
3	Central Excise ACT	Excise Duty	793.79	2013-14	CESTAT KOLKATA
4	Central Excise ACT	Excise Duty	1,145.92	2014	CESTAT KOLKATA
5	Central Excise ACT	Excise Duty	243.89	2014-15	CESTAT KOLKATA
6	Finance Act 1994	Service Tax	1.50	2008-09	Commissioner CBEC
7	Finance Act 1994	Service Tax	17.72	2010-11 to 2014-15	Commissioner CBEC
8	Odisha Vat	Sales Tax	123.93	2005-06	Commissioner Sales Tax
9	Odisha Vat	Sales Tax	683.12	2006-07	Commissioner Sales Tax
10	Odisha Vat	Sales Tax	2.68	2009-11	Commissioner Sales Tax
11	Odisha Vat	Sales Tax	86.30	2013-14	Commissioner Sales Tax
12	Odisha Vat	Sales Tax	6,694.67	2015-16	Commissioner Sales Tax

Lingaraj

1	Finance Act 1994	Service Tax	7.59	**2012-13, 2013-14**	Commissioner (Appeal), Bhubaneswar
2	ODISHA VAT	CST	2.28	**1998-99, 2004-05**	ACCT, Cuttack II Range
3	ODISHA VAT	CST	16.19	**2000-01, 2001-02**	Commissioner Cuttack
4	OET ACT	Entry Tax	52.06	**1999-00**	Asst. Commissioner , Angul
5	OET ACT	Entry Tax	9.45	**2003-04,2004-05**	High Court, Odisha

Bharatpur

Sl. No.	Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relate	Forum where dispute is pending
1	Central Excise Act 1944	Central Excise Duty	101.49	April 2011 to March 2015	Honourable High Court of Odisha
2	Central Excise Act 1944	Clean Energy Cess	133.64	April 2011 to March 2015	Honourable High Court of Odisha
3	Service Tax Act 1994	Service Tax	9.41	01.06.07 to 31.03.12	Asst. Commissioner, Central Excise, Customs & Service Tax, Angul
4	Service Tax Act 1994	Service Tax	20.13	01.01.2005 to 15.03.2006	CESTAT KOLKATA
5	Service Tax Act 1994	Service Tax	8108.93	April 2006- Feb 2011	CESTAT KOLKATA

Jagannath

1	CST Act, 1957	Sales Tax	5780.65	1993-2016	ACCT Appeals
2	CST Act, 1957	Sales Tax	58.81	1985-1997	Sales Tax Tribunal, Cuttack
3	CST Act, 1957	Sales Tax	2000.17	1990-2015	Deputy Commissioner Commercial Taxes
4	OET	Entry Tax	240.98	2004-14	Asstt. Commissioner , Appeals
5	OST	Sales Tax	80.53	1983-2002	ACCT/DCCT/Tribunal
6	OVAT	Sales Tax	541.48	2009-16	ACCT (Appeals)
7	Central Excise Act	Excise Duty	212.67	01.03.2011 to 31.03.2015	Commissioner of Central Excise, BBSR
8	Central Excise Act	Excise Duty	6870.09	2010-11 to 2014-15	Commissioner of Central Excise, Rourkela
9	Central Excise Act	Excise Duty	50.74	2011-12 to 2013-14	Commissioner ((Appeals)
10	Clean Energy cess act & rules	Clean Energy Cess	9,117.79	2010-11 to 2014-15	Commissioner of Central Excise, Rourkela
11	Service Tax Act 1994	Service Tax	23.12	2013-14 to 2015-16	Commissioner (Appeal) Central Excise

Lakhanpur

1	Clean Energy Cess, 2010	Clean Energy Cess	4976.00	2010-15	Odisha High Court, Cuttack
2	Central Excise Duty,1944	Excise Duty	4608.90	2011-15	Odisha High Court, Cuttack

Talcher

1	Sales Tax	Central Sales Tax U/R 12(5)	0.06	2000-01	Additional Commissioner of Sales Tax, Cuttack.
2	Sales Tax	Orissa Sales Tax 12(4)	1.08	1998-99	Commissioner of Commercial Taxes, Cuttack.
3	Central Excise Duty,1944	Excise Duty	16.43	2013-14, 2014-15	Asst. Commissioner, Angul
4	Central Excise Duty,1944	Excise Duty	70.34	March 2011- February 2015	CESTAT
5	Central Excise Duty,1944	Clean Energy Cess	6.20	2013-14, 2014-15	Asst. Commissioner, Angul

Hingula

1	Central Excise ACT	Excise Duty	16162.62	2010-11 to 2014-15	High Court
2	Central Excise ACT	Clean Energy Cess	16589.66	2010-11 to 2014-15	High Court
3	Orissa Sales Tax	Sales Tax	9.96	1993 to 2004	Addl. Commissioner Of Appeal, Cuttack
4	Orissa Sales Tax	Sales Tax	57.77	1993 to 1996	Sales Tax Tribunal
5	Odisha Entry Tax	OET	135.45	2003 to 2005	Additional Commissioner (Appeal)
6	Odisha Entry Tax	OET	5.42	2004 to 2005	Sales Tax Tribunal
7	Service Tax Act 1994	Service Tax	23.52	2013-14 to 2015-16	Asst Commissioner/ CESTAT

Out of the above an amount of Rs. 31.77 Crore has been deposited against Sales Tax under protest, an amount of Rs. 900.69 Crore has been deposited against Income Tax under protest, an amount of Rs. 2.94 Crore has been deposited against Central Excise Duty under Protest and an amount of Rs. 2.98 Crore has been deposited against Service Tax under protest.

(viii) As per information and explanations given by the Management, the Company has not made any default in repayment of dues to any loans or borrowings from any financial institution, banks, or government during the year.The Company has not issued debentures.

(ix) As per information and explanations givento us 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. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(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.However, an allegation of manipulating accounts at Kolkata Sales Office in the financial years 2013-14 to 2017-18by some employees of the organisation to benefit some private parties for supply of coal is under investigation.

(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. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The company being aCentral Government Controlled enterprise and having related party transactions has disclosed relevant particulars as required under Paragraph 26 of Ind AS24.

(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 under review. As the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, the compliance requirement of Section 42 of the Companies Act, 2013 with respect to the amount raised have been used for the purpose for which the funds were raised, is not applicable.

(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 him. Accordingly, 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.

ForSingh Ray Mishra & Co.
Chartered Accountants
FRN: 318121E

Sd/-
(CAAsit Kumar Mondal)
Partner
Membership No. 052028

Place of Signature:Kolkata
Date : 27.06.2019

Annexure-2 to the Auditors' Report

Report pursuant to Direction and Additional Direction U/s 143(5) of Companies Act 2013 to Statutory Auditors for the Year 2018-19

Sl No.	PARTICURLAR	AUDITORS REPLY
	Annexure A	
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, If any may be stated.	The Company has an IT System named COALNET in use. While Financial transactions are recorded in "Finance Module", Sales transactions are recorded in "Sales Module". Both the Modules need to be integrated on real-time basis instead of recording of Sales in Finance Module manually initiated through a Journal Entry on quarterly basis.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per information and explanation given to us, there is no restructuring/waiver/write off of debts/ loans/ interest etc. by any lender.
3	Whether funds received/receivable for specific schemes from Central/state agencies were proper accounted for/utilized as per its term and conditions? List the cases of deviation.	During the financial year 2018-19, no CCDA grant was received as capital grant from Ministry of Coal, Govt. of India towards assistance for roads & rails infrastructure works. The total CCDA grant amounting to Rs. 208.58 crores received till date is being amortized over the useful life of the underlying asset and the outstanding balance of Rs. 194.68 crores is disclosed under Note-22 as Deferred Income.
	Annexure B	
1	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year.	Yes. The stock measurement has been done keeping in view of contour map and the physical stock measurement reports are accompanied by contour map in all cases. New heaps created during the year have been approved by the competent Authority.
2	Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per information given to us, there was no case of merger/split/re-structure of the any Area during the year of Audit.
3	Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account.	The Company is maintaining mine-wise Escrow Accounts with Union Bank of India.During the year, the company had withdrawn Rs. 1.90 crore for mine-closure activity after obtainingapproval from the Coal Controller Office.
4	Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for?	Office of Deputy Director Minesissued notices to the Areas to pay compensation for production of coal beyond approved environment clearance limit. The claim is of Rs. 10,289.83 crore. The Company has filed revision applications against such claimsat Revisional Authority, Ministry of Coal and the claim is appearing in list of contingent liabilities.

ANNEXURE -3 TO THE AUDITORS' REPORT

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

In conjunction with our Audit of the standalone Ind AS financial statements of the Company as of and for the year ended on 31.03.2019,we have audited the internal financial controls over financial reporting of Mahanadi Coalfields Limited ("**the Company**") as of that date.

Management's Responsibility for Internal Financial Controls

TheCompany's Managementis responsible forestablishing 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, safeguarding of its Assets, prevention and detectionof Fraudsanderrors, 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**") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of internal Financial Controls. 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 materialrespects.

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 includes obtaining an understanding of internal financial controls over Financial Reporting, assessing the risk that no material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The proceduresselecteddependontheauditor's judgment,includingthe assessmentoftherisksofmaterial misstatement of the Ind AS Financial statements, whether due to fraud orerror.

We believe that theaudit evidence we have obtaine dissufficient and appropriate to provide abasis 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) pertains 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 principlesand 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 unauthorize dacquisition, useor 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 projection sofanye valuation of the internal financial controlsover financial reporting to future period sare subject to the risk that the internal financial control over financial reporting may become in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, theCompany inallmaterialrespects, has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance NoteonAuditofInternal Financial Controls over financial reporting issued by the Institute of Chartered Accountants ofIndia.

ForSingh Ray Mishra & Co.
Chartered Accountants
FRN: 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No.052028

Place of Signature:Kolkata
Date: 27.06.2019

INDEPENDENT AUDITORS' REPORT

To the Members of Mahanadi Coalfields Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Mahanadi Coalfields Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2019, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statementsincluding a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind ASfinancial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs(financial position) of the Group as at March 31, 2019, and consolidated Profit (financial performance including other comprehensive income), the consolidated change in Equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the'**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our ethical responsibilities in accordance with the provisions of the Companies Act, 2013 and the Rules thereunder. 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 Ind AS financial statements.

Responsibilities of Managementand those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirement of the Companies Act, 2013(hereinafter referred to as “the Act”) that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit & loss(financial performance including other comprehensive income), the consolidated changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the relevant rules issued thereunder. 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 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 consolidated Ind ASfinancial statement 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 Ind AS financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosingmatters related to going concern and using the going concern basis of accounting as applicable unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative to do so.

Therespective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective company.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind ASfinancial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Other Matters

(a) We had issued an Audit Report dated27.05.2019 (the Original Repot) at Sambalpur on the consolidated financial statements as adopted by the Board of Directors. Pursuant to the observations of the Comptroller and Auditor General of India under section 143 (6)(a) of the Companies Act, 2013, we have revised the said Audit Report. This Audit Report supersedes the original report, which has been suitably revised to consider observations of the Comptroller and Auditor General of India as detailed in item no(e) of this Paragraph. Our audit procedure on events subsequent to the date of original report is restricted solely to the amendment made to item no(e) of this Paragraph.

b) We did not audit the financial statements/financial information of four subsidiaries, whose financial statements/financial information reflect total assets of Rs. 24302.52 lakh as at 31st March 2019, the total revenue of Rs. 0.52 lakh and net cash flows amounting to Rs. 348.21 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.4.41 Lakhs(for the year ended on 31st March, 2019, as consolidated in the consolidated financial statements) which have not been audited by us. These financial statements/financial information 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 subsidiariesand our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.

c) It is to state that the Group has not disclosed its mining right as an intangible asset as per the requirement under Schedule-III to the Companies Act, 2013 (IND AS compliant financial statement format), as because it is of the opinion that at present there is no measuring yardstick to assign a value to it.

d) The Group has not taken insurance coverage on its assets like Fixed Assets, Stores & Spares and Closing Stock of Coal for fire, burglary and allied activities.

(e) During the year Provision for interest on Cess on Coal refundable to the customers was written back to the tune of Rs. 12.64 crore. This was passed through the statement of profit and loss of the year instead of routing through opening balance of Retained Earnings.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company and auditors' reports of 4 subsidiaries as we considered appropriate and according to the information and explanation given to us in the"**Annexure-A**" on the directionsand sub-directions issued by Comptroller and Auditor General of India.

2. 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 purposes of our audit of the aforesaid consolidated Ind AS Financial Statement.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

(c) 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 Ind AS Financial Statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) We are informed that the provision of section 164(2) of the Act in respect of disqualification of the directors are not applicable to the companies under the Group, being Government Companies in terms of notification no G.S.R 463(E) dated 5th June 2015, issued by Ministry of Corporate Affairs.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure:B.**

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

   i. Vide Point No. 4 of Note: 38,in the consolidated financial statements (Ind AS compliant), the impact of pending litigation on its financial position has been disclosed.

   ii. As explained to us the Group has not entered into any derivative contract and has not foreseen any material losses on long term contracts, hence no provision has been made on this account.

   iii. Since the Group companies (Holding company & its subsidiaries) do not have to transfer any amount tothe Investor Education & Protection Fund as required under section 125 (2) of the Companies Act, 2013 (previously Sec. 205C of Companies Act, 1956), delay in transferring any amount to the Fund does not arise.

For Singh Ray Mishra &Co
Chartered Accountants
FRN. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Place:Kolkata
Date:27.06.2019

Annexure- A to the Auditors' Report

Report pursuant to Direction and Additional Direction U/s 143(5) of Companies Act 2013 to Statutory Auditors for the Year 2018-19

Sl No.	PARTICURLAR	AUDITORS REPLY
	Part - A	
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, If any may be stated.	The Holding Company (MCL) has an IT System named COALNET in use. While Financial transactions are recorded in "Finance Module", Sales transactions are recorded in "Sales Module". Both the Modules need to be integrated on real-time basis instead of recording of Sales in Finance Module manually initiated through a Journal Entry on quarterly basis.As reported by statutory auditors of four subsidiaries ,IT systems to process all the accounting transactions does not exist in the respective subsidiary though it will not impact the integrity of the accounts.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per information and explanation given to us by MCL there is no restructuring /waiver/ write off of debts/loans/ interest etc. by any lender.As reported by statutory auditors of four subsidiaries there are no restructuring of existing loan waiver/write off of debts/loans/ interest etc.
3	Whether funds received/receivable for specific schemes from Central/state agencies were proper accounted for/utilized as per its term and conditions? List the cases of deviation.	During the financial year 2018-19, no CCDA grant was received as capital grant from Ministry of Coal, Govt. of India towards assistance for roads & rails infrastructure works. The total CCDA grant amounting to Rs. 208.58 crores received till date is being amortized over the useful life of the underlying asset and the outstanding balance of Rs. 194.68 crores is disclosed under Note-22 as Deferred Income.As reported by statutory auditors of four subsidiaries no funds were received for specific scheme from Central / State Agencies.

	Part - B	
1	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year.	In case of MCLthe stock measurement has been done keeping in view of contour map and the physical stock measurement reports are accompanied by contour map in all cases. New heaps created during the year have been approved by the competent Authority.
2	Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per information given to us by MCLthere was no case of merger/split/re-structure of the any Area during the year of Audit.As reported by statutory auditors of four subsidiaries there was no merger/split/re-structure.
3	Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account.	MCL is maintaining mine-wise Escrow Accounts with Union Bank of India. During the year, the company had withdrawn Rs. 1.90 crore for mine-closure activity after obtaining approval from the Coal Controller Office.
4	Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for?	Office of Deputy Director Mines issued notices to the Areas to pay compensation for production of coal beyond approved environment clearance limit. The claim is of Rs. 10,289.83 crore on MCL. The Company has filed revision applications against such claims at Revisional Authority, Ministry of Coal and the claim is appearing in list of contingent liabilities.Other subsidiaries do not have any mining activity during the year.

ANNEXURE - B TO THE AUDITORS' REPORT

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

In conjunction with our Audit of the consolidated Ind AS financial statements of the Company for the year ended on 31.03.2019, we have audited the internal financial controls over financial reporting of Mahanadi Coalfields Limited ("**the Holding Company**") and its subsidiary 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 Holding Company and its subsidiary Companies, which are companies incorporated in India, areresponsibleforestablishingandmaintaininginternal financialcontrols 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 respective Company's Policies, the safeguarding of its Assets, the prevention and detectionof fraudsanderrors,theaccuracyandcompletenessoftheAccounting Records,andthetimely 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, both 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. 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 includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that no 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 Ind AS Financial statements, whether due to fraud orerror.

Webelievethattheauditevidencewehaveobtainedand the audit evidence obtained by the other Auditors in terms of their Report referred to in the other matters paragraph below, issufficientandappropriatetoprovideabasisfor 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 the Indian Accounting Standards ("**Ind AS**"). A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflectthe 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 the Ind AS 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) provides 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 be come inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures maydeteriorate.

Opinion

Inouropinion,theHolding Company and its subsidiary companies, which are companies incorporated in India,haveinallmaterialrespects,anadequateinternal Financial Controls System over Financial Reporting and such internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2019, based on the internal control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Noteon Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants ofIndia.

Other Matters

Our aforesaid reports under section 143(3)(1) of the Act on the adequacy and operating effectiveness of the internal financial controls over Financial Reporting in so far as it relates to the subsidiary companies, which are companies incorporated in India, based on the corresponding Reports from the Auditors of such companies.

For Singh Ray Mishra &Co
Chartered Accountants
FRN. 318121E

Sd/-
(CAAsit Kumar Mondal)
Partner
Membership No. 052028

Place: Kolkata
Date: 27.06.2019

BALANCE SHEET
As at 31st March, 2019

(₹ in Crores)

		Note No.	As at 31- 03- 2019	As at 31- 03- 2018
ASSETS				
Non-Current Assets				
(a)	Property, Plant & Equipments	3	6,429.10	4,535.91
(b)	Capital Work in Progress	4	1,343.71	2,241.12
(c)	Exploration and Evaluation Assets	5	143.08	126.95
(d)	Intangible Assets	6	4.74	4.83
(e)	Financial Assets			
	(i) Investments	7	1,075.41	1,075.41
	(ii) Loans	8	1,125.66	1,000.82
	(iii) Other Financial Assets	9	1,018.38	876.30
(f)	Deferred Tax Assets (net)		-	-
(g)	Other non-current assets	10	208.35	305.00
	Total Non-Current Assets (A)		11,348.43	10,166.34
Current Assets				
(a)	Inventories	12	502.30	474.76
(b)	Financial Assets			
	(i) Investments	7	1,000.83	-
	(ii) Trade Receivables	13	465.24	433.41
	(iii) Cash & Cash equivalents	14	356.41	204.85
	(iv) Other Bank Balances	15	12,866.24	13,096.76
	(v) Loans	8	500.32	0.32
	(vi) Other Financial Assets	9	695.04	745.43
(c)	Current Tax Assets (Net)		744.97	698.66
(d)	Other Current Assets	11	1,541.53	1,387.95
	Total Current Assets (B)		18,672.88	17,042.14
	Total Assets (A+B)		**30,021.31**	**27,208.48**

Balance Sheet Contd... (₹ in Crores)

EQUITY AND LIABILITIES	Note No.	As at 31- 03- 2019	As at 31- 03- 2018
Equity			
(a) Equity Share Capital	16	661.84	706.13
(b) Other Equity	17	3,211.33	2,236.99
Equity attributable to equityholders of the company		3,873.17	2,943.12
Non-Controlling Interests		-	-
Total Equity (A)		3,873.17	2,943.12
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	5.71	6.50
(ii) Trade Payables (if any)		-	-
(iii) Other Financial Liabilities	20	51.22	45.08
(b) Provisions	21	18,905.78	17,650.46
(c) Deferred Tax Liabilities (net)		321.99	247.79
(d) Other Non-Current Liabilities	22	194.68	208.58
Total Non-Current Liabilities (B)		19,479.38	18,158.41
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables	19		
Total Outstanding dues of micro and small enterprises		0.09	0.92
Total Outstanding dues of creditors other than micro and small enterprises		492.03	782.71
(iii) Other Financial Liabilities	20	1,307.70	1,316.57
(b) Other Current Liabilities	23	3,911.17	2,903.17
(c) Provisions	21	957.77	1,103.58
(d) Current Tax Liabilities (net)			
Total Current Liabilities (C)		6,668.76	6,106.95
Total Equity and Liabilities (A+B+C)		**30,021.31**	**27,208.48**

The Accompanying Notes form an integral part of Financial Statements.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Date: 24.05.2019
Place: Raipur

STATEMENT OF PROFIT & LOSS
For the year ending on 31st March, 2019

(₹ in Crores)

	Revenue from Contracts with Customers	Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A	Sales (Net of other levies but including excise duty)	24	15,324.75	13,580.64
B	Other Operating Revenue (Net of other levies but including excise duty)		1,686.25	1,008.88
(I)	**Revenue from Contracts with Customers (A+B)**		17,011.00	14,589.52
(II)	Other Income	25	1,572.03	1,214.65
(III)	**Total Income (I+II)**		**18,583.03**	**15,804.17**
(IV)	**EXPENSES**			
	Cost of Materials Consumed	26	672.19	604.56
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods/work in progress and Stock in trade	27	(32.01)	(188.54)
	Excise Duty		-	230.50
	Employee Benefits Expense	28	3,009.95	3,002.93
	Power Expense		134.72	130.58
	Corporate Social Responsibility Expense	29	167.16	267.52
	Repairs	30	157.76	129.33
	Contractual Expense	31	2,564.01	2,480.64
	Finance Costs	32	44.19	73.26
	Depreciation/Amortization/ Impairment expense		501.19	371.87
	Provisions	33	62.72	(287.30)
	Write off	34	0.02	-
	Other Expenses	35	839.14	648.51
	Stripping Activity Adjustment		1,180.91	1,000.65
	Total Expenses (IV)		**9,301.95**	**8,464.51**
(V)	**Profit before exceptional items and Tax (III-IV)**		**9,281.08**	**7,339.66**
(VI)	Exceptional Items		-	-
(VII)	**Profit before Tax (V-VI)**		**9,281.08**	**7,339.66**
(VIII)	Tax expense	36	3,241.54	2,578.37
(IX)	**Profit for the year from continuing operations (VII-VIII)**		**6,039.54**	**4,761.29**
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax exp of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII)	Share in JV's/Associate's profit/(loss)		-	-
(XIV)	**Profit for the Year (IX+XII+XIII)**		**6,039.54**	**4,761.29**

Statement of Profit & Loss Contd...

(₹ in Crores)

		Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Other Comprehensive Income	37		
	A (i) Items that will not be reclassified to profit or loss		(16.28)	27.34
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(5.69)	9.46
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV)	**Total Other Comprehensive Income**		**(10.59)**	**17.88**
(XVI)	**Total Comprehensive Income for the year (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**6,028.95**	**4,779.17**
	Profit attributable to:			
	Owners of the company		**6,039.54**	**4,761.29**
	Non-controlling interest			
			6,039.54	**4,761.29**
	Other Comprehensive Income attributable to:			
	Owners of the company		**(10.59)**	**17.88**
	Non-controlling interest			
			(10.59)	**17.88**
	Total Comprehensive Income attributable to:			
	Owners of the company		**6,028.95**	**4,779.17**
	Non-controlling interest		-	-
			6,028.95	**4,779.17**
(XVII)	**Earnings per equity share (for continuing operation) (in ₹) :**			
	(1) Basic		**8,622.45**	**32,419.32**
	(2) Diluted		**8,622.45**	**32,419.32**
(XVIII)	**Earnings per equity share (for discontinued operation) (in ₹) :**			
	(1) Basic		-	-
	(2) Diluted		-	-
(XIX)	**Earnings per equity share (for discontinued & continuing operation) (in ₹) :**			
	(1) Basic		**8,622.45**	**32,419.32**
	(2) Diluted		**8,622.45**	**32,419.32**

The Accompanying Notes form an integral part of Financial Statements.

Sd/-
(A K Singh)
Company Secretary

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Date: 24.05.2019
Place: Raipur

CASH FLOW STATEMENT

(₹ in Crores)

		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit Before Tax	**9,264.80**	**7,367.00**
	Adjustment for :		
	Depreciation/Impairment of fixed assets	501.19	341.94
	Interest on Bank Deposits	(988.11)	(858.91)
	Finance Cost related to financing activity	11.43	22.11
	Unwinding of Discount	38.16	51.15
	Profit/loss on sale of Fixed Assets	(0.52)	(0.24)
	Exchange Rate Fluctuation	(0.20)	1.02
	Stripping Activity Adjustment	1,180.91	1,000.64
	Interest/Dividend from investments	(195.99)	(177.98)
	Provisions made & write off	(66.51)	150.39
	Operating Profit before Current/Non Current Assets and Liabilities Adjustment for:	**9,745.16**	**7,897.12**
	Adjustments for :		
	Inventories	(27.54)	(159.31)
	Trade Receivables	(72.44)	526.97
	Non current Loans,Advances,Other Financial Assets,Other Assets	(170.36)	133.68
	Current Loans,Advances,Other Financial Assets,Other Assets	(373.60)	1,400.40
	Current/Non Current Provisions, Other Financial Liabilities and Other Liabilities	699.87	(2,086.55)
	Cash generated from operations	**9,801.09**	**7,712.31**
	Income Tax Paid/Refund	(3,207.96)	(2,533.98)
	Deferred Tax Liabilities	-	-
	Cash Flow before extraordinary items	**6,593.13**	**5,178.33**
	Extraordinary items	-	-
	Net Cash from operating activities (A)	**6,593.13**	**5,178.33**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets	(1,514.43)	(1,329.52)
	Short Term Deposit with CIL	-	53.94
	Profit/loss on sale of Fixed Assets	0.52	0.24
	Change in Investments	(1,000.83)	202.00
	Interest pertaining to Investing Activities	1,081.69	929.63
	Interest/Dividend from Investments	102.41	107.26
	Net Cash used in investing activities (B)	**(1,330.64)**	**(36.45)**

CASH FLOW STATEMENT

(₹ in Crores)

		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Change in borrowings	(0.80)	0.45
	Exchange Rate Fluctuation	0.20	(1.02)
	Interest and Finance cost pertaining to Finance Activities	(11.43)	(73.26)
	Dividend on Equity Shares	(3,875.00)	(4,350.00)
	Tax on Dividend on Equity Shares	(796.52)	(885.56)
	Buyback of Equity Share Capital	(355.00)	-
	Tax on Buy Back of Equity Share Capital	(72.38)	-
	Net Cash used in financing activities (C)	**(5,110.93)**	**(5,309.39)**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	151.56	(167.51)
	Cash and cash equivalents as at beginning of the year	204.85	372.36
	Cash and cash equivalents as at the end of the period	**356.41**	**204.85**

The aforesaid statement is prepared on indirect method.
The figures of the previous year have been reclassified to confirm to current period classification.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Date: 24.05.2019
Place: Raipur

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31.03.2019

(₹ in Crores)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2017	Changes In Equity Share Capital During The Year	Balance as at 31.03.2018	Balance as at 01.04.2018	Changes In Equity Share Capital During The Year	Balance as at 31.03.2019
6618363 Equity Shares of Rs.1000/- each fully paid up	141.23	564.90	706.13	706.13	(44.29)	661.84

B. OTHER EQUITY

	Other Reserves		General Reserve	Retained Earnings	Other Comprehensive Income	Total
	Capital Redemption reserve	Capital Reserve				
Balance as at 01.04.2017	249.35	-	2,077.81	920.05	11.07	3,258.28
Changes in accounting policy	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-
Restated balance as at 01.04.2017	249.35		2,077.81	920.05	11.07	3,258.28
Additions during the year	-	-	-	-	-	-
Adjustments during the year	(249.35)	-	(315.55)	-	-	(564.90)
Profit during the year	-	-	-	4,761.29	-	4,761.29
Other Comprehensive Income during the year	-	-	-	-	17.88	17.88
Appropriations	-	-	-	-	-	-
Transfer to / from General Reserve	-	-	238.06	(238.06)	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	(4,350.00)	-	(4,350.00)
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	(885.56)	-	(885.56)
Buy Back Distribution tax	-	-	-	-	-	-
Balance as at 31.03.2018	-	-	**2,000.32**	**207.72**	**28.95**	**2,236.99**
Balance as at 01.04.2018	-	-	**2,000.32**	**207.72**	**28.95**	**2,236.99**
Additions during the year	44.29	-	-	-	-	44.29
Adjustments during the year	-	-	(355.00)	-	-	(355.00)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Profit during the year	-	-	-	6,039.54		6,039.54
Other Comprehensive Income during the year	-	-	-	-	(10.59)	(10.59)
Appropriations	-	-	-	-	-	-
Transfer to / from General reserve	-	-	301.98	(301.98)	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	(3,750.00)	-	(3,750.00)
Final Dividend (for the FY 2017-18)	-	-	-	(125.00)	-	(125.00)
Corporate Dividend tax	-	-	-	(796.52)	-	(796.52)
Buy Back Distribution tax	-	-	-	(72.38)	-	(72.38)
Balance as at 31.03.2019	**44.29**		**1,947.30**	**1,201.38**	**18.36**	**3,211.33**

Notes to the financial statements

Note: 1

CORPORATE INFORMATION

Mahanadi Coalfields Limited (MCL), a Miniratna Company with headquarters at Sambalpur, Odisha was incorporated on 3rd April, 1992 as a 100% Subsidiary of Coal India Limited (CIL) upon taking over of assets and liabilities of South Eastern Coalfields Limited in respect of mines in the State of Odisha.

The Company is mainly engaged in mining and production of Coal. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

MCL has four Subsidiary Companies in Odisha. All the subsidiaries are in development stage. Information of the Group structure is provided in Note no. 38.

Note 2:

SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015.

For all periods up to and including the year ended 31stMarch 2016, the MCL (hereinafter referred as "Company")prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006.

The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.20).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' upto two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3 Revenue recognition

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

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

Revenue from contracts with customers

Coal India Limited is an Indian state controlled enterprise headquartered in Kolkata, West Bengal, India and the largest coal producing company in the world. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

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

Step 1 : Identifying the contract:

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

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

Combination of contracts

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

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Contract modification

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

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

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

Step 2 : Identifying performance obligations:

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

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Step 3 : Determining the transaction price

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

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

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

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

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

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

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

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

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

Step 4 : Allocating the transaction price:

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

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

Step 5 : Recognizing revenue:

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

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

a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;

b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;

c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

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

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

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

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

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

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

a) the Company has a present right to payment for the good or service;

b) the customer has legal title to the good or service;

c) the Company has transferred physical possession of the good or service;

d) the customer has the significant risks and rewards of ownership of the good or service;

e) the customer has accepted the good or service.

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

Contract assets:

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

Trade receivables:

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

Contract liabilities:

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

Interest

Interest income is recognised using the Effective Interest Method.

Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants/assistance related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or in the nature of promoters contribution are recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.5.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.5.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.5.1.2 Operating lease

Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.5.2 Company as a lessor

Operating leases: Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance leases Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.6 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which is directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the ‘repairs and maintenance’ are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land

(Incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Land” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The company’s obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.9 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- Acquisition of rights to explore;
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.10 Development Expenditure

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

Commercial Operation

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

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

(b) 2 years of touching of coal, or

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

Whichever event occurs first;

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

2.11 Intangible Assets

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

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

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

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

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

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

2.12 Impairment of Assets (other than financial assets)

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

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

2.13 Investment Property

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

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

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

2.14 Financial Instruments

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

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

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

2.14.2 Subsequent measurement

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

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

2.14.2.1 Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

2.14.2.2 Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

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

2.14.2.3 Debt instrument at FVTPL

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

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

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

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.14.2.5 Other Equity Investment

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

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

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

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

2.14.2.6 Derecognition

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

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

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

2.14.2.7 Impairment of financial assets (other than fair value)

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 .

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk.

2.14.3 Financial liabilities

2.14.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.14.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.14.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.14.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for

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

2.14.5 Offsetting of financial instruments

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

2.15 Borrowing Costs

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

2.16 Taxation

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

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

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

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

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

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

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

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

2.17 Employee Benefits

2.17.1 Short-term Benefits

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

2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

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

2.17.2.2 Defined benefits plans

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

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

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss. When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss."

2.17.3 Other Employee benefits

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

2.18 Foreign Currency

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

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

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

2.19 Stripping Activity Expense/Adjustment

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

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

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

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

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

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

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

2.20 Inventories

2.20.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method**.**Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.20.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

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

2.20.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.21 Provisions, Contingent Liabilities &Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.22 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements has been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.23.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.23.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

(i) represent faithfully the financial position, financial performance and cash flows of the Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total revenue from Operations (net of statutory levies) as per last audited financial statement of CIL Consolidated.

2.23.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.23.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.23.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.23.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.23.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.23.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by ministry of Coal,Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.24 Abbreviation used:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3: PROPERTY , PLANT AND EQUIPMENTS

(₹ in Crores)

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Telecom-munica-tion	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Aircraft	Other Mining Infrastruc-ture	Surveyed off Assets	Others	Total
Gross Carrying Amount:															
As at 1 April 2017	30.32	2,580.62	315.58	380.89	917.79	25.10	101.40	15.91	15.10	16.13	-	215.81	16.39	-	4,631.04
Additions	-	660.35	4.97	61.21	170.33	1.64	49.18	2.07	5.15	2.04	-	17.73	2.01	-	976.68
Deletions/Adjustments	-	-	(11.74)	(1.46)	(28.77)	0.05	-	(0.15)	(2.05)	(0.10)	-	(0.61)	(1.44)	-	(46.27)
As at 31 March 2018	30.32	3,240.97	308.81	440.64	1,059.35	26.79	150.58	17.83	18.20	18.07	-	232.93	16.96	-	5,561.45
As at 1 April 2018	30.32	3,240.97	308.81	440.64	1,059.35	26.79	150.58	17.83	18.20	18.07	-	232.93	16.96	-	5,561.45
Additions	-	875.37	28.15	149.17	328.68	0.23	4.02	3.00	6.86	2.36	-	1,022.13	2.57	-	2,422.54
Deletions/Adjustments	-	-	(20.77)	0.21	(3.55)	0.04	-	(0.03)	(1.53)	(0.47)	-	(0.49)	(4.00)	-	(30.59)
As at 31 March 2019	30.32	4,116.34	316.19	590.02	1,384.48	27.06	154.60	20.80	23.53	19.96	-	1,254.57	15.53	-	7,953.40
Accumulated Depreciation and Impairment															
As at 1 April 2017	-	170.78	76.40	25.84	334.88	9.35	15.86	4.09	5.49	4.36	-	30.07	6.15	-	683.27
Charge for the year	-	149.23	36.44	15.54	128.03	4.73	12.33	1.66	3.25	2.21	-	17.98	-	-	371.40
Impairment	-	-	-	-	-	-	-	-	-	-	-	0.91	0.87	-	1.78
Deletions/Adjustments	-	(1.28)	-	0.18	(28.34)	0.03		0.78	(2.61)	0.04	-	0.84	(0.55)	-	(30.91)
As at 31 March 2018	-	318.73	112.84	41.56	434.57	14.11	28.19	6.53	6.13	6.61	-	49.80	6.47	-	1,025.54
As at 1 April 2018	-	318.73	112.84	41.56	434.57	14.11	28.19	6.53	6.13	6.61	-	49.80	6.47	-	1,025.54
Charge for the year	-	201.96	32.48	16.89	137.07	4.84	12.78	1.93	3.61	2.34	-	87.74	-	-	501.64
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	1.54	-	1.54
Deletions/Adjustments	-	(0.02)	-	0.02	(0.42)	0.01	-	(0.05)	(1.17)	(0.40)	-	-	(2.39)	-	(4.42)
As at 31 March 2019	-	520.67	145.32	58.47	571.22	18.96	40.97	8.41	8.57	8.55	-	137.54	5.62	-	1,524.30
Net Carrying Amont															
As at 31 March 2019	30.32	3,595.67	170.87	531.55	813.26	8.10	113.63	12.39	14.96	11.41	-	1,117.03	9.91	-	6,429.10
As at 31 Mar 2018	30.32	2,922.24	195.97	399.08	624.78	12.68	122.39	11.30	12.07	11.46	-	183.13	10.49	-	4,535.91

1. Other land includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962. Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 has been capitalized on the basis of notification transferring the ownership of land to the extent for which sanction / approval has been received. Land acquired under Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962 has been capitalized on the basis of possession certified by State Authorities.
2. Conveyance deed of land in favour of the company is pending for execution in most of the cases.
3. Land Reclamation/Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.
4. Depreciation has been provided based on useful life as mentioned in Note 2.8. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.
5. During the year impairment in respect of property, plant and equipment amounting to ₹ 1.54 crores has been charged to the Statement of Profit & Loss.
6. Other Mining infrastructure above includes Enabling assets viz railway track amounting to ₹ 966.95 crore.
7. Plant and Machinery above includes ₹ 8.98 crores of Stand by Equipment and stores and spares which satisfies criteria for recognition as PPE but not yet issued from stores.
8. Component accounting is being followed as per the committee recommendation dated 17.04.2017 circulated from CIL.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crores)

	Building (including water supply, roads and culverts)	Plant and Equip-ments	Railway Sidings	Other Mining infrastruc-ture/ Develop-ment	Rail Corridor Develop-ment Expenses	Rail Corridor under Construc-tion	Others	Total
Gross Carrying Amount:								
As at 1 April 2017	253.72	446.18	63.31	1,106.90	-	-	-	1,870.11
Additions	73.69	149.26	17.73	300.99	-	-	-	541.67
Capitalisation	(59.45)	(8.10)	-	(34.25)	-	-	-	(101.80)
Deletions/Adjustments	(0.98)	(57.32)	1.68	0.52	-	-	-	(56.10)
As at 31 March 2018	266.98	530.02	82.72	1,374.16	-	-	-	2,253.88
								-
As at 1 April 2018	266.98	530.02	82.72	1,374.16	-	-	-	2,253.88
Additions	48.24	192.57	57.38	131.58	-	-	0.22	429.99
Capitalisation	(131.22)	(183.07)	(4.26)	(978.49)	-	-	(0.22)	(1,297.26)
Deletions/Adjustments	(0.61)	(1.88)		(26.23)	-	-		(28.72)
As at 31 March 2019	183.39	537.64	135.84	501.02	-	-	-	1,357.89
Accumulated Provision and Impairment								
As at 1 April 2017	-	12.76	-	-	-	-	-	12.76
Charge for the year	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31 March 2018	-	12.76	-	-	-	-	-	12.76
								-
As at 1 April 2018	-	12.76	-	-	-	-	-	12.76
Charge for the year	-	-	-	-	-	-	-	-
Impairment	0.11	-	0.12	1.19	-	-	-	1.42
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31 March 2019	0.11	12.76	0.12	1.19	-	-	-	14.18
Net Carrying Amont								
As at 31 March 2019	183.28	524.88	135.72	499.83	-	-	-	1,343.71
As at 31 Mar 2018	266.98	517.26	82.72	1,374.16	-	-	-	2,241.12

1. Development above includes enabling assets of ₹ 205.03 crores towards widening of two lane road to four lane road from Bankibahal to Kanika Railway Siding and ₹ 55.16 crores towards construction of four lane roads from Bankibahal to Bhedabahal on SH-10.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crores)

	Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1 April 2017	111.12
Additions	15.83
Deletions/Adjustments	-
As at 31 March 2018	126.95
As at 1 April 2018	126.95
Additions	16.13
Deletions/Adjustments	-
As at 31 March 2019	143.08
Accumulated Provision and Impairment	
As at 1 April 2017	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2018	-
As at 1 April 2018	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2019	-
Net Carrying Amont	
As at 31 March 2019	143.08
As at 31 Mar 2018	126.95

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 : OTHER INTANGIBLE ASSETS

(₹ in Crores)

	Computer Software	Intangible Exploratory Assets	Others	Total
Gross Carrying Amount:				
As at 1 April 2017	0.60	4.91	-	5.51
Additions	-	-	-	-
Deletions/Adjustments	-	(0.33)	-	(0.33)
As at 31 March 2018	0.60	4.58	-	5.18
As at 1 April 2018	0.60	4.58	-	5.18
Additions	-	-	-	-
Deletions/Adjustments	-		-	-
As at 31 March 2019	0.60	4.58	-	5.18
Accumulated Amortisation and Impairment				
As at 1 April 2017	0.20	-	-	0.20
Charge for the year	0.15	-	-	0.15
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2018	0.35	-	-	0.35
As at 1 April 2018	0.35	-	-	0.35
Charge for the year	0.09	-	-	0.09
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2019	0.44	-	-	0.44
Net Carrying Amont				
As at 31 March 2019	0.16	4.58	-	4.74
As at 31 Mar 2018	0.25	4.58	-	4.83

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 7 : (I) INVESTMENTS

(₹ in Crores)

Non-Current

Investment in Shares	Percentage (%) holding	Number of shares current year/ (previous year)	Face value per share current year/ (previous year)	As at 31.03.2019	As at 31.03.2018
Equity Shares in Subsidiary Companies					
MNH Shakti LTD.	70%	59570000/ (59570000)	10.00	59.57	59.57
MJSJ Coal LTD.	60%	57060000/ (57060000)	10.00	57.06	57.06
MBPL	100%	50000/ (50000)	10.00	0.05	0.05
MCRL	64%	32000/ (32000)	10.00	0.03	0.03
Non-Trade (Quoted)					
In Secured Bonds					
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
Total :				**1075.41**	**1075.41**

	31.03.2019	31.03.2018
Aggregate amount of unquoted investments:	**116.71**	**116.71**
Aggregate amount of quoted investments:	**958.70**	**958.70**
Market value of quoted investments:	**997.24**	**993.40**
Aggregate amount of impairment in value of investments:	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 7 (II) INVESTMENTS

(₹ in Crores)

Current	Number of units current year/ (previous year)	NAV (In ₹)	As at 31.03.2019	As at 31.03.2018
TRADE (Unquoted)				
Mutual Fund Investment				
SBI Premier Liquid Fund	5985576.207/(-)	1003.25	600.50	-
UTI Money Market Fund	3926868.713/(-)	1019.45	400.33	-
Total :			**1,000.83**	**-**
Aggregate of Quoted Investment:			-	-
Aggregate of unquoted investments:			1,000.83	-
Market value of unquoted Investment:			1,000.83	-
Aggregate amount of impairment in value of investments:			-	-

Note: The NAV per unit of the Trade (unquoted) Mutual Fund are equal to Face Value as specified above.

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 8 : LOANS

(₹ in Crores)

Non-Current	As at 31.03.2019		As at 31.03.2018	
Other Loans				
- Secured, considered good	0.66		0.82	
- Unsecured, considered good	1,125.00		1,000.00	
- Have significant increase in credit risk	-		-	
- Credit impaired	-		-	
Less: Allowance for doubtful loans		1125.66		1,000.82
TOTAL		**1,125.66**		**1,000.82**
CLASSIFICATION				
Secured, considered good		0.66		0.82
Unsecured, Considered good		1,125.00		1,000.00
Have significant increase in Credit risk		-		-
Credit impaired		-		-

NOTE - 8 : LOANS

Current				
Other Loans				
- Secured, considered good	0.32		0.32	
- Unsecured, considered good	500.00		-	
- Have significant increase in credit risk	-		-	
- Credit impaired	-		-	
Less: Allowance for doubtful loans	-	500.32	-	0.32
TOTAL		**500.32**		**0.32**
CLASSIFICATION				
Secured, considered good		0.32		0.32
Unsecured, Considered good		500.00		-
Have significant increase in credit risk		-		-
Credit impaired		-		-

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2019		As at 31.03.2018	
Non Current				
Bank deposits		0.85		2.68
Deposit in Bank under Mine Closure Plan		978.51		834.81
Other Deposit*		0.89		0.57
Receivable from Escrow Account for Mine Closure Expenses		-		-
Other Deposit and Receivables	38.29		38.40	
Less : Allowance for doubtful deposits & receivables	0.16	38.13	0.16	38.24
TOTAL		**1018.38**		**876.30**

Note:

1. Deposits in Escrow Accounts for mine closure with Scheduled Banks for ₹ 978.51 crore made as per guidelines issued by Ministry of Coal, Government of India and after agreement with Coal Controller.
2. Bank Deposits includes ₹ 0.85 crore for issue of BG in favour of TAMDA for obtaining approval of Institutional Building Plan for MIMSR.

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2019		As at 31.03.2018	
Current				
Other Deposit*		134.22		-
Receivable from Escrow Account for Mine Closure Expenses		-		-
Current Account with CIL/Subsidiaries	101.24		43.68	
Less: Provision for Doubtful Advances	-	101.24	-	43.68
Current Maturities of Unsecured Long Term loan		-		-
Interest accrued		445.48		405.28
Claims & other receivables	14.16		297.23	
Less : Allowance for doubtful claims	0.06	14.10	0.76	296.47
TOTAL		**695.04**		**745.43**

* Other deposit includes concurrent expenditure incurred for mine clsoure expenses which is yet to be approved by CCO for reimbursement from Escrow account.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 10 : OTHER NON-CURRENT ASSETS

	As at 31.03.2019		As at 31.03.2018	
(i) Capital Advances	198.83		295.79	
Less : Provision for doubtful advances	0.64	198.19	0.55	295.24
(ii) Advances other than capital advances				
(a) Security Deposit for utilities	-		-	
Less :Provision for doubtful deposits	-	-	-	-
(b) Other Deposits and Advances	10.16		9.76	
Less :Provision for doubtful deposits	-	10.16	-	9.76
TOTAL		208.35		305.00
Note				
CLASSIFICATION				
Unsecured - Considered Good		208.35		305.00
- Considered Doubtful		0.64		0.55

NOTE -11 : OTHER CURRENT ASSETS

		As at 31.03.2019		As at 31.03.2018	
(a)	Advance for Revenue (goods & services)	233.45		228.94	
	Less : Provision for doubtful advances	6.54	226.91	4.90	224.04
(b)	Advance payment of statutory dues	30.63		24.45	
	Less : Provision for doubtful advances	-	30.63	-	24.45
(c)	Advance to Related Parties		-		-
(d)	Other Advances and Deposits	964.88		943.91	
	Less : Provision for doubtful claims	0.02	964.86	0.03	943.88
(e)	Input Tax Credit Receivable	319.13		195.58	
	Less: Provision	-	319.13	-	195.58
	TOTAL		**1,541.53**		**1,387.95**

NOTES TO FINANCIAL STATEMENTS

NOTE - 12 : INVENTORIES

(₹ in Crores)

		As at 31.03.2019	As at 31.03.2018
(a)	Stock of Coal	425.46	400.78
	Coal under Development	-	-
	Stock of Coal (Net)	**425.46**	**400.78**
(b)	Stock of Stores & Spares (at cost)	57.42	49.15
	Add: Stores-in-transit	1.43	14.23
	Net Stock of Stores & Spares (at cost)	**58.85**	**63.38**
(c)	Stock of Medicine at Central Hospital	0.82	0.76
(d)	Workshop Jobs and Press Jobs	17.17	9.84
		502.30	**474.76**

Method of valuation : Refer Note No. 2.20 - Significant Accounting Policies on “Inventories”

ANNEXURE TO NOTE - 12

(Qty in lakh tonnes) (value in lakh ₹)

Reconciliation of closing stock adopted in Account with Book stock as at the end of the year

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening stock as on 01.04.18	111.78	42054.31	-	-	111.78	42054.31
(B) Shortage beyond 5%	1.17	1,976.40	-	-	1.17	1,976.40
Stock adopted in Accounts Opening	110.61	40,077.91	-	-	110.61	40077.91
2. Production for the Period	1,441.51	1,534,972.43	-	-	1441.51	
3. Sub-Total (1A+2)	1,553.29	1,577,026.74	-	-	1,553.29	1,577,026.74
4. Off- Take for the Period						
(A) Outside Despatch	1,423.03	1,532,475.00	-	-	1423.03	1532475.00
(B) Coal feed to Washeries	-	-	-	-	-	-
(C) Own Consumption	0.03	61.87	-	-	0.03	61.87
TOTAL(A)	1,423.06	1,532,536.87	-	-	1423.06	1532536.87
5. Derived Stock	130.23	44,489.87	-	-	130.23	44489.87
6. Measured Stock	127.89	42,116.24	-	-	127.89	42116.24
7. Difference (5-6)	2.34	2,373.63			2.34	2,373.63
8. Break-up of Difference:						
(A) Excess within 5%	0.11	17.16	-	-	0.11	17.16
(B) Shortage within 5%	1.28	447.40	-	-	1.28	447.40
(C) Excess beyond 5%	-	-	-	-	-	-
(D) Shortage beyond 5%	1.17	1,943.39	-	-	1.17	1,943.39
9. Closing stock adopted in A/c.(6-8A+8B)	129.06	42,546.48	-	-	129.06	42546.48

Summary of Closing Stock of Coal

	Raw Coal				Washed / Deshaled Coal				Other Products		Total	
	Coking		Non-Coking		Coking		Non-Coking					
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	-	-	111.87	42,054.31	-	-	-	-	-	-	111.87	42,054.31
Shortage beyond 5%			1.17	1,976.40							1.17	1,976.40
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	110.61	40.077.91	-	-	-	-	-	-	110.61	40.077.91
Production	-	-	1,441.51	1,534.972.43	-	-	-	-	-	-	1,441.51	1,534.972.43
Offtake												
(A) Outside Despatch	-	-	1,423.03	1,532.475.00	-	-	-	-	-	-	1,423.03	1,532.475.00
(B) Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-	-	-
(C) Own Consumption	-	-	0.03	61.87	-	-	-	-	-	-	0.03	61.87
Closing Stock derived	-	-	130.23	44,489.87	-	-	-	-	-	-	130.23	44,489.87
Less: Shortage	-	-	1.17	1,943.39	-	-	-	-	-	-	1.17	1,943.39
Excess			-	-							-	-
Closing Stock	-	-	129.06	42.546.48	-	-	-	-	-	-	129.06	42.546.48

Internal survey measurement teams have physically verified closing stock of coal. In some areas the same has also been verified by outside teams. The Shortage / surplus found on physical verification of coal stock within +/- 5% over book stock (mine/ colliery wise), is ignored pursuant to Accounting Policy.

The details of shortage beyond 5% are as under:-

AREA	MINES	Book Stock (Qty. in L Te)		Measured stock (Qty. in L Te)		% variance	
		As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
Orient	Mine No 3- G 9	0.12	0.12	-	-	100.00	100.00
	HBM- G 9	0.30	0.30	-	-	100.00	100.00
Talcher	Nandira -G 8	0.50	0.50	-	-	100.00	100.00
	Talcher -G 5	0.25	0.25	-	-	100.00	100.00
	TOTAL	**1.17**	**1.17**	**-**	**-**		

In those cases, since the differences are more than +/- 5%, as per policy, measured stocks have been considered in accounts and shortage quantity of 1.17 lakh tonnes valuing ₹ 19.43 crore as at 31.03.2019.

NOTES TO FINANCIAL STATEMENTS

NOTE - 13 : TRADE RECEIVABLES

(₹ in Crores)

	As at 31.03.2019		As at 31.03.2018	
Current				
Trade receivables				
- Secured, considered good	-		-	
- Unsecured, considered good	465.24		433.41	
- Have significant increase in credit risk	-		-	
- Credit impaired	70.75		30.14	
Less : Allowances for bad & doubtful debts	70.75	465.24	30.14	433.41
Total		**465.24**		**433.41**
Note:				
1. Debt outstanding for a period less than six months from the due date	373.47		352.88	
2. Debt outstanding for a period exceeding six months from the due date	91.77		80.53	
Doubtful debt	70.75		30.14	
		535.99		**463.55**

Note:

1 No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

2. Balance confirmation from Debtors less than 3 months are not being obtained at any point of time.

3 A Provision of ₹ 257.58 Crores (₹ 173.45 Crores as at 31.03.2018) has been recognised as Coal Quality Variance for sampling results awaited from refree & CIMFR samplers, has been adjusted with Trade receivables.

NOTES TO FINANCIAL STATEMENTS

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crores)

	As at 31.03.2019	As at 31.03.2018
Balances with Banks		
- in Deposit Accounts (with maturity up to 3 months)	-	-
- in Current Accounts		
a. Interest bearing (CLTD Accounts etc)	334.81	119.77
b. Non-Interest bearing	21.58	85.08
- in Cash Credit Accounts	-	-
Bank Balances outside India	-	-
Cheques, Drafts and Stamps in hand	-	-
Cash on hand	-	-
Cash on hand outside India	-	-
Others	0.02	-
Total Cash and Cash Equivalents	356.41	204.85
Bank Overdraft	-	-
Total Cash and Cash Equivalents (net of Bank Overdraft)	356.41	204.85

Note:

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.
2. The balances as per bank books are:-Interest Bearing (CLTD) Account- ₹ 346.14 crores Non-Interest Bearing- ₹ 10.25 crores. The variation in balances as compared to Note-14 (a) is because the banks could not released payments as per our RTGS instruction on 30.03.2019. The differences are duly reconciled through bank reconciliation statements.

NOTES TO FINANCIAL STATEMENTS

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Balances with Banks		
Deposit accounts	12,827.00	13,062.01
Deposit accounts (For specific purposes - *See Note 2 below*)	39.24	34.75
Shifting and Rehabilitation Fund scheme	-	-
Unpaid dividend accounts	-	-
Dividend accounts	-	-
Total	**12,866.24**	**13,096.76**

Note:

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.
2. Following are the list of restrictive/held under lien/earmarked for specific purposes in the above Bank deposits:-

a. Fixed deposit includes ₹ 6.09 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per court order.

b. Fixed deposit includes ₹ 0.21 crore made against interim order of Hon'ble High Court for encashment of BG of M/s IRC Logistics Ltd.

c. Fixed deposit includes ₹ 8.72 crore made against BG encashment (FSA) by the Company in respect of M/S Videocon Industries Ltd as per interim order of Hon'ble High Court , Cuttack .

d. Fixed deposits includes ₹ 0.17 crore made for 40% Tapering money by the Company in respect of M/S Shri Mahavir Ferro Alloys Pvt. Ltd. as per order of Hon'ble High Court , Cuttack till the final outcome of the Writ petition no. 3109 of 2015.

e. Fixed Deposits includes ₹ 6.20 crore made against interim order of Hon'ble High court Cuttack (Odisha) i.e. to be deposited in any nationalized bank for remaining amount of compensation involved in the disputed land.

f. Fixed deposit of ₹ 1.11 crore made as per directives of Hon'ble High Court of Odisha regarding encashment of BG submitted by M/s Montecarlo Limited (MCL) and M/s Kunal Structure (India) Private Limited (KSIPL) JV.

g. Fixed Deposit amounting to ₹ 14.21 crore that has been placed under lien of State Bank India for issuing letter of comfort for issuance of Bank Guarantee in favour of President of India to fulfill the terms of allocation of blocks on behalf of subsidiary company. - M/S MJSJ Coal Ltd.

h. Fixed Deposit amounting to ₹ 0.05 crore has been placed with bank for issuance of Bank Guarantee for the installation of Fully fledged Effluent Treatment plant at Kanika Railway Siding in favour of Odisha State Pollution Control Board.

i. Fixed Deposit amounting to ₹ 0.45 crore has been placed with bank for issuance of Bank Guarantee towards three months advance water charges and nine months water rates for drawal of 1.336 cusec water in favour of Executive Engineer Main Dam Division, Burla.

j. Bank Deposits includes ₹ 0.03 crore made for issue of BG for obtaining license for captive mobile radio trunking service from Deptt of Telecommunication, Govt of India in connection with OITDS.

k. Bank Deposits of ₹ 2.00 crore including accrued interest of ₹ 1.41 crore being special term deposit made out of money recovered through the Hon'ble District Court Sundargarh against defalcation of cash by an officer, which is under lien to the Court pending finalization of the case.

NOTES TO FINANCIAL STATEMENTS

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Authorised		
77,58,200 Equity Shares of ₹ 1000/- each	775.82	295.82
	775.82	**295.82**
Issued, Subscribed and Paid-up		
7061330 Equity Shares of Rs.1000/- each fully paid up in cash	661.84	706.13
	661.84	**706.13**

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

Name of Shareholder	No.of Shares held (Face value of Rs. 1000 each)	% of Total Shares
Coal India Ltd.(Holding company) & its nominees	6618363	100

2 During the year ended on 31.03.2019, the Company had bought back 442967 number of equity shares of face value of ₹ 1000 fully paid through tender offer and extinguished those shares.

3 During the year ended on 31.03.2018, the Company had issued 5649064 no.of bonus shares i.e. 04 number of fully paid up equity shares of face value of ₹ 1000 for every 01 number of fully paid up existing equity shares.

4 During the year ended on 31.03.2017, the Company had bought back 451743 number of equity shares of face value of ₹ 1000/- fully paid through tender offer and extinguished those shares.

5 The Company has only one class of equity shares having a face value ₹ 1000/- 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 FINANCIAL STATEMENTS

NOTE 17 : OTHER EQUITY

(₹ in Crores)

	Other Reserves		General Reserve	Retained Earnings	Other Comprehensive Income	Total
	Capital Redemption reserve	Capital reserve				
Balance as at 01.04.2017	**249.35**	-	**2,077.81**	**920.05**	**11.07**	**3,258.28**
Additions during the year	-	-	-	-	-	-
Changes in accounting policy	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-
Restated balance as at 01.04.2017	249.35	-	2,077.81	920.05	11.07	**3,258.28**
Additions during the year	-	-	-	-	-	-
Adjustments during the year	(249.35)	-	(315.55)	-	-	**(564.90)**
Profit during the year	-	-	-	4,761.29	-	**4,761.29**
Other Comprehensive Income during the year	-	-	-	-	17.88	**17.88**
Appropriations						
Transfer to / from General reserve	-	-	238.06	(238.06)	-	-
Transfer to / from Other reserves	-	-	-		-	-
Interim Dividend	-	-	-	(4,350.00)	-	**(4,350.00)**
Final Dividend	-	-	-		-	-
Corporate Dividend tax	-	-	-	(885.56)	-	**(885.56)**
Tax on Buyback	-	-	-	-	-	-
Balance as at 31.03.2018	-	-	2,000.32	207.72	28.95	**2,236.99**
Balance as at 01.04.2018	-	-	2,000.32	207.72	28.95	**2,236.99**
Additions during the year	44.29	-		-	-	**44.29**
Adjustments during the year	-	-	(355.00)	-	-	**(355.00)**
Profit during the year	-	-	-	6,039.54	-	**6,039.54**
Other Comprehensive Income during the year	-	-	-	-	(10.59)	**(10.59)**
Appropriations						
Transfer to / from General reserve	-	-	301.98	(301.98)	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	(3,750.00)	-	**(3,750.00)**
Final Dividend (for FY 2017-18)	-	-	-	(125.00)	-	**(125.00)**
Corporate Dividend tax	-	-	-	(796.52)	-	**(796.52)**
Tax on Buyback	-	-	-	(72.38)	-	**(72.38)**
Balance as at 31.03.2019	**44.29**		**1,947.30**	**1,201.38**	**18.36**	**3,211.33**

NOTES TO FINANCIAL STATEMENTS

NOTE 18: BORROWINGS

(₹ in Crores)

	As at 31.03.2019	As at 31.03.2018
Non-Current		
Term Loans		
-From Banks	5.71	6.50
-From Other Parties	-	-
Loans from Related Parties	-	-
Other Loans (to be specified in note)	-	-
Total	5.71	6.50
CLASSIFICATION		
Secured	-	-
Unsecured	5.71	6.50
Current		
Loans repayable on demand		
-From Banks	-	-
-From Other Parties	-	-
Loans from Related Parties	-	-
Other Loans (to be specified in note)	-	-
Total	-	-
CLASSIFICATION		
Secured	-	-
Unsecured	-	-

Note:

1 Loans had been arranged through credit agreement with Banque Nationale De Paris and Natexis Banque for the purchase of 4 nos Hydraulic shovels from Liebherr, France. The loan outstanding as on 31.03.2019 (net after repayments) is ₹ 6.29 crore.(As at 31.03.2018 ₹ 7.09 crore).

The details of balance are as under:-

	in Euro	₹ in Crore
Balance as on 01.04.2018	882624.38	7.09
Repayment during the year ended on 31.03.2019	74113.58	0.60
Translation Difference	-	(0.20)
Balance as on 31.03.2019	808,510.80	6.29

Current maturities of long-term debt of ₹ 0.58 crore included in balance of ₹ 6.29 crore above.The Current maturities of long-term debt of ₹ 0.58 crores is disclosed in Note 20 ‘Other Financial Liabilities’.

NOTES TO FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 19 : TRADE PAYABLES

	As at 31.03.2019	As at 31.03.2018
Current		
Trade Payables for Micro, Small and Medium Enterprises	0.09	0.92
Other Trade Payables for		
- Stores and Spares	42.82	44.34
- Power and Fuel	2.13	2.21
- Salary Wages and Allowances	264.07	211.62
- Others	183.01	524.54
TOTAL	**492.12**	**783.63**

NOTE - 20 : OTHER FINANCIAL LIABILITIES

	As at 31.03.2019	As at 31.03.2018
Non Current		
Security Deposits	47.69	40.48
Earnest Money	-	-
Others (Security Deposit -Management Trainee)	3.53	4.60
	51.22	**45.08**
Current		
Current Account with		
- CIL	-	27.95
Current maturities of long-term debt	0.58	0.59
Unpaid dividends	-	-
Security Deposits	145.87	120.41
Earnest Money	52.83	39.77
Payable for Capital Expenditure	868.58	900.26
Others	239.84	227.59
TOTAL	**1,307.70**	**1,316.57**

NOTES TO FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 21 : PROVISIONS	As at 31.03.2019	As at 31.03.2018
Non Current		
Employee Benefits		
- Gratuity	-	-
- Leave Encashment	45.98	10.75
- Other Employee Benefits	64.78	63.76
	110.76	74.51
Site Restoration/Mine Closure	812.13	773.97
Stripping Activity Adjustment	17,982.89	16,801.98
Others (to be specified in note)	-	-
TOTAL	**18,905.78**	**17,650.46**
Current		
Employee Benefits		
- Gratuity	25.07	145.00
- Leave Encashment	24.42	25.45
- Ex- Gratia	127.63	118.15
- Performance Related Pay	177.97	97.95
- Other Employee Benefits	73.23	244.21
- NCWA X	-	303.06
- Executive Pay Revision	-	103.71
	428.32	1,037.53
Site Restoration/Mine Closure	-	-
Others (to be specified in note)	529.45	66.05
TOTAL	**957.77**	**1,103.58**

1. 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. The liability for mine closure expenses (as estimated by CMPDIL) of each mine has been discounted @ 8% and capitalized to arrive at the mine closure liability as on 1st year of making of such provision. Thereafter the provision has been reestimated in subsequent year by unwinding the discount to arrive at the provision as on 31.03.2019
2. Provision for Mine Closure Expenses includes ₹ 4.10 crore on account of provision taken towards stowing and stabilization of unstable workings of Deulbera colliery after adjusting expenditure other than salary and wages of ₹ 0.23 crore against a comprehensive scheme of ₹ 9.44 crore (Excluding departmental salary and wages for ₹18.21 crore). The scheme of Stabilization of unstable workings of Deulbera Colliery through sand stowing also includes cost of departmental manpower estimated at ₹ 18.21crore is not seperately provided for, as the same forms part of normal Salary & Wages charged to Profit & Loss.Provision for MCP also included ₹ 0.79 crore towards Basundhara (East).(Non Current)

3. Other Employee benefits (current) includes ₹ 50.61 crore provided for superannuation benefits as on 31.03.2019.

4. Reconciliation of Site restoration /Mine Closure :

	31.03.2019	31.03.2018
Gross value of site restoration Asset as on 01.04.2015	460.69	460.69
Add: Change in Provision due to revision of MCP	(2.49)	(9.86)
Add: Unwinding of Provision charged (incl. Capitalised) Upto 31.03.2018/31.03.2017	317.94	266.94
Add: Unwinding of Provision charged (incl. Capitalised) For Current Year	33.00	51.00
Less: MCP provision adjusted against reimbursement from Escrow Account	1.90	-
Mine Closure Provision	807.24	768.77
Escrow Account Balance		
Balance in Escrow Account (Current/ Non Current) on opening date	834.81	696.75
Add: Balance Deposited during Current Year	97.01	94.96
Add: Interest Credited during the year	48.59	43.10
Less: Amount Withdrawn during Current Year	1.90	-
Balance in Escrow Account (Current/ Non Current) on Closing date	978.51	834.81

NOTES TO FINANCIAL STATEMENTS

NOTE - 22 :OTHER NON CURRENT LIABILITIES

(₹ in Crores)

	As at 31.03.2019	As at 31.03.2018
Deferred Income (CCDA Grant)	194.68	208.58
Total	**194.68**	**208.58**

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at 31.03.2019	As at 31.03.2018
Statutory Dues	945.75	793.17
Advance from customers / others	2,841.53	1,978.97
Others liabilities (to be specified in note)	123.89	131.03
TOTAL	**3,911.17**	**2,903.17**

Note:

1 Other liabilities includes Cess on Coal includes 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 31.07.2001. The money is refundable to the customers. The Customers have not submitted the claim with all supporting documents yet , the refund will be made after following the necessary modalities.

NOTES TO FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 24 : REVENUE FROM OPERATIONS	For Year Ended 31.03.2019	For Year ended 31.03.2018
A. Sales of Coal	**24,607.68**	**22,287.23**
Less: Statutory Levies (excluding Excise Duty)	9,282.93	8,706.59
Sales of Coal (Net) (A)	**15,324.75**	**13,580.64**
B. Other Operating Revenue		
Subsidy for Sand Stowing & Protective Works	(2.00)	2.05
Facilitation charges for coal import	-	-
Loading and additional transportation charges	1,039.81	838.47
Less : Statutory Levies	49.51	36.17
	990.30	802.30
Evacuation facilitating Charges	732.85	214.76
Less : Statutory Levies	34.90	10.23
	697.95	204.53
Other Operating Revenue (Net) (B)	**1,686.25**	**1,008.88**
Revenue from Operations (A+B)	**17,011.00**	**14,589.52**

Note:-

1. Government of India introduced Goods and Services Tax (GST) w.e.f 1st July,2017. Consequently revenue from operations for the period from 01.07.2017 to 30.03.2019 is presented net of GST.
2. Revenue from operations for the period prior to 01.07.2017 is inclusive of Excise duty. Sale of coal includes excise duty of ₹ 219.66 crores for the period 01.04.2017 to 30.06.2017.Loading and additional transportation charges for the period 01.04.2017 to 30.06.2017 includes excise duty of ₹ 10.84 Crore.
3. Clean energy Cess has been repealed w.e.f 01.07.2017, and GST compensation cess has been introduced w.e.f. 01.07.2017
4. Excess Subsidy for Sand Stowing & Protective Works amounting to ₹ 2.00 crores in the year 2017-18 had been received from CCO and the same is refunded during the current year 2018-19.
5. Provision for Grade Slippage amounting to ₹ 84.12 crore (₹ 92.68 crore for FY 2017-18) has been adjusted with Sale of Coal.
6. Refer to point ‘o’ of para 6. Other Information under Note-38 additional notes to accounts for disclosure of dis-aggaregated revenue as per Ind AS 115..

NOTES TO FINANCIAL STATEMENTS

NOTE 25 : OTHER INCOME

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Interest Income	1224.39	1050.04
Dividend Income	102.41	107.26
Others		
Profit on Sale of Assets	0.52	0.24
Exchange Rate Variance	0.20	-
Lease Rent	13.76	17.21
Liability / Provision Write Backs	0.20	1.68
Miscellaneous Income	230.55	38.22
Total	**1,572.03**	**1,214.65**

(₹ in Crores)

NOTE 26 : COST OF MATERIALS CONSUMED

	For Year ended 31.03.2019	For Year ended 31.03.2018
Explosives	164.80	135.96
Timber	0.03	0.28
Oil & Lubricants	320.69	288.82
HEMM Spares	133.88	125.37
Other Consumable Stores & Spares	52.79	54.13
Total	**672.19**	**604.56**

NOTES TO FINANCIAL STATEMENTS

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

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Opening Stock of Coal	400.78	215.37
Closing Stock of Coal	425.46	400.78
A. Change in Inventory of Coal	(24.68)	(185.41)
Opening Stock of Workshop made finished goods and WIP & Press Jobs	9.84	6.71
Closing Stock of Workshop made finished goods and WIP & Press Jobs	17.17	9.84
B. Change in Inventory of workshop	(7.33)	(3.13)
Change in Inventory of Stock in trade (A+B) { Decretion / (Accretion) }	**(32.01)**	**(188.54)**

(₹ in Crores)

NOTE 28 : EMPLOYEE BENEFITS

	For Year ended 31.03.2019	For Year ended 31.03.2018
Salary and Wages (incl. Allowances and Bonus etc.)	2,233.96	2100.67
Contribution to P.F. & Other Funds	644.55	764.99
Staff welfare Expenses	131.44	137.27
	3,009.95	**3,002.93**

NOTES TO FINANCIAL STATEMENTS

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
CSR Expenses	167.16	267.52
Total	**167.16**	**267.52**

NOTE 30 : REPAIRS

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Building	104.28	69.73
Plant & Machinery	50.62	56.67
Others	2.86	2.93
Total	**157.76**	**129.33**

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Transportation Charges	1170.90	1180.93
Wagon Loading	72.81	68.61
Hiring of Plant and Equipments	1,254.23	1,177.65
Other Contractual Work	66.07	53.45
Total	**2,564.01**	**2,480.64**

NOTE 32 : FINANCE COSTS

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Interest Expenses		
Borrowings	0.07	14.05
Unwinding of discounts (Site Restoration)	32.76	51.15
Others	11.36	8.06
Total	**44.19**	**73.26**

NOTES TO FINANCIAL STATEMENTS

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
(A) Allowances/Provision made for		
Doubtful debts	41.56	19.64
Doubtful Advances & Claims	0.09	0.08
Stores & Spares	-	6.68
Others	28.09	55.30
Total(A)	**69.74**	**81.70**
(B) Allowances/ Provision Reversal		
Doubtful debts	0.95	99.03
Doubtful Advances & Claims	0.13	0.02
Stores & Spares	3.23	-
Others	2.71	269.95
Total(B)	**7.02**	**369.00**
Total (A-B)	**62.72**	**(287.30)**

Note:

Others:- Created		
Surveyed off	1.54	0.37
Claims receivables	-	3.44
Medicines	-	0.02
Demand for Environment clearance 2015-16	-	50.97
Claims by customers	-	0.50
Compensation demand of OHPCL	2.70	-
STC levied on NTPC Kaniha	21.47	-
Lease rent receivable of M/s IBEUL	0.96	-
Impairment of CWIP	1.42	-
	28.09	55.30
Others:- Reversal		
Stowing and stabilization of unstable workings	0.32	0.22
of Deulbera colliery	-	115.86
Excise Duty	-	153.87
Clean Energy Cess	2.39	-
Surveyed off	2.71	269.95

NOTES TO FINANCIAL STATEMENTS

NOTE 34 : WRITE OFF (NET OF PAST PROVISIONS)

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Doubtful debts	-	-
Less :- Provided earlier	-	-
	-	-
Doubtful advances	0.02	
Less :- Provided earlier	-	-
	0.02	-
Total	**0.02**	**-**

NOTE 35 : OTHER EXPENSES

(₹ in Crores)

	For Year ended 31.03.2019	For Year ended 31.03.2018
Travelling expenses	17.37	15.02
Training Expenses	7.38	7.42
Telephone & Postage	6.38	6.44
Advertisement & Publicity	9.97	14.30
Freight Charges	0.07	0.05
Demurrage	2.25	1.44
Security Expenses	104.98	106.44
Service Charges of CIL	144.15	143.22
Hire Charges	44.86	38.30
CMPDI Charges	26.63	17.17
Legal Expenses	4.32	1.69
Consultancy Charges	1.26	1.23
Under Loading Charges	179.65	35.60
Loss on Sale/Discard/Surveyed of Assets	1.28	0.98
Auditor’s Remuneration & Expenses		
- For Audit Fees	0.14	0.14
- For Taxation Matters	-	-
- For Other Services	0.11	0.13
- For Reimbursement of Exps.	0.23	0.20
Internal & Other Audit Expenses	2.84	2.08
Rehabilitation Charges	85.38	82.96
Rent	0.45	0.49
Rates & Taxes	20.24	29.96
Insurance	0.86	0.41
Loss on Exchange Rate Variance	-	1.02
Rescue/Safety Expenses	2.51	2.41
Dead Rent/Surface Rent	0.46	0.19
Siding Maintenance Charges	51.01	32.63
R & D expenses	0.07	0.79
Environmental & Tree Plantation Expenses	12.15	16.17
Expenses on Buyback of shares	0.02	0.03
Miscellaneous expenses	112.12	89.60
Total	**839.14**	**648.51**

NOTES TO FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 36 : TAX EXPENSE

	For Year ended 31.03.2019	For Year ended 31.03.201
Current Year	3165.24	2532.40
Deferred tax	76.30	45.97
MAT Credit Entitlement	-	-
Earlier Years	-	-
Total	**3,241.54**	**2,578.37**
Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate for 31.03.19		
Profit/(Loss) before tax	9,281.08	7,339.66
At India's statutory income tax rate of 34.944% (31 March 2018: 34.6081%)	3,243.18	2,540.12
Less : Adjustment in respect of current income tax of previous year	-	4.89
Less: Income exempt form Tax	(60.50)	(61.60)
Less: share of results of associates and Joint venture	-	-
Add: Non-deductible expenses for tax purposes	372.07	385.47
Less: Additional Expenses allowed as per Income Tax	(389.50)	(336.48)
Income Tax Expenses reported in statement of Profit & Loss	**3,165.24**	**2,532.40**
Effective income tax rate :	34.10%	34.50%
Deferred tax liability relates to following:		
Deffered Tax Liability		
Related to Property, Plant and Equipment	165.14	123.47
Others	264.83	241.87
Total Deferred Tax Liability	429.97	365.34
Deferred Tax Asset		
Related to Trade Receivables	23.87	9.68
Employee Benefits	44.01	67.75
Others	40.10	40.12
Total Deferred Tax Asset	107.98	117.55
Net Deffered Tax Asset/(Liabilities)	**(321.99)**	**(247.79)**

a) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

b) At 31 March 2019, deferred tax liability of ₹ 76.30 Crores (31 March 2018: ₹ 45.97 Crores) recognised for all taxable temporary differences.

c) During the year ended 31 March, 2019, the Company has paid Final Dividend of ₹ 125 crores (for FY 2017-18) and Interim Dividend of ₹ 3750 crores to its shareholders. This has resulted in payment of DDT of ₹ 796.52 crores to the taxation authorities. The company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

NOTES TO FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 37 : OTHER COMPREHENSIVE INCOME

	For Year ended 31.03.2019	For Year ended 31.03.2018
(A) (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(16.28)	27.34
	(16.28)	27.34
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(5.69)	9.46
	(5.69)	9.46
Total (A)	**(10.59)**	**17.88**
(B) (i) Items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
	-	-
Total (B)	**-**	**-**
Total (A+B)	**(10.59)**	**17.88**

NOTE – 38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (STANDALONE)

1. Fair Value Measurement

(a) Financial Instruments by Category

(₹ In Crores)

	31st March 2019		31st March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments* :				
Secured Bonds	-	958.70	-	958.70
Preference Shares				
-Equity Component	-	-	-	-
-Debt Component	-	-	-	
Mutual Fund/ICD	1000.83	-	-	-
Other Investments	-	-	-	-
Loans	-	1625.98	-	1001.14
Deposits & receivables	-	1713.42	-	1621.73
Trade receivables	-	465.24	-	433.41
Cash & cash equivalents	-	356.41	-	204.85
Other Bank Balances	-	12866.24	-	13096.76
Financial Liabilities				
Borrowings	-	6.29	-	7.09
Trade payables	-	492.12	-	783.63
Security Deposit and Earnest money	-	252.08	-	209.03
Other Liabilities	-	1106.26	-	1152.03

***Investment in Equity Shares in subsidiary/Joint Ventures are measured at cost which stands at ₹ 116.71 crores as on 31.03.19 (₹ 116.71 crores-31.03.2018) are not included above.

(a) Fair value hierarchy

Table below shows Judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

(₹ In Crores)

Financial assets and liabilities measured at fair value – recurring fair value measurement	31st March 2019			31st March 2018		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL						
Investments :						
Mutual Fund/ICD	1000.83	-	-	-	-	-
Financial Liabilities						
If any item	-	-	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31st March 2019			31st March 2018		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at Amortised cost						
Investments :	958.70			958.70		
Preference Shares -Equity Component -Debt Component	- -	- -	- -	- -	- -	- -
Other Investments						
Loans	-	-	1625.98	-	-	1001.14
Deposits & receivable	-	-	1713.42	-	-	1621.73
Trade receivables	-	-	465.24	-	-	433.41
Cash & cash equivalents	-	-	356.41	-	-	204.85
Other Bank Balances	-	-	12866.24	-	-	13096.76
Financial Liabilities						
Borrowings	-	-	6.29	-	-	7.09
Trade payables	-	-	492.12	-	-	783.63
Security Deposit and Earnest money	-	-	252.08	-	-	209.03
Other Liabilities	-	-	1106.26	-	-	1152.03

A brief of each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This included Mutual Funds which is valued using Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

(a) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

(b) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(c) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Company uses its judgement to select a method and makes suitable assumptions at the end of each reporting period.

2. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis/ Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company's risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principals for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with our customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs"); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Credit risk arises when counterparty defaults on contractual obligations resulting in financial loss to the company.

Expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach)

Expected Credit losses for trade receivables under simplified approach.

As on 31.03.2019 (₹ in crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	371.34	72.88	(16.79)	0.58	35.18	72.80	535.99
Expected loss rate (%)	-	-	-	-	-	97.18	13.20
Expected credit Loss allowance	-	-	-	-	-	70.75	70.75

As on 31.03.2018 (₹ in crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	372.83	23.26	(47.90)	36.30	48.78	30.28	463.55
Expected loss rate (%)	-	-	-	-	-	99.54	6.50
Expected credit Loss allowance	-	-	-	-	-	30.14	30.14

Reconciliation of loss allowance provision – Trade receivables

	₹ in crores
Loss allowance on 31.03.18	30.14
Change in loss allowance	40.61
Loss allowance on 31.03.19	70.75

Significant estimates and judgements Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company.

(i) Maturities of financial liabilities

The table below summarizes the maturity profile of the group's financial liabilities based on contractual undiscounted payments.

	As at 31.03.2019			As at 31.03.2018		
	less than one year	between one to five years	more than 5 years	less than one year	between one to five years	more than 5 years
Non- derivative financial liabilities						
Borrowings including interest obligations	-	5.71	-	-	6.50	-
Trade payables	492.12	-	-	783.63	-	-
Other financial liabilities	1307.70	51.22	-	1316.57	45.08	-

A. Market risk

a) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (INR) .The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows: **(₹ in crore)**

	31.03.2019	**31.03.2018**
Equity Share capital	661.84	706.13
Preference share capital	NIL	NIL
Long term debt	5.71	6.50
Current maturities of long-term debt	0.58	0.59

3. Employee Benefits: Recognition and Measurement (Ind AS-19)

i) Gratuity

Gratuity is maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

ii) Leave encashment

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

iii) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund during the period ended is ₹ 394.75 Crores(₹ 223.75 Crore as on 31.03.2018) has been recognized in the Statement of Profit & Loss (Note 28).

iv) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded

- Gratuity
- Leave Encashment
- Medical Benefits

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2019 based on valuation made by the Actuary, details of which are mentioned below is ₹ 1596.79 Crores.

(₹ in Crores)

Head	Opening Actuarial Liability as on 01.04.2018	Incremental Liability during the year	Closing Actuarial Liability as on 31.03.2019
Gratuity	1073.92	41.38	1115.30
Earned Leave	247.51	41.83	289.34
Half Pay Leave	42.86	8.99	51.85
Life Cover Scheme	5.45	0.10	5.55
Settlement Allowance Executives	5.94	(0.32)	5.62
Settlement AllowanceNon-executives	8.43	0.11	8.54
Group Personal Accident Insurance Scheme	0.11	0.01	0.12
Leave Travel Concession	45.44	(15.71)	29.73
Medical Benefits Executives	77.56	(2.47)	75.09
Medical Benefits Non-Executives	1.23	0.97	2.20
Compensation to dependents in case of mine accidental death	13.91	(0.46)	13.45
Total	1522.36	74.43	1596.79

i) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2019

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2019	As at 31.03.2018
Present Value of obligation at beginning of the period	1073.92	718.74
Current Service Cost	58.60	53.43
Interest Cost	76.45	52.43
Plan Amendments: Vested Portion at end of period (Past Service)	-	354.97
Actuarial (Gain) / Loss on obligations due to change in financial assumption	12.67	(50.13)
Actuarial (Gain) / Loss on obligations due to unexpected experience	16.16	21.96
Benefits Paid	122.50	77.48
Present Value of obligation at end of the period	1115.30	1073.92

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2019	As at 31.03.2018
Fair Value of Plan Asset at beginning of the period	928.41	727.20
Interest Income	70.09	56.07
Employer Contributions	204.23	223.45
Benefits Paid	122.50	77.48
Return on Plan Assets excluding Interest income	12.55	(0.83)
Fair Value of Plan Asset as at end of the period	1092.78	928.41

(₹ in Crore)

Statement showing reconciliation to Balance Sheet	As at 31.03.2019	As at 31.03.2018
Funded Status	(22.52)	(145.51)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	1092.78	928.41
Fund Liability	1115.30	1073.92

(₹ in Crore)

Statement showing Plan Assumptions:	As at 31.03.2019	As at 31.03.2018
Discount Rate	7.55%	7.71%
Expected Return on Plan Asset	7.55%	7.71%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executivesand 6.25% for Non-Executives	9.00% for Executivesand 6.25% for Non-Executives
Average Expected Future Service (Remaining Working Life)	13.14	14
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age(Male & Female)	60	60
Early Retirement & Disablement (All causes combined)	0.30%	0.30%

(₹ in Crore)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2019	As at 31.03.2018
Current Service Cost	58.60	53.43
Past Service Cost (vested)	-	354.97
Net Interest Cost	6.36	(3.64)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	64.96	404.76

(₹ in Crore)

Other Comprehensive Income	As at31.03.2019	As at31.03.2018
Actuarial (Gain) / Loss on obligations due to change in financial assumption	12.67	(50.13)
Actuarial (Gain) / Loss on obligations due to unexpected experience	16.16	21.96
Total Actuarial (Gain) / Loss	28.83	(28.17)
Return on Plan Asset, excluding Interest Income	12.55	(0.83)
Balance at the end of the period	16.28	(27.34)
Net (Income) / Expense for the period recognised in Other Comprehensive Income	16.28	(27.34)

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

(₹ in Crores)

Disclosure Item				
31.03.2018			31.03.2019	
Increase	Decrease	Sensitivity Analysis	Increase	Decrease
103.69	1113.33	Discount Rate (-/+ 0.5%)	107.65	1156.61
-3.444%	3.670%	%Change Compared to base due to sensitivity	-3.474%	3.704%
110.24	1045.00	Salary Growth (-/+ 0.5%)	114.26	1087.42
2.652%	-2.693%	%Change Compared to base due to sensitivity	2.452%	-2.499%
107.49	1072.97	Attrition Rate (-/+ 0.5%)	111.63	1114.29
0.088%	-0.088%	%Change Compared to base due to sensitivity	0.090%	-0.090%
108.03	1067.52	Mortality Rate (-/+ 10%)	112.20	1108.58
0.596%	-0.596%	%Change Compared to base due to sensitivity	0.602%	-0.602%

(₹ in Crores)

Table Showing Cash Flow Information	
Next Year Total (Expected)	1133.60
Minimum Funding Requirements	84.95
Company's Discretion	-

Table Showing Benefit Information Estimated Future payments(Past Service)	
Year	₹ in Crore
1	122.11
2	118.32
3	115.30
4	122.48
5	126.33
6 to 10	619.04
More than 10 years	1004.82
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	2228.40
Less Discount For Interest	1113.11
Projected Benefit Obligation	1115.30

Table Showing Outlook Next Year Components of Net Periodic benefit Cost Next Year	
	₹ in Crore
Current service Cost(Employer portion Only) Next period	60.32
Interest Cost next period	79.60
Expected Return on Plan Asset	84.20
Unrecognized past service Cost	-
Unrecognized actuarial/gain loss at the end of the period	-
Settlement Cost	-
Curtailment Cost	-
other(Actuarial Gain/loss)	-
Benefit Cost	55.71

(₹ in Crores)

Bifurcation of Net Liability	As at 31.03.2019	As at 31.03.2018
Current liability	117.74	127.65
Non-Current Liability	997.55	946.27
Net Liability	1115.30	1073.92

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2019

CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crores)

Changes in Present Value of defined benefit obligations	As at 31.03.2019	As at 31.03.2018
Present Value of obligation at beginning of the period	290.38	300.68
Current Service Cost	24.61	23.39
Interest Cost	20.89	22.27
Actuarial (Gain) / Loss on obligations due to change in financial assumption	4.77	(15.97)
Actuarial (Gain) / Loss on obligations due to unexpected experience	28.02	(16.30)
Benefits Paid	27.48	23.69
Present Value of obligation at end of the period	341.19	290.38

(₹ in Crores)

Changes in Fair Value of Plan Assets	As at 31.03.2019	As at 31.03.2018
Fair Value of Plan Asset at beginning of the period	255.19	203.57
Interest Income	19.27	15.70
Employer Contributions	28.47	60.05
Benefits Paid	27.48	23.69
Return on Plan Assets excluding Interest income	(2.28)	(0.43)
Fair Value of Plan Asset as at end of the period	273.16	255.19

(₹ in Crores)

Statement showing reconciliation to Balance Sheet	As at 31.03.2019	As at 31.03.2018
Funded Status	(68.03)	(35.19)
Unrecognized actuarial (gain) / loss at end of the period	0.00	0.00
Fund Asset	273.16	255.19
Fund Liability	341.19	290.38

(₹ in Crores)

Statement showing Plan Assumptions:	As at 31.03.2019	As at 31.03.2018
Discount Rate	7.55%	7.71%
Expected Return on Plan Asset	7.55%	7.71%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executivesand 6.25% for Non-Executives	9.00% for Executivesand 6.25% for Non-Executives
Average Expected Future Service (Remaining Working Life)	13,14	14
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age(Male & Female)	60	60
Early Retirement & Disablement (All causes combined)	0.30%	0.30%

(₹ in Crores)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2019	As at 31.03.2018
Current Service Cost	24.61	23.39
Net Interest Cost	1.62	6.57
Actuarial Gain/Loss	35.08	(31.84)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	61.31	(1.88)

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Disclosure Item				
31.03.2018			31.03.2019	
Increase	Increase	Sensitivity Analysis	Increase	Decrease
278.19	303.53	Discount Rate (-/+ 0.5%)	326.66	356.89
-4.196%	4.529%	%Change Compared to base due to sensitivity	-4.257%	4.603%
303.44	278.16	Salary Growth (-/+ 0.5%)	356.74	326.67
4.500%	-4.207%	%Change Compared to base due to sensitivity	4.559%	-4.256%
290.71	290.04	Attrition Rate (-/+ 0.5%)	342.16	340.21
0.116%	-0.116%	%Change Compared to base due to sensitivity	0.286%	-0.286%
292.18	288.57	Mortality Rate (-/+ 10%)	343.26	339.11
0.622%	-0.622%	%Change Compared to base due to sensitivity	0.609%	-0.609%

Table Showing Benefit Information Estimated Future payments(Past Service)

Year	₹ in Crore
1	25.32
2	26.88
3	28.22
4	33.15
5	37.43
6 to 10	197.88
More than 10 years	485.64
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	834.51
Less Discount For Interest	493.32
Projected Benefit Obligation	341.19

(₹ in Crores)

Bifurcation of Net Liability	As at 31.03.2019	As at 31.03.2018
Current liability	24.42	25.45
Non-Current Liability	316.77	264.92
Net Liability	341.19	290.38

4. Unrecognised items

a) Contingent Liabilities

I. Claims against the Company not acknowledged as debts

Table I (₹ in Crore)

Particulars	Central Government Deptt./ Agencies	State Government Deptt./ Agencies	Central Public Sector Enterprises	Others	Total
Opening as on 01.04.2018	1536.36	11162.54	1.13	235.62	12935.65
Addition during the period	1587.22	864.52	-	44.27	2496.01
Claims settled during the period:-					
a. From opening balance	198.50	63.42	-	92.17	354.09
b. Out of addition during the period	0.20	-	-	-	0.20
c. Total claims settled during the period (a+b)	198.70	63.42	-	92.17	354.29
Closing as on 31.03.2019	2924.88	11963.64	1.13	187.72	15077.37

Table II (₹ in Crore)

Claims against the company not acknowledged as debt

	31.03.2019	31.03.2018
Central Govt.		
Central Excise	328.10	328.32
Income Tax*	2200.73	794.86
Clean Energy Cess	308.23	308.96
Service Tax	82.32	98.68
Others	5.50	5.54
State Govt. and Local authorities		
Sales Tax	163.14	158.48
Royalty	1368.32	1291.36
Environment clearance	10289.83	9593.63
Others	142.35	119.07
Central Public Sector Enterprises		
Suit against the company under litigation	1.13	1.13
Others	187.72	235.62
Total	**15077.37**	**12935.65**

the above amount included interest in Income tax of ₹ 0.61 crores from the date of order to 31.03.19.

b) ₹ 86.66 crores towards demand received from Executive Engineer Burla Irrigation Division, Burla for drawal of Surface water and ground water by Lajkura OCP & Samleswari OCP of IB Valley Area for the period 01.10.2010 to 31.08.2017. As decided in the meeting held on 29.03.2017 under the Chairmanship of Chief Secretary, Odisha, all dues of MCL were settled up to 28.02.2017 after one time settlement of ₹ 147.83 crores. As per the letter from Head of Directorate of Water services to the EIC- cum - Special Secretary to Government in DoWR, raising of demand in penal rates is not justified after the date of receipt of their application in Form 'J' and directed the Executive Engineers to review their demands as per provision of the Orissa Irrigation Act: section 28(B). Further no revised demand has been received till date. As the reliable estimate of demand for principal amount cannot be made & as per Ind AS 37, in the absence of reliable estimate, provision /contingent liability are not to be recognized. Hence there is no recognition in the books of accounts.

c) Guarantee

The company has not provided any guarantee on behalf of any other Company.

d) Letter of Credit and Bank Guarantee :

As on 31.03.2019 outstanding letters of credit is ₹ 2.83 Crores (₹ 7.24 crores as at 31.03.2018), Letter of Comfort is ₹ 13.35 crores (₹ 13.35 as at 31.03.2018) and bank guarantee issued is ₹ 17.17 Crores (₹ 38.27 Crores as at 31.03.2018).

I. Commitments

Estimated amount of contracts remaining to be executed on

Capital account and not provided for : ₹ 839.02 crores (₹ 833.04 crores as at 31.03.2018)

Others (Revenue Commitment) : ₹ 2304.91 crores (₹ 2894.57 crores as at 31.03.2018)

5. Group Information:

Name	Relationship with MCL	Principal activities	Country of Incorporation	% of Equity interest	
				31.03.19	31.03.18
MNH Shakti Ltd	Subsidiary Company	Coal Production	India	70	70
MJSJ Coal Ltd	Subsidiary Company	Coal Production	India	60	60
Mahanadi Basin Power Limited	Subsidiary Company	Power Generation	India	100	100
Mahanadi Coal Railways Limited	Subsidiary Company	Construct & Operate Rail Corridor projects	India	64	64

6. Other Information

a) Provisions

The position and movement of various provisions as per Ind AS 37 except those relating to employee benefits which are valued actuarially as on 31.03.19 are given below:

(₹ in crore)

Provisions	Opening Balance as on 01.04.2018	Addition during the period	Write back/ Adj. during the period	Unwinding of discounts	Closing Balance as on 31.03.2019
Note 3:- Property, Plant and Equipments :					
Impairment of Assets :	46.43	1.54	(2.39)	-	45.58
Note 4:- Capital Work in Progress :					
Against CWIP :	12.76	1.42	-	-	14.18
Note 5:- Exploration And Evaluation Assets :					
Provision and Impairment :	-	-	-	-	-
Note 8:- Loans :					
Other Loans :	-	-	-	-	-
Note 9:- Other Financial Assets:					
Other Deposits and Receivables	0.16	-	-	-	0.16
Security Deposit for utilities	-	-	-	-	-
Current Account with Subsidiaries	-	-	-	-	-
Claims & other receivables	0.76	-	(0.70)		0.06
Note11:-Other Current Assets:					
Advances for Revenue	4.90	1.64	-	-	6.54
Advance payment of statutory dues	-	-	-	-	-
Other Advances and Deposits to Employees	0.03	-	(0.01)		0.02
Note 13:-Trade Receivables :				-	
Provision for bad & doubtful debts :	30.14	41.56	(0.95)	-	70.75
Note 21 :- Non-Current & Current Provision :					
Ex- Gratia	118.15	392.46	(382.98)	-	127.63
Performance Related Pay	97.95	102.10	(22.08)	-	177.97
Provision for National Coal Wage Agreement X	303.06	-	(303.06)	-	-
Provision for Executive Pay Revision	103.71	-	(103.71)	-	-
Others	66.05	470.52	(7.12)	-	529.45
Site Restoration/Mine Closure	768.77	28.15	(22.68)	33.00	807.24
Reclamation of Land	5.20	-	(0.31)	-	4.89

b) Government Assistance

Sand Stowing & Protective Works includes Nil received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works during the year ended on 31.03.2019(Note-24).

CCDA Grant of ₹ Nil received as Capital Grant from Ministry of Coal, Government of India towards assistance for Road and Rail Infrastructure work during the year ended on 31.03.2019. The total CCDA grant received of ₹ 208.58 crores till date is being amortized over the useful life of the underlying asset and the outstanding balance of ₹ 194.68 crores is disclosed under Note-22 as Deferred Income.

b) Segment Reporting

In accordance with the provisions of Ind AS 108 ‘operating segment’, the operating segment used for presenting segment information are identified based on internal reports used by BOD to allocate resources to the segments and assess their performance. The BOD is the group of Chief operating decision maker within the meaning of Ind AS 108.

The Board of directors considers a business from a prospect of significant product offerings and have decided that presently there is one single reportable segment being sale of Coal. Information of financial performance and net asset is presented in the consolidated information of P/L and Balance sheet.

Revenue by destination is a follows (₹ in crore)

	India	**Other countries**
Revenue	17011.00	Nil

Revenue by customer is as follows

Customer name	**Amount (in Crores)**	**Country**
Name of each parties having more than 10% of \Net sales value **NTPC**	2506.17	India
Others	14505.83	India

Net current asset by location are as follows

	India	**Other countries**
Net Current Asset	12004.12	Nil

d) Authorised Capital:

	31.03.2019	**31.03.2018**
77,58,200 Equity Shares of ₹ 1000/- each	775.82	295.82
20,41,800 10% Cumulative Redeemable Preference shares of ₹ 1000/- each (Redeemed on as per terms of earliest redemption)	204.18	204.18

e) Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018 (restated)	
		PAT	OCI	PAT	OCI
		6039.54	(10.59)	4761.29	17.88
i)	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	6992154	6992154	1474174	1474174
ii)	Weighted Average no. of Equity Shares Outstanding (in nos.)	8637.60	(15.15)	32298.03	121.29
iii)	Basic and Diluted Earnings per Share in Rupees (Face value Rs.1000/- per share) (₹)				

(f) Related Party Disclosures

1. List of Related Parties

i) Subsidiary Companies

1) Mahanadi Basin Power Limited (MBPL)
2) MNH Shakti Limited
3) MJSJ Coal Limited
4) Mahanadi Coal Railway Limited (MCRL)

2. Key Managerial Personnel

Name	Designation	W.e.f
Mr. R. R. Mishra	Chairman-cum-Managing Director	25.09.2018
Mr. L N Mishra	Director (Personnel)	01.02.2016 to 31.12.2018
Mr. J.P. Singh	Director (Technical-Operation)	01.06.2013 to 28.02.2019
Mr. O. P. Singh	Director (Technical-P&P)	01.09.2016
Mr. K. R. Vasudevan	Director (Finance)	04.02.2018
Mr. A. K. Singh	Company Secretary	19.11.2012
Mr. H. S. Pati	Independent Directors	17.11.2015
Dr. R. Mall	Independent Directors	17.11.2015
Ms. Seema Sharma	Independent Director	06.09.2017
Mr. S. N. Prasad	Part-Time Director	16.02.2016
Mr. R. K. Sinha	Government Nominee	12.06.2017

3. Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2019	For the year ended 31.03.2018
i)	**Short Term Employee Benefits** Gross Salary Perquisites Medical Benefits	 1.50 - -	 1.53 - -
ii)	**Post-Employment Benefits** Contribution to P.F. & other fund	 0.16	 0.16
iii)	**Termination Benefits** (Paid at the time of separation) Leave Encashment Gratuity	 - -	 1.05 0.83
	TOTAL	**1.66**	**3.57**

Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 750 KMs on payment of concessional rate, in accordance with the provisions of Government of India, Ministry of Finance, Bureau of Public Enterprises O.M. No.2 (18)/PC-64 dated 20.11.1964 as amended from time to time.

(₹ in crore)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2019	For the year ended 31.03.2018
i)	Sitting Fees	0.16	0.13

Balances Outstanding (₹ in Crores)

Sl. No.	Particulars	As on 31.03.2019	As on 31.03.2018
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

4. Related Party Transactions within Group

Mahanadi Coalfields Limited has entered into transactions with its holding Company, co-subsidiaries & subsidiaries which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges, issue of store materials and other expenditure incurred by or on behalf of other subsidiaries through current account.

Transactions with Related Parties

(₹ in crores)

Name of Related Parties	Lease Rent	Apex Charges	Rehabilitation Charges	Workshop/ Press Debits	CMPDI Expenses	Interest on Funds parked with subsidiaries/CIL	Issue of Store Materials	Current Account Balance
Eastern Coalfields Limited (ECL)	-	-	-	-	-	-	0.07	-
Bharat Coking Coal Limited (BCCL)	-	-	-	-	-	-	-	-
Central Coalfields Limited (CCL)	-	-	-	0.74	-	-	-	-
Western Coalfields Limited (WCL)	-	-	-	-	-	-	0.32	-
South Eastern Coalfields Limited (SECL)	-	-	-	(0.04)	-	-	0.10	-
Northern Coalfields Limited (NCL)	-	-	-	-	-	-	(0.19)	-
Central Mine Planning and Design Institute Limited (CMPDIL)	-	-	-	-	84.94	-	-	-
Coal India Limited	-	158.93	85.38	-	-	(0.80)	-	33.87
Mahanadi Basin Power Ltd.	-	-	-	-	-	(1.30)	-	23.69
MNH Shakti Ltd.	(0.02)	-	-	-	-	-	-	0.08
Mahanadi Coal Railway Limited	-	-	-	-	-	(1.83)	-	42.50
MJSJ Coal Limited	-	-	-	-	-	(0.03)	-	1.10

Figures in Bracket denote net income or credit balance.

g) BUYBACK OF SHARES

Details of Buy back during 2018-19 are shown below:

Name of the Company	Number of shares Bought back from CIL	Book Value per share(₹)	Total Value (₹ in Crore)
Mahanadi Coalfields Limited (MCL)	442967	8014.13	355.00

h) Recent Accounting Pronouncements

i) Ind AS, 116- Leases

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified Indian Accounting Standard (Ind AS) 116, Leases which shall come into force on the 1st day of April 2019.

This Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The standard permits two possible methods of transition:

Retrospectively to each prior reporting period presented applying IND AS 8 i.e. 1 April 2018.

Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1 April 2019.

Management is in the process of selecting the appropriate method of transition and estimating the impact in the Financial Statement.

ii) **Amendment to Ind AS 19 – plan amendment, curtailment or settlement-**

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. Management is in the process of estimating the impact of the above in the Financial Statement.

i) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

j) 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.

k) 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.

l) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

m) 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.

n) Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal

(₹ in Crore and Quantity in ‘000 MT)

	For the year ended 31.03.2019		For the year ended 31.03.2018	
	Qty.	Value	Qty.	Value
Opening Stock	**11177.92**	**420.54**	**6387.29**	**276.54**
Production	144151.39	15349.72	143057.91	13818.28
Sales	142303.01	15324.75	138262.45	13673.32
Own Consumption	3.45	0.62	4.83	0.96
Write Off	-	-	-	-
Shortage beyond 5%	116.80	19.43	116.80	19.76
Excess beyond 5%	-	-	-	
Closing Stock	**12906.05**	**425.46**	**11061.12**	**400.78**

o) Disaggregated Revenue as per Ind AS 115

Disaggregated revenue information:	**For the year ended 31.03.2019**	**For the year ended 31.03.2018**
Types of goods or service:-		
- Coal - Others	17013.00	14587.47
Total revenue from operations	**17013.00**	14587.47
Types of customers		
- Power sector - Non-Power Sector - Other Services	**10412.32** **6600.68**	8,781.00 5,806.47 -
Total revenue from operations	**17013.00**	**14587.47**
Types of contract		
- FSA	**13991.22**	10,733.73

- E Auction	**3021.78**	3,853.74
- Others	**-**	-
Total revenue from operations	**17013.00**	14,587.47
Timing of goods or service		
- Goods transferred at a point in time - Goods transferred over time - Services transferred at a point in time - Services transferred over time	**17013.00**	14587.47 - - -
Total revenue from operations	17013.00	14587.47

p) 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.

Name of the Company	Relation	Loan/Investment	Amount (₹ in Crores)
MJSJ Coal Limited	Subsidiary	Investment in Shares	57.06
MNH Shakti Limited	Subsidiary	Investment in Shares	59.57
Mahanadi Basin Power Limited	Subsidiary	Investment in Shares	0.05
Mahanadi Coal Railway limited	Subsidiary	Investment in Shares	0.03
NLC India Ltd.		Loan Given	1625.00 (o/s)

- No Corporate guarantees given by the company in respect of any loan as at 31.03.2019

- Company has given a loan of ₹ 2000 crores to NLCIL for meeting the general funding requirements @ 7% interest payable on monthly basis and repayment of principal is in 48 monthly equal installments. This loan to NLCIL is covered under Clause 8 (iv) of Guidelines on Investment of Surplus Funds by the CPSEs as eligible investments.

q) Construction of Mahanadi Institute of Coal Management

The Company is constructing an Institute 'Mahanadi Institute of Coal Management, Bhubaneswar' with an estimated total value of Rs. 138.83 crores through the contractor M/S. NBCC. As per the clause no. 5.18 of MOU between the Company & the contractor, it is the responsibility of the contractor to obtain necessary approval /clearances related to construction & completion of the project from the statutory authorities. However Bhubaneswar Development Authority did not consider the proposal for approval due to the project falls on the proposed ring road alignment finalized in CDP-2010. Now the said CDP-2010 ring road has been re-aligned in CDP-01/2016 which has been approved by Govt. of Odisha vide no. HUD-TP-SCH-0022/2014/8008/HUD dtd. 28.03.18. NBCC, consultant of MCL has again applied to BDA for approval of plan of MICM and on 02.11.2018 BDA have granted necessary permission in favour of MCL. Now the work is under progress. The Company has incurred ₹ 104.48 crores towards construction of the institute till now.

r) Land at Balipanda Mouza, Puri

5 acres of land at Balipanda Mouza, Puri amounting to ₹ 0.80 crores taken as lease from Puri Municipality with a lease period of 99 years w.e.f. 01.04.1996. However, Tahsildar Puri vide his office memo no. 7206 dated 21.08.2004 addressed to the Collector Puri with a copy to MCL, Bhubaneswar stated that the said area comes under the “Sweat water zone” and it has been declared as restricted area by the Govt. in Housing and Urban Development Department. Though the said land comes under Sweat Water Zone, Tahsildar, Puri has accepted ground rent along with cess till 2008-09. Further MCL have written letter to Tahsildar, Puri requesting them to send the demand note from the period 2009-10 to 2018-19.Further D(P), MCL vide letter no. 4707 dated 08.01.2019, requested to Collector, Puri for early hand over of alternate land to start the stall project. The case is under active consideration with State Authority. MCL is expecting that the alternative land in favor of MCL will be allocated soon.

s) At MCL there are 19 open cast mines & 12 underground mines, out of which 3 open cast mines & 5 underground mines are non productive due to :-

S.No.	Name of Mines	Reason for non productive
1.	Chendipada OCP	Due to mine closure.
2.	Lilari OCP	Due to Mining Plan of Lilari OCP was valid upto March 2018.
3.	South Balanda OCP	Due to exhaustion of Coal Reserve.
4.	Hingir Rampur Colliery UG	This mine is abandoned since 27.05.2013 with the mine closure notice issued from Orient Area.
5.	Orient Mine No-4 UG	a. Production has been stopped since 02.07.2017 due to non-availability of development patches as entire property of mine is already developed and there is no depillaring permission due to want of stage II forest clearance. b. There is shortage of manpower in Orient Area due to retirement etc. As there is shortage of manpower in productive units of other mines of Orient Area, the available manpower of this mine has been transferred to those productive mines for gainful utilization. Now the mine is under process to run in outsourced mode.
6.	Talcher UG	Mining of Coal temporarily discontinued due to non-compliance of Section 22A(1) of Mines Act 1952 by DMS, Bhubaneswar vide Notice No. - 010686/BBR-DH/CO-6/Notice-22A(1)/2015/4562, dated 03.09.2015, to provide 3rd entry to the drift top section (present working dist), and as per provision of CMR-2017, Reg No. - 158(3) the production was suspended since 24.02.2018
7.	Deulbera UG	Production had to be stopped as notice from the supt. engineer that water would be released in right bank canal, below which the mine had working w.e.f 19.07.2006
8.	Handidhua UG	Production has stopped due to heavy losses w.e.f. 16.09.1998.

t) Significant accounting policy

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

u) Others :

a) Previous year/ period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

b) Previous period's figures in Note No. 3 to 38 are in brackets.

c) Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively , Note 3 to 23 form parts of the Balance Sheet as at 31st March 2019 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date and Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Date: 24.05.2019
Place: Raipur

CONSOLIDATED BALANCE SHEET
As at 31st March, 2019

(₹ in Crores)

		Note No.	As at 31- 03- 2019	As at 31- 03- 2018 (Restated)
ASSETS				
Non-Current Assets				
(a)	Property, Plant & Equipments	3	6,487.42	4,595.74
(b)	Capital Work in Progress	4	1,407.96	2,303.98
(c)	Exploration and Evaluation Assets	5	158.40	142.27
(d)	Intangible Assets	6	4.74	4.83
(e)	Intangible Assets under Development		-	-
(f)	Investment Property			
(g)	Financial Assets			
	(i) Investments	7	958.70	958.70
	(ii) Loans	8	1,125.66	1,000.82
	(iii) Other Financial Assets	9	1,019.13	877.05
(h)	Deferred Tax Assets (net)		-	-
(i)	Other non-current assets	10	214.95	305.01
	Total Non-Current Assets (A)		11,376.96	10,188.40
Current Assets				
(a)	Inventories	12	502.30	474.76
(b)	Financial Assets			
	(i) Investments	7	1,000.83	-
	(ii) Trade Receivables	13	465.24	433.41
	(iii) Cash & Cash equivalents	14	432.09	205.49
	(iv) Other Bank Balances	15	12,866.24	13,168.31
	(v) Loans	8	500.32	0.32
	(vi) Other Financial Assets	9	628.22	702.28
(c)	Current Tax Assets (Net)		748.75	700.94
(d)	Other Current Assets	11	1,545.55	1,392.89
Total Current Assets (B)			18,689.54	17,078.40
Total Assets (A+B)			**30,066.50**	**27,266.80**

Balance Sheet Contd... (₹ in Crores)

EQUITY AND LIABILITIES	Note No.	As at 31- 03- 2019	As at 31- 03- 2018 (Restated)
Equity			
(a) Equity Share Capital	16	661.84	706.13
(b) Other Equity	17	3,190.06	2,219.31
Equity attributable to equityholders of the company		3,851.90	2,925.44
Non-Controlling Interests		63.59	63.59
Total Equity (A)		3,915.49	2,989.03
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	5.71	6.50
(ii) Trade Payables (if any)		-	-
(iii) Other Financial Liabilities	20	51.22	45.08
(b) Provisions	21	18,905.78	17,650.46
(c) Deferred Tax Liabilities (net)		321.99	247.79
(d) Other Non-Current Liabilities	22	194.68	208.58
Total Non-Current Liabilities (B)		19,479.38	18,158.41
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables	19		
Total Outstanding dues of micro and small enterprises		0.09	0.92
Total Outstanding dues of creditors other than micro and small enterprises		493.13	783.39
(iii) Other Financial Liabilities	20	1,309.35	1,328.00
(b) Other Current Liabilities	23	3,911.26	2,903.31
(c) Provisions	21	957.80	1,103.74
(d) Current Tax Liabilities (net)		-	-
Total Current Liabilities (C)		6,671.63	6,119.36
Total Equity and Liabilities (A+B+C)		**30,066.50**	**27,266.80**

The Accompanying Notes form an integral part of Financial Statements.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Date: 24.05.2019
Place: Raipur

CONSOLIDATED STATEMENT OF PROFIT & LOSS
For the year ending on 31st March, 2019

(₹ in Crores)

		Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018 (Restated)
	Revenue from Contracts with Customers			
A	Sales (Net of other levies but including excise duty)	24	15,324.75	13,580.64
B	Other Operating Revenue (Net of other levies but including excise duty)		1,686.25	1,008.88
(I)	**Revenue from Contracts with Customers (A+B)**		17,011.00	14,589.52
(II)	Other Income	25	1,568.50	1,211.89
(III)	**Total Income (I+II)**		**18,579.50**	**15,801.41**
(IV)	**EXPENSES**			
	Cost of Materials Consumed	26	672.19	604.56
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods/work in progress and Stock in trade	27	(32.01)	(188.54)
	Excise Duty		-	230.50
	Employee Benefits Expense	28	3,009.95	3,002.93
	Power & Fuel		134.72	130.58
	Corporate Social Responsibility Expense	29	167.16	267.52
	Repairs	30	157.76	129.33
	Contractual Expense	31	2,564.01	2,480.64
	Finance Costs	32	44.19	73.26
	Depreciation/Amortization/ Impairment expense		501.20	371.87
	Provisions	33	62.72	(287.30)
	Write off	34	0.02	-
	Other Expenses	35	839.19	648.55
	Stripping Activity Adjustment		1,180.91	1,000.65
	Total Expenses (IV)		**9,302.01**	**8,464.55**
(V)	**Profit before exceptional items and Tax (III-IV)**		**9,277.49**	**7,336.86**
(VI)	Exceptional Items			
(VII)	**Profit before Tax (V-VI)**		**9,277.49**	**7,336.86**
(VIII)	Tax expense	36	3,241.54	2,578.37
(IX)	**Profit for the year from continuing operations (VII-VIII)**		**6,035.95**	**4,758.49**
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax exp of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII)	Share in JV's/Associate's profit/(loss)		-	-
(XIV)	**Profit for the Year (IX+XII+XIII)**		**6,035.95**	**4,758.49**

Statement of Profit & Loss Contd...

(₹ in Crores)

		Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018 (Restated)
	Other Comprehensive Income	37		
	A (i) Items that will not be reclassified to profit or loss		(16.28)	27.34
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(5.69)**	9.46
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV)	**Total Other Comprehensive Income**		**(10.59)**	**17.88**
(XVI)	**Total Comprehensive Income for the year (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**6,025.36**	**4,776.37**
	Profit attributable to:			
	Owners of the company		**6,035.95**	**4,758.49**
	Non-controlling interest		-	
			6,035.95	**4,758.49**
	Other Comprehensive Income attributable to:			
	Owners of the company		**(10.59)**	**17.88**
	Non-controlling interest		-	-
			(10.59)	**17.88**
	Total Comprehensive Income attributable to:			
	Owners of the company		**6,025.36**	**4,776.37**
	Non-controlling interest		-	-
			6,025.36	**4,776.37**
(XVII)	**Earnings per equity share (for continuing operation):**			
	(1) Basic		**8,617.32**	**32,400.32**
	(2) Diluted		**8,617.32**	**32,400.32**
(XVIII)	**Earnings per equity share (for discontinued operation):**			
	(1) Basic		-	-
	(2) Diluted		-	-
(XIX)	**Earnings per equity share (for discontinued & continuing operation):**			
	(1) Basic		**8,617.32**	**32,400.32**
	(2) Diluted		**8,617.32**	**32,400.32**

The Accompanying Notes form an integral part of Financial Statements.

Sd/-
(A K Singh)
Company Secretary

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Date: 24.05.2019
Place: Raipur

CASH FLOW STATEMENT

(₹ in Crores)

		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit before tax and extraordinary items	**9,261.21**	**7,364.20**
	Adjustment for :		
	Depreciation/Impairment of fixed assets	501.20	343.64
	Interest on Bank Deposits	(988.12)	(858.91)
	Finance Cost related to financing activity	11.43	22.11
	Unwinding of Discount	38.16	51.15
	Share in (profit)/loss of JV	-	-
	Profit/loss on sale of Fixed Assets	(0.52)	(0.24)
	Exchange Rate Fluctuation	(0.20)	1.02
	Stripping Activity Adjustment	1,180.91	1,000.64
	Interest/Dividend from investments	(195.99)	(177.98)
	Provisions made & write off	(66.64)	150.40
	Operating Profit before Current/Non Current Assets and Liabilities	**9,741.44**	**7,896.03**
	Adjustment for:		
	Adjustments for :		
	Inventories	(27.54)	(159.31)
	Trade Receivables	(72.44)	526.97
	Non current Loans,Advances,Other Financial Assets,Other Assets	(176.95)	133.75
	Current Loans,Advances,Other Financial Assets,Other Assets	(277.46)	1,415.54
	Current/Non Current Provisions, Other Financial Liabilities and Other Liabilities	690.46	(2,079.70)
	Cash generated from operations	**9,877.51**	**7,733.28**
	Income Tax Paid/Refund	(3,209.46)	(2,536.26)
	Deferred Tax Liabilities		
	Cash Flow before extraordinary items	**6,668.05**	**5,197.02**
	Extraordinary items	-	-
	Net Cash from operating activities (A)	**6,668.05**	**5,197.02**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets	(1,514.32)	(1,347.76)
	Short Term Deposit with CIL	-	53.94
	Profit/loss on sale of Fixed Assets	0.52	0.24
	Change in Investments	(1,000.83)	202.00

CASH FLOW STATEMENT

(₹ in Crores)

		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
	Interest pertaining to Investing Activities	1,081.70	929.63
	Interest/Dividend from Investments	102.41	107.26
	Net Cash used in investing activities (B)	**(1,330.52)**	**(54.69)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Change in borrowings	(0.80)	0.45
	Exchange Rate Fluctuation	0.20	(1.02)
	Interest and Finance cost pertaining to Finance Activities	(11.43)	(73.26)
	Dividend on Equity Shares	(3,875.00)	(4,350.00)
	Tax on Dividend on Equity Shares	(796.52)	(885.56)
	Buyback of Equity Share Capital	(355.00)	-
	Tax on Buy Back of Equity Share Capital	(72.38)	-
	Net Cash used in financing activities (C)	**(5,110.93)**	**(5,309.39)**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	226.60	(167.06)
	Cash and cash equivalents as at beginning of the year	205.49	372.55
	Cash and cash equivalents as at the end of the period	**432.09**	**205.49**

The aforesaid statement is prepared on indirect method.
The figures of the previous year have been reclassified to confirm to current period classification.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

Date: 24.05.2019
Place: Raipur

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31.03.2019

(₹ in Crores)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2017	Changes In Equity Share Capital During The Year	Balance as at 31.03.2018	Balance as at 01.04.2018	Changes In Equity Share Capital During The Year	Balance as at 31.03.2019
6618363 Equity Shares of Rs.1000/- each fully paid up	141.23	564.90	706.13	706.13	(44.29)	661.84

B. OTHER EQUITY

	Other Reserves		General Reserve	Retained Earnings	Other Comprehensive Income	Non-Controlling Interest	Total
	Capital Redemption reserve	Capital Reserve					
Balance as at 01.04.2017	249.35	-	2,077.81	910.17	11.07	63.59	**3,248.40**
Changes in accounting policy	-	-	-	-	-	-	-
Prior period errors	-	-	-	(5.00)	-	-	**(5.00)**
Restated balance as at 01.04.2017	249.35		2,077.81	905.17	11.07	63.59	**3,243.40**
Additions during the year	-		-	-	-	-	-
Adjustments during the year	(249.35)	-	(315.55)	-	-	-	**(564.90)**
Investment during the year	-	-	-	-	-	-	
Profit during the year	-	-	-	4,758.49	-	-	**4,758.49**
Other Comprehensive Income during the year	-	-	-	-	17.88	-	**17.88**
Appropriations	-	-	-	-	-	-	-
Transfer to / from General Reserve	-	-	238.06	(238.06)	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-	-
Interim Dividend	-	-	-	(4,350.00)	-	-	**(4,350.00)**
Final Dividend	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	(885.56)	-	-	**(885.56)**
Buy Back Distribution tax	-	-	-	-	-	-	-
Balance as at 31.03.2018	-	-	**2,000.32**	**190.04**	**28.95**	**63.59**	**2,219.31**
Balance as at 01.04.2018	-	-	**2,000.32**	**190.04**	**28.95**	**63.59**	**2,219.31**
Additions during the year	44.29	-	-	-	-	-	**44.29**
Adjustments during the year	-	-	(355.00)	-	-	-	**(355.00)**
Investment during the year	-	-	-	-	-	-	-
Profit during the year	-	-	-	6,035.95	-	-	**6,035.95**
Other Comprehensive Income during the year	-	-	-	-	(10.59)	-	**(10.59)**
Appropriations	-	-	-	-	-	-	-
Transfer to / from General reserve	-	-	301.98	(301.98)	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-	-
Interim Dividend	-	-	-	(3,750.00)	-	-	**(3,750.00)**
Final Dividend (for the FY 2017-18)	-	-	-	(125.00)	-	-	**(125.00)**
Corporate Dividend tax	-	-	-	(796.52)	-	-	**(796.52)**
Buy Back Distribution tax	-	-	-	(72.38)	-	-	**(72.38)**
Balance as at 31.03.2019	**44.29**	-	**1,947.30**	**1,180.11**	**18.36**	**63.59**	**3,190.06**

Notes to the financial statements

Note: 1
CORPORATE INFORMATION

Mahanadi Coalfields Limited (MCL), a Miniratna Company with headquarters at Sambalpur, Odisha was incorporated on 3rd April, 1992 as a 100% Subsidiary of Coal India Limited (CIL) upon taking over of assets and liabilities of South Eastern Coalfields Limited in respect of mines in the State of Odisha.

The Company is mainly engaged in mining and production of Coal. The major consumers of the group are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

MCL has four subsidiaries in Odisha. All the subsidiaries are in development stage. Information of the Group structure is provided in Note no. 38.

Note 2:
SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015.

For all periods up to and including the year ended 31stMarch 2016, the MCL Consolidated (hereinafter referred as "Company") prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006.

The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' up to two decimal points.

2.2 Basis of consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within the MCL Consolidated normally uses accounting policies as adopted by the MCL Consolidated for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within MCL Consolidated, appropriate adjustments are made to the financial statement of such constituent group to ensure conformity with the MCL Consolidated accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2.2 Associates

Associates are all entities over which the Company has significant influence but no control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the associates on the basis of objective evidence.

2.2.3 Joint arrangements

Joint arrangements are those arrangements where the Company is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

2.2.3.1 Joint Operations

Joint operations are those joint arrangements whereby the Company is having rights to the assets and obligations for the liabilities relating to the arrangements.

Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

2.2.3.2 Joint ventures

Joint ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The Company impairs its net investment in the joint venture on the basis of objective evidence.

2.2.4 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.2.5 Changes in ownership interests

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Current and non-current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Group when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Group when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition

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

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

Revenue from contracts with customers

Coal India Limited is an Indian state controlled enterprise headquartered in Kolkata, West Bengal, India and the largest coal producing company in the world. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

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

Step 1 : Identifying the contract:

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

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

Combination of contracts

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

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Contract modification

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

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

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

Step 2 : Identifying performance obligations:

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

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Step 3 : Determining the transaction price

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

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

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

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

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

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

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

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

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

Step 4 : Allocating the transaction price:

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

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

Step 5 : Recognizing revenue:

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

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

a) the customer simultaneously receives and consumes the benefits provided by the company’s performance as the Company performs;

b) the Company’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced;

c) the Company’s performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

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

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

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

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

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

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

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

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

Contract assets:

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

Trade receivables:

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

Contract liabilities:

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

Interest

Interest income is recognised using the Effective Interest Method.

Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the group will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants/assistance related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or in the nature of promoters contribution are recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.6 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

2.6.1 Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.6.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6.1.2 Operating lease- Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

(a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.6.2 Group as a lessor

Operating leases: Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

(a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance leases Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.7 Non-current assets held for sale

The Group classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group).
- An active programme to locate a buyer and complete the plan has been initiated.
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.8 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which is directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the ‘repairs and maintenance’ are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Group; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Group; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land		
(Incl. Leasehold Land)	:	Life of the project or lease term whichever islower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Land” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the group on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the group are recognised as Enabling Assets under Property, Plant and Equipment.

2.9 Mine Closure, Site Restoration and Decommissioning Obligation

The group's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The group estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The group records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.10 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- Acquisition of rights to explore;
- researching and analysing historical exploration data;

- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

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

Commercial Operation

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

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

(b) 2 years of touching of coal, or

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

Whichever event occurs first;

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

2.12 Intangible Assets

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

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

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

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

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

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

2.13 Impairment of Assets (other than financial assets)

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

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

2.14 Investment Property

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

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

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

2.15 Financial Instruments

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

2.15.1 Financial assets

2.15.1 Initial recognition and measurement

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

2.15.2 Subsequent measurement

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

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

2.15.2.1 Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

2.15.2.2 Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

2.15.2.3 Debt instrument at FVTPL

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

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

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

2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.15.2.5 Other Equity Investment

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

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

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

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

2.15.2.6 Derecognition

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

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

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

2.15.2.7 Impairment of financial assets (other than fair value)

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 .

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk.

2.15.3 Financial liabilities

2.15.3.1 Initial recognition and measurement

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.15.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

2.15.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.15.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.15.4 Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.15.5 Offsetting of financial instruments

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

2.16 Borrowing Costs

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

2.17 Taxation

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

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

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

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

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

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

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

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

2.18 Employee Benefits

2.18.1 Short-term Benefits

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

2.18.2 Post-employment benefits and other long term employee benefits

2.18.2.1 Defined contributions plans

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

2.18.2.2 Defined benefits plans

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

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

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss. When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss."

2.18.3 Other Employee benefits

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

2.19 Foreign Currency

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

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

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

2.20 Stripping Activity Expense/Adjustment

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

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

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

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

Annual Quantum of OBROf the Mine	**Permissible limits of variance**
	I
	%
Less than 1 Mill. CUM	+/- 5%
Between 1 and 5 Mill. CUM	+/- 3%
More than 5 Mill. CUM	+/- 2%

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

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

2.21 Inventories

2.21.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method.Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

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

2.21.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.22 Provisions, Contingent Liabilities &Contingent Assets

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements has been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.24.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.24.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

(i) represent faithfully the financial position, financial performance and cash flows of the Group; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Group operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Group continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Group may also be required to present separately immaterial items when required by law.

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total revenue from Operations (net of statutory levies) as per last audited financial statement of CIL Consolidated.

2.24.1.3 Operating lease

Group has entered into lease agreements. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.24.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

2.24.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Group considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible asset under development

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Group estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.25 Abbreviation used:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3: PROPERTY, PLANT AND EQUIPMENTS

(₹ in Crores)

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Telecom-munica-tion	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Aircraft	Other Mining Infrastruc-ture	Surveyed off Assets	Others	Total
Gross Carrying Amount:															
As at 1 April 2017	30.32	2,645.15	315.58	380.89	917.79	25.10	101.40	16.14	15.28	16.13	-	215.81	16.39	-	4,695.98
Additions	-	660.35	4.97	61.21	170.33	1.64	49.18	2.09	5.15	2.04	-	17.73	2.01	-	976.70
Deletions/Adjustments	-	-	(11.74)	(1.46)	(28.77)	0.05	-	(0.15)	(2.06)	(0.10)	-	(0.61)	(1.44)	-	(46.28)
As at 31 March 2018	30.32	3,305.50	308.81	440.64	1,059.35	26.79	150.58	18.08	18.37	18.07	-	232.93	16.96	-	5,626.40
As at 1 April 2018	30.32	3,305.50	308.81	440.64	1,059.35	26.79	150.58	18.08	18.37	18.07	-	232.93	16.96	-	5,626.40
Additions	-	875.37	28.15	149.17	328.68	0.23	4.02	3.23	6.86	2.36	-	1,022.13	2.57	-	2,422.77
Deletions/Adjustments	-	-	(20.77)	0.21	(3.55)	0.04	-	(0.03)	(1.54)	(0.47)	-	(0.49)	(4.00)	-	(30.60)
As at 31 March 2019	30.32	4,180.87	316.19	590.02	1,384.48	27.06	154.60	21.28	23.69	19.96	-	1,254.57	15.53	-	8,018.57
Accumulated Depreciation and Impairment															
As at 1 April 2017	-	174.06	76.40	25.84	334.88	9.35	15.86	4.13	5.59	4.36	-	30.07	6.15	-	686.69
Charge for the year	-	150.87	36.44	15.54	128.03	4.73	12.33	1.70	3.29	2.21	-	17.98	-	-	373.12
Impairment	-	-	-	-	-	-	-	-	-	-	-	0.91	0.87	-	1.78
Deletions/Adjustments	-	(1.28)	-	0.18	(28.34)	0.03	-	0.78	(2.63)	0.04	-	0.84	(0.55)	-	(30.93)
As at 31 March 2018	-	323.65	112.84	41.56	434.57	14.11	28.19	6.61	6.25	6.61	-	49.80	6.47	-	1,030.66
As at 1 April 2018	-	323.65	112.84	41.56	434.57	14.11	28.19	6.61	6.25	6.61	-	49.80	6.47	-	1,030.66
Charge for the year	-	203.59	32.48	16.89	137.07	4.84	12.78	2.00	3.65	2.34	-	87.74	-	-	503.38
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	1.54	-	1.54
Deletions/Adjustments	-	(0.02)	-	0.02	(0.42)	0.01	-	(0.05)	(1.18)	(0.40)	-	-	(2.39)	-	(4.43)
As at 31 March 2019	-	527.22	145.32	58.47	571.22	18.96	40.97	8.56	8.72	8.55	-	137.54	5.62	-	1,531.15
Net Carrying Amont															
As at 31 March 2019	30.32	3,653.65	170.87	531.55	813.26	8.10	113.63	12.72	14.97	11.41	-	1,117.03	9.91	-	6,487.42
As at 31 Mar 2018	30.32	2,981.85	195.97	399.08	624.78	12.68	122.39	11.47	12.12	11.46	-	183.13	10.49	-	4,595.74

1. Other land includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962. Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 has been capitalized on the basis of notification transferring the ownership of land to the extent for which sanction / approval has been received. Land acquired under Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962 has been capitalized on the basis of possession certified by State Authorities.
2. Conveyance deed of land in favour of the company is pending for execution in most of the cases.
3. Depreciation has been provided based on useful life as mentioned in Note 2.8. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.
4. During the year impairment in respect of property, plant and equipment amounting to ₹ 1.54 crores has been charged to the Statement of Profit & Loss.
5. Other Mining infrastructure above includes Enabling assets viz railway track amounting to ₹ 966.95 crore.
6. Plant and Machinery above includes ₹ 8.98 crores of Stand by Equipment and stores and spares which satisfies criteria for recognition as PPE but not yet issued from stores.
7. Component accounting is being followed as per the committee recommendation dated 17.04.2017 circulated from CIL.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crores)

	Building (including water supply, roads and culverts)	Plant and Equip-ments	Railway Sidings	Other Mining infrastruc-ture/ Develop-ment	Rail Corridor Develop-ment Expenses	Rail Corridor under Construc-tion	Others	Total
Gross Carrying Amount:								
As at 1 April 2017	253.72	446.18	63.31	1,142.47	1.17	12.72	0.20	1,919.77
Additions	73.69	149.26	17.73	301.69	2.09	17.30	0.03	561.79
Capitalisation	(59.45)	(8.10)	-	(34.25)	-	-	-	(101.80)
Deletions/Adjustments	(0.98)	(57.32)	1.68	(6.40)	-	-	-	(63.02)
As at 31 March 2018	266.98	530.02	82.72	1,403.51	3.26	30.02	0.23	2,316.74
								-
As at 1 April 2018	266.98	530.02	82.72	1,403.51	3.26	30.02	0.23	2,316.74
Additions	48.24	192.57	57.38	133.72	1.28	0.65	0.22	434.06
Capitalisation	(131.22)	(183.07)	(4.26)	(978.49)	-	-	(0.45)	(1,297.49)
Deletions/Adjustments	(0.61)	(1.88)	-	(28.68)	-	-	-	(31.17)
As at 31 March 2019	183.39	537.64	135.84	530.06	4.54	30.67	-	1,422.14
Accumulated Provision and Impairment								
As at 1 April 2017	-	12.76	-	-	-	-	-	12.76
Charge for the year	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	
As at 31 March 2018	-	12.76	-	-	-	-	-	12.76
					-	-		
As at 1 April 2018	-	12.76	-	-	-		-	12.76
Charge for the year	-	-	-	-	-	-	-	-
Impairment	0.11	-	0.12	1.19	-	-	-	1.42
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31 March 2019	0.11	12.76	0.12	1.19		-	-	14.18
Net Carrying Amont								
As at 31 March 2019	183.28	524.88	135.72	528.87	4.54	30.67	-	1,407.96
As at 31 Mar 2018	266.98	517.26	82.72	1,403.51	3.26	30.02	0.23	2,303.98

1. Development above includes enabling assets of ₹ 205.03 crores towards widening of two lane road to four lane road from Bankibahal to Kanika Railway Siding and ₹ 55.16 crores towards construction of four lane roads from Bankibahal to Bhedabahal on SH-10.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(₹ in Crores)

	Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1 April 2017	126.44
Additions	15.83
Deletions/Adjustments	-
As at 31 March 2018	142.27
As at 1 April 2018	142.27
Additions	16.13
Deletions/Adjustments	-
As at 31 March 2019	158.40
Accumulated Provision and Impairment	
As at 1 April 2017	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2018	-
As at 1 April 2018	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2019	-
Net Carrying Amont	
As at 31 March 2019	158.40
As at 31 Mar 2018	142.27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 : OTHER INTANGIBLE ASSETS

(₹ in Crores)

	Computer Software	Coal Blocks meant for sale	Others	Total
Gross Carrying Amount:				
As at 1 April 2017	0.60	4.91	-	5.51
Additions	-	-	-	-
Deletions/Adjustments	-	(0.33)	-	(0.33)
As at 31 March 2018	0.60	4.58	-	5.18
As at 1 April 2018	0.60	4.58	-	5.18
Additions	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2019	0.60	4.58	-	5.18
Accumulated Amortisation and Impairment				
As at 1 April 2017	0.20	-	-	0.20
Charge for the year	0.15	-	-	0.15
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2018	0.35	-	-	0.35
As at 1 April 2018	0.35	-	-	0.35
Charge for the year	0.09	-	-	0.09
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2019	0.44	-	-	0.44
Net Carrying Amont				
As at 31 March 2019	0.16	4.58	-	4.74
As at 31 Mar 2018	0.25	4.58	-	4.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 7 : (I) INVESTMENTS

(₹ in Crores)

Non-Current	Number of shares current year/ (previous year)	Face value per share current year/ (previous year)	As at 31.03.2019	As at 31.03.2018
Non-Trade (Quoted)				
In Secured Bonds				
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
Total :			**958.70**	**958.70**
Aggregate amount of unquoted investments:			**-**	**-**
Aggregate amount of quoted investments:			**958.70**	**958.70**
Market value of quoted investments:			**997.24**	**993.40**
Aggregate amount of impairment in value of investments:			-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 7 (II) INVESTMENTS

(₹ in Crores)

Current

	Number of units current year/ (previous year)	NAV (In ₹)	As at 31.03.2019	As at 31.03.2018
TRADE (Unquoted)				
Mutual Fund Investment				
SBI Premier Liquid Fund	5985576.207/(-)	1003.25	600.50	-
UTI Money Market Fund	3926868.713/(-)	1019.45	400.33	-
Total :			**1,000.83**	**-**
Aggregate of Quoted Investment:			-	-
Aggregate of unquoted investments:			1,000.83	-
Market value of unquoted Investment:			1,000.83	-
Aggregate amount of impairment in value of investments:			-	-

Note: The NAV per unit of the Trade (unquoted) Mutual Fund are equal to Face Value as specified above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 8 : LOANS

(₹ in Crores)

	As at			
Non-Current	**31.03.2019**		**31.03.2018**	
Other Loans (to be specified in note)				
- Secured, considered good	0.66		-	
- Unsecured, considered good	1,125.00		1,000.82	
- Have significant increase in credit risk	-		-	
- Credit impaired	-		-	
Less: Allowance for doubtful loans	-	1125.66	-	1000.82
TOTAL		**1,125.66**		**1,000.82**
CLASSIFICATION				
Secured, considered good		0.66		-
Unsecured, Considered good		1,125.00		1,000.82
Have significant increase in Credit risk		-		-
Credit impaired		-		-
Current				
Other Loans (to be specified in note)				
- Secured, considered good	0.32		0.32	
- Unsecured, considered good	500.00		-	
- Have significant increase in credit risk	-		-	
- Credit impaired	-		-	
Less: Allowance for doubtful loans	-	500.32	-	0.32
TOTAL		**500.32**		**0.32**
CLASSIFICATION				
Secured, considered good		0.32		0.32
Unsecured, Considered good		500.00		-
Have significant increase in credit risk		-		-
Credit impaired		-		-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2019		As at 31.03.2018	
Non Current				
Bank deposits		0.85		2.68
Deposit in Bank under Mine Closure Plan		978.51		834.81
Other Deposit*		0.89		0.57
Receivable from Escrow Account for Mine Closure Expenses		-		-
Other Deposit and Receivables	39.04		39.15	
Less : Allowance for doubtful deposits & receivables	0.16	38.88	0.16	38.99
TOTAL		**1019.13**		**877.05**

Note:

1. Deposits in Escrow Accounts for mine closure with Scheduled Banks for ₹ 978.51 crore made as per guidelines issued by Ministry of Coal, Government of India and after agreement with Coal Controller.
2. Bank Deposits includes ₹ 0.85 crore for issue of BG in favour of TAMDA for obtaining approval of Institutional Building Plan for MIMSR.

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2019		As at 31.03.2018	
Current				
Other Deposit*		134.22		-
Receivable from Escrow Account for Mine Closure Expenses		-		-
Current Account with CIL/Subsidiaries	33.87		-	
Less: Provision for Doubtful Advances	-	33.87	-	-
Current Maturities of Unsecured Long Term loan		-		-
Interest accrued		445.99		405.74
Claims & other receivables	14.20		297.23	
Less : Provision for doubtful deposits	0.06	14.14	0.76	296.54
TOTAL		**628.22**		**702.28**

* Other deposit includes concurrent expenditure incurred for mine clsoure expenses which is yet to be approved by CCO for reimbursement from Escrow account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 10 : OTHER NON-CURRENT ASSETS

	As at 31.03.2019		As at 31.03.2018	
(i) Capital Advances	205.30		295.79	
Less : Provision for doubtful advances	0.64	204.66	0.55	295.24
(ii) Advances other than capital advances				
(a) Security Deposit for utilities	0.02		0.01	
Less :Provision for doubtful deposits	-	0.02	-	0.01
(b) Other Deposits and Advances	10.27		9.76	
Less :Provision for doubtful deposits	-	10.27	-	9.76
(c) Advances to related parties		-		-
TOTAL		214.95		305.01

Note

CLASSIFICATION

	31.03.2019	31.03.2018
Unsecured - Considered Good	214.31	304.46
- Considered Doubtful	0.64	0.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE -11 : OTHER CURRENT ASSETS

		As at 31.03.2019		As at 31.03.2018	
(a)	Advance for Revenue	233.45		228.94	
	Less : Provision for doubtful advances	6.54	226.91	4.90	224.04
(b)	Advance payment of statutory dues	30.63		24.48	
	Less : Provision for doubtful advances	-	30.63	-	24.48
(c)	Advance to Related Parties		-		-
(d)	Other Advances and Deposits	968.90		948.78	
	Less : Provision for doubtful claims	0.02	968.88	0.03	948.75
(e)	Input Tax Credit Receivable	319.13		195.62	
	Less: Provision	-	319.13	-	195.62
	TOTAL		**1,545.55**		**1,392.89**

NOTE - 12 : INVENTORIES

(₹ in Crores)

		As at 31.03.2019	As at 31.03.2018
(a)	Stock of Coal	425.46	400.78
	Coal under Development	-	-
	Stock of Coal (Net)	**425.46**	**400.78**
(b)	Stock of Stores & Spares (at cost)	57.42	49.15
	Add: Stores-in-transit	1.43	14.23
	Net Stock of Stores & Spares (at cost)	**58.85**	**63.38**
(c)	Stock of Medicine at Central Hospital	0.82	**0.76**
(d)	Workshop Jobs	17.17	9.84
		502.30	**474.76**

Method of valuation : Refer Note No. 2.21 - Significant Accounting Policies on “Inventories”

ANNEXURE TO NOTE - 12

(Qty in lakh tonnes) (value in lakh ₹)

Reconciliation of closing stock adopted in Account with Book stock as at the end of the year

Table - A

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening stock as on 01.04.18	111.78	42054.31	-	-	111.78	42054.31
(B) Shortage beyond 5%	1.17	1976.40	-	-	1.17	1,976.40
Stock adopted in Accounts Opening	110.61	40,077.91			110.61	40077.91
2. Production for the Period	1441.51	1,534,972.43	-	-	1441.51	1534972.43
3. Sub-Total (1A+2)	1,553.29	1,577,026.74	-	-	1,553.29	1,577,026.74
4. Off- Take for the Period						
(A) Outside Despatch	1423.03	1,532,475.00	-	-	1423.03	1532475.00
(B) Coal feed to Washeries	-	-	-	-	-	-
(C) Own Consumption	0.03	61.87	-	-	0.03	61.87
TOTAL(A)	1,423.06	1,532,536.87	-	-	1423.06	1532536.87
5. Derived Stock	130.23	44,489.87	-	-	130.23	44489.87
6. Measured Stock	127.89	42,116.24	-	-	127.89	42116.24
7. Difference (5-6)	2.34	2,373.63	-	-	2.34	2,373.63
8. Break-up of Difference:						
(A) Excess within 5%	0.11	17.16	-	-	0.11	17.16
(B) Shortage within 5%	1.28	447.40	-	-	1.28	447.40
(C) Excess beyond 5%	-	-	-	-	-	-
(D) Shortage beyond 5%	1.17	1,943.39	-	-	1.17	1,943.39
9. Closing stock adopted in A/c.(6-8A+8B)	129.06	42,546.48	-	-	129.06	42546.48

Summary of Closing Stock of Coal

Table - B

	Raw Coal				Washed / Deshaled Coal				Other Products		Total	
	Coking		Non-Coking		Coking		Non-Coking					
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	-	-	111.87	42,054.31	-	-	-	-	-	-	111.87	42,054.31
Shortage beyond 5%			1.17	1,976.40							1.17	1,976.40
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	110.61	40.077.91	-	-	-	-	-	-	110.61	40.077.91
Production	-	-	1,441.51	1,534.972.43	-	-	-	-	-	-	1,441.51	1,534.972.43
Offtake												
(A) Outside Despatch	-	-	1,423.03	1,532.475.00	-	-	-	-	-	-	1,423.03	1,532.475.00
(B) Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-	-	-
(C) Own Consumption	-	-	0.03	61.87	-	-	-	-	-	-	0.03	61.87
Closing Stock derived	-	-	130.23	44,489.87	-	-	-	-	-	-	130.23	44,489.87
Less: Shortage	-	-	1.17	1,943.39	-	-	-	-	-	-	1.17	1,943.39
Excess			-	-							-	-
Closing Stock	-	-	129.06	42.546.48	-	-	-	-	-	-	129.06	42.546.48

Internal survey measurement teams have physically verified closing stock of coal. In some areas the same has also been verified by outside teams. The Shortage / surplus found on physical verification of coal stock within +/- 5% over book stock (mine/ colliery wise), is ignored pursuant to Accounting Policy.

The details of shortage beyond 5% are as under:-

AREA	MINES	Book Stock (Qty. in L Te)		Measured stock (Qty. in L Te)		% variance	
		As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
Orient	Mine No 3- G 9	0.12	0.12	-	-	100.00	100.00
	HBM- G 9	0.30	0.30	-	-	100.00	100.00
Talcher	Nandira -G 8	0.50	0.50	-	-	100.00	100.00
	Talcher -G 5	0.25	0.25	-	-	100.00	100.00
	TOTAL	**1.17**	**1.17**	**-**	**-**		

In those cases, since the differences are more than +/- 5%, as per policy, measured stocks have been considered in accounts and shortage quantity of 1.17 lakh tonnes valuing ₹ 19.43 crore as at 31.03.2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 13 : TRADE RECEIVABLES

(₹ in Crores)

	As at 31.03.2019		As at 31.03.2018	
Current				
Trade receivables				
- Secured, considered good	-		-	
- Unsecured, considered good	465.24		433.41	
- Have significant increase in credit risk	-		-	
- Credit impaired	70.75		30.14	
Less : Allowances for bad & doubtful debts	70.75	465.24	30.14	433.41
Total		**465.24**		**433.41**
Note:				
1. Debt outstanding for a period less than six months from the due date	373.47		352.88	
2. Debt outstanding for a period exceeding six months from the due date	91.77		80.53	
Doubtful debt	70.75		30.14	
		535.99		**463.55**

Note:

1 No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

2. Balance confirmation from Debtors less than 3 months are not being obtained at any point of time.

3 A Provision of ₹ 257.58 Crores (₹ 173.45 Crores as at 31.03.2018) has been recognised as Coal Quality Variance for sampling results awaited from refree & CIMFR samplers, has been adjusted with Trade receivables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crores)

		As at 31.03.2019	As at 31.03.2018
(a)	Balances with Banks		
	- in Deposit Accounts (with maturity up to 3 months)	-	-
	- in Current Accounts		
	a. Interest bearing (CLTD Accounts etc)	410.41	119.77
	b. Non-Interest bearing	21.66	85.72
	- in Cash Credit Accounts	-	-
(b)	Bank Balances outside India	-	-
(c)	Cheques, Drafts and Stamps in hand	-	-
(d)	Cash on hand	-	-
(e)	Cash on hand outside India	-	-
(f)	Others	0.02	-
	Total Cash and Cash Equivalents	432.09	205.49
	Bank Overdraft	-	-
	Total Cash and Cash Equivalents (net of Bank Overdraft)	432.09	205.49
	Maximum amount outstanding with Banks other than Scheduled Banks at any time during the period	Nil	Nil

Note:

1 Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

2 The balances as per bank books are:-Interest Bearing (CLTD) Account- ₹ 421.74 crores, Non-Interest Bearing- ₹ 10.33 crores. The variation in balances as compared to Note-14 (a) is because the banks could not released payments as per our RTGS instruction on 30.03.2019. The differences are duly reconciled through bank reconciliation statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 15 : OTHER BANK BALANCES

	(₹ in Crore) As at	
	31.03.2019	**31.03.2018**
Balances with Banks		
Deposit accounts	12,827.00	13,133.56
Deposit accounts (For specific purposes - *See Note 2 below*)	39.24	34.75
Total	**12,866.24**	**13,168.31**

Note:

1. Other Bank Balances comprise term deposits and other bank deposits which are expected to realise in cash within 12 months after the reporting date.
2. Following are the list of restrictive/held under lien/earmarked for specific purposes in the above Bank deposits:-

a. Fixed deposit includes ₹ 6.09 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per court order.

b. Fixed deposit includes ₹ 0.21 crore made against interim order of Hon'ble High Court for encashment of BG of M/s IRC Logistics Ltd.

c. Fixed deposit includes ₹ 8.72 crore made against BG encashment (FSA) by the Company in respect of M/S Videocon Industries Ltd as per interim order of Hon'ble High Court , Cuttack .

d. Fixed deposits includes ₹ 0.17 crore made for 40% Tapering money by the Company in respect of M/S Shri Mahavir Ferro Alloys Pvt. Ltd. as per order of Hon'ble High Court , Cuttack till the final outcome of the Writ petition no. 3109 of 2015.

e. Fixed Deposits includes ₹ 6.20 crore made against interim order of Hon'ble High court Cuttack (Odisha) i.e. to be deposited in any nationalized bank for remaining amount of compensation involved in the disputed land.

f. Fixed deposit of ₹ 1.11 crore made as per directives of Hon'ble High Court of Odisha regarding encashment of BG submitted by M/s Montecarlo Limited (MCL) and M/s Kunal Structure (India) Private Limited (KSIPL) JV.

g. Fixed Deposit amounting to ₹ 14.21 crore that has been placed under lien of State Bank India for issuing letter of comfort for issuance of Bank Guarantee in favour of President of India to fulfill the terms of allocation of blocks on behalf of subsidiary company. - M/S MJSJ Coal Ltd.

h. Fixed Deposit amounting to ₹ 0.05 crore has been placed with bank for issuance of Bank Guarantee for the installation of Fully fledged Effluent Treatment plant at Kanika Railway Siding in favour of Odisha State Pollution Control Board.

i. Fixed Deposit amounting to ₹ 0.45 crore has been placed with bank for issuance of Bank Guarantee towards three months advance water charges and nine months water rates for drawal of 1.336 cusec water in favour of Executive Engineer Main Dam Division, Burla.

j. Bank Deposits includes ₹ 0.03 crore made for issue of BG for obtaining license for captive mobile radio trunking service from Deptt of Telecommunication, Govt of India in connection with OITDS.

k. Bank Deposits of ₹ 2.00 crore including accrued interest of ₹ 1.41 crore being special term deposit made out of money recovered through the Hon'ble District Court Sundargarh against defalcation of cash by an officer, which is under lien to the Court pending finalization of the case.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2019	As at 31.03.2018
Authorised		
77,58,200 Equity Shares of ₹ 1000/- each	775.82	295.82
	775.82	**295.82**
Issued, Subscribed and Paid-up		
6618363 Equity Shares of Rs.1000/- each fully paid up	661.84	706.13
	661.84	**706.13**

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

Name of Shareholder	No.of Shares held (Face value of Rs. 1000 each)	% of Total Shares
Coal India Ltd.(Holding company) & its nominees	6618363	100

2 During the year ended on 31.03.2019, the Group had bought back 442967 number of equity shares of face value of ₹ 1000/- fully paid through tender offer and extinguished those shares.

3 During the year ended on 31.03.2018, the Group had issued 5649064 no.of bonus shares i.e. 04 number of fully paid up equity shares of face value of ₹ 1000/- for every 01 number of fully paid up existing equity shares.

4 During the year ended on 31.03.2017, the Group had bought back 451743 number of equity shares of face value of ₹ 1000 fully paid through tender offer and extinguished those shares.

5 The Group has only one class of equity shares having a face value ₹ 1000/- 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 CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 : OTHER EQUITY

(₹ in Crores)

	Other Reserves		General Reserve	Retained Earnings	Other Comprehensive Income	Total
	Capital Redemption reserve	Capital reserve				
Balance as at 01.04.2017	**249.35**	-	**2,077.81**	**910.17**	**11.07**	**3,248.40**
Changes in accounting policy	-	-	-	-	-	-
Prior period errors	-	-	-	(5.00)	-	**(5.00)**
Restated balance as at 01.04.2017	**249.35**	-	**2,077.81**	**905.17**	**11.07**	**3,243.40**
Additions during the year		-	-	-	-	-
Adjustments during the year	(249.35)	-	(315.55)	-	-	**(564.90)**
Profit during the year	-	-	-	4,758.49	-	**4,758.49**
Other Comprehensive Income during the year	-	-	-	-	17.88	**17.88**
Appropriations	-	-	-	-	-	-
Transfer to / from General reserve	-	-	238.06	(238.06)	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	(4,350.00)	-	**(4,350.00)**
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	(885.56)	-	**(885.56)**
Tax on Buyback	-	-	-		-	-
Balance as at 31.03.2018	-	-	**2,000.32**	**190.04**	**28.95**	**2,219.31**
Balance as at 01.04.2018	-	-	**2,000.32**	**190.04**	**28.95**	**2,219.31**
Additions during the year	44.29	-	-	-	-	44.29
Adjustments during the year	-	-	(355.00)	-	-	**(355.00)**
Profit during the year	-	-	-	6,035.95	-	**6,035.95**
Other Comprehensive Income during the year	-	-	-	-	(10.59)	**(10.59)**
Appropriations	-	-	-	-	-	-
Transfer to / from General reserve	-	-	301.98	(301.98)	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	(3,750.00)	-	**(3,750.00)**
Final Dividend (for FY 2017-18)	-	-	-	(125.00)	-	**(125.00)**
Corporate Dividend tax	-	-	-	(796.52)	-	**(796.52)**
Buyback of Equity Shares	-	-	-	-	-	-
Tax on Buyback	-	-	-	(72.38)	-	**(72.38)**
Balance as at 31.03.2019	**44.29**	-	**1,947.30**	**1,180.11**	**18.36**	**3,190.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18: BORROWINGS

(₹ in Crores)

Non-Current	As at 31.03.2019	As at 31.03.2018
Term Loans		
- From Banks	5.71	6.50
- From Other Parties	-	-
Loans from Related Parties	-	-
Other Loans	-	-
Total	5.71	6.50
CLASSIFICATION		
Secured	-	-
Unsecured	5.71	6.50
Current		
Loans repayable on demand		
- From Banks	-	-
- From Other Parties	-	-
Loans from Related Parties	-	-
Other Loans	-	-
Total	-	-
CLASSIFICATION		
Secured	-	-
Unsecured	-	-

Note:

1 Loans had been arranged through credit agreement with Banque Nationale De Paris and Natexis Banque for the purchase of 4 nos Hydraulic shovels from Liebherr, France. The loan outstanding as on 31.03.2019 (net after repayments) is ₹ 6.29 crore.(As at 31.03.2018 ₹ 7.09 crore).

The details of balance are as under:-

	in Euro	₹ in Crore
Balance as on 01.04.2018	882624.38	7.09
Repayment during the year ended on 31.03.2019	74113.58	0.60
Translation Difference	-	(0.20)
Balance as on 31.03.2019	808,510.80	6.29

Current maturities of long-term debt of ₹ 0.58 crore included in balance of ₹ 6.29 crore above.The Current maturities of long-term debt of ₹ 0.58 crores is disclosed in Note 20 'Other Financial Liabilities'.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 19 :TRADE PAYABLES	As at 31.03.2019	As at 31.03.2018
Current		
Trade Payables for Micro, Small and Medium Enterprises	0.09	0.92
Other Trade Payables for		
- Stores and Spares	42.82	44.34
- Power and Fuel	2.13	2.21
- Salary Wages and Allowances	265.08	211.62
- Others	183.10	525.22
TOTAL	**493.22**	**784.31**

(₹ in Crores)

NOTE - 20 : OTHER FINANCIAL LIABILITIES	As at 31.03.2019	As at 31.03.2018
Non Current		
Security Deposits	47.69	40.48
Earnest Money	-	-
Others(Security Deposit -Management Trainee)	3.53	4.60
	51.22	**45.08**
Current		
Current Account with		
- CIL	-	27.95
Current maturities of long-term debt	0.58	0.59
Unpaid dividends	-	-
Security Deposits	145.94	120.51
Earnest Money	52.86	39.80
Payable for Capital Expenditure	869.23	911.13
Others	240.74	228.02
TOTAL	**1,309.35**	**1,328.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 21 : PROVISIONS

	As at 31.03.2019	As at 31.03.2018
Non Current		
Employee Benefits		
- Gratuity	-	-
- Leave Encashment	45.98	10.75
- Other Employee Benefits	64.78	63.76
	110.76	74.51
Site Restoration/Mine Closure	812.13	773.97
Stripping Activity Adjustment	17,982.89	16,801.98
Others (to be specified in note)	-	-
TOTAL	**18,905.78**	**17,650.46**
Current		
Employee Benefits		
- Gratuity	25.07	145.00
- Leave Encashment	24.42	25.45
- Ex- Gratia	127.63	118.15
- Performance Related Pay	177.97	97.95
- Other Employee Benefits	73.26	244.37
- NCWA X	-	303.06
- Executive Pay Revision	-	103.71
	428.35	1,037.69
Site Restoration/Mine Closure	-	-
Others (to be specified in note)	529.45	66.05
TOTAL	**957.80**	**1,103.74**

Note:-

1. 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. The liability for mine closure expenses (as estimated by CMPDIL) of each mine has been discounted @ 8% and capitalized to arrive at the mine closure liability as on 1st year of making of such provision. Thereafter the provision has been reestimated in subsequent year by unwinding the discount to arrive at the provision as on 31.03.2019

2. Provision for Mine Closure Expenses includes ₹ 4.10 crore on account of provision taken towards stowing and stabilization of unstable workings of Deulbera colliery after adjusting expenditure other than salary and wages of ₹ 0.23 crore against a comprehensive scheme of ₹ 9.44 crore (Excluding departmental salary and wages for ₹ 18.21 crore). The scheme of Stabilization of unstable workings of Deulbera Colliery through sand stowing also includes cost of departmental manpower estimated at ₹ 18.21crore is not seperately provided for, as the same forms part of normal Salary & Wages charged to Profit & Loss.Provision for MCP also included ₹ 0.79 crore towards Basundhara (East).(Non Current)

3. Other Employee benefits (current) includes ₹ 50.61 crore provided for superannuation benefits as on 31.03.2019.

4. Reconciliation of Site restoration /Mine Closure :

	31.03.2019	31.03.2018
Gross value of site restoration Asset as on 01.04.2015	460.69	460.69
Add: Change in Provision due to revision of MCP	(2.49)	(9.86)
Add: Unwinding of Provision charged (incl. Capitalised) Upto 31.03.2018/31.03.2017	317.94	266.94
Add: Unwinding of Provision charged (incl. Capitalised) For Current Year	33.00	51.00
Less: MCP provision adjusted against reimbursement from Escrow Account	1.90	-
Mine Closure Provision	807.24	768.77
Escrow Account Balance		
Balance in Escrow Account (Current/ Non Current) on opening date	834.81	696.75
Add: Balance Deposited during Current Year	97.01	94.96
Add: Interest Credited during the year	48.59	43.10
Less: Amount Withdrawn during Current Year	1.90	-
Balance in Escrow Account (Current/ Non Current) on Closing date	978.51	834.81

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 22 :OTHER NON CURRENT LIABILITIES

(₹ in Crores)

	As at	
	31.03.2019	31.03.2018
Deferred Income (CCDA Grant)	194.68	208.58
Total	**194.68**	**208.58**

1. Deferred Income includes subsidy received under The Coal Mines (Conservation and Development) Act, 1974 on account of capital nature works.

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at	
	31.03.2019	31.03.2018
Statutory Dues	945.84	793.31
Advance from customers / others	2841.53	1978.97
Tax on Dividend Distribution	-	-
Others liabilities (to be specified in note)	123.89	131.03
TOTAL	**3,911.26**	**2,903.31**

Note:

1 Other liabilities includes Cess on Coal includes 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 31.07.2001. The money is refundable to the customers. The Customers have not submitted the claim with all supporting documents yet , the refund will be made after following the necessary modalities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE - 24 : REVENUE FROM OPERATIONS

	For the Year Ended 31.03.2019	For the Year ended 31.03.2018
A. Sales of Coal	**24,607.68**	**22,287.23**
Less: Statutory Levies (excluding Excise Duty)	9,282.93	8706.59
Sales (Net) (A)	**15,324.75**	**13,580.64**
B. Other Operating Revenue		
Subsidy for Sand Stowing & Protective Works	(2.00)	2.05
Loading and additional transportation charges	1,039.81	838.47
Less : Statutory Levies	49.51	36.17
	990.30	802.30
Evacuation facilitating Charges	732.85	214.76
Less : Statutory Levies	34.90	10.23
	697.95	**204.53**
Other Operating Revenue (Net) (B)	**1,686.25**	**1,008.88**
Revenue from Operations (A+B)	**17,011.00**	**14,589.52**

Note:-

1. Government of India introduced Goods and Services Tax (GST) w.e.f 1st July,2017. Consequently revenue from operations for the period from 01.07.2017 to 30.03.2019 is presented net of GST.
2. Revenue from operations for the period prior to 01.07.2017 is inclusive of Excise duty. Sale of coal includes excise duty of ₹ 219.66 crores for the period 01.04.2017 to 30.06.2017.Loading and additional transportation charges for the period 01.04.2017 to 30.06.2017 includes excise duty of ₹ 10.84 Crore.
3. Clean energy Cess has been repealed w.e.f 01.07.2017, and GST compensation cess has been introduced w.e.f. 01.07.2017
4. Excess Subsidy for Sand Stowing & Protective Works amounting to ₹ 2.00 crores in the year 2017-18 had been received from CCO and the same is refunded during the current year 2018-19.
5. Provision for Grade Slippage amounting to ₹ 84.12 crore (₹ 92.68 crore for FY 2017-18) has been adjusted with Sale of Coal.
6. Refer to point 'o' of para 6. Other Information under Note-38 additional notes to accounts for disclosure of dis-aggregated revenue as per Ind AS 115..

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 25 : OTHER INCOME

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Interest Income	1,220.88	1047.30
Dividend Income	120.41	107.26
Others		
Profit on Sale of Assets	0.52	0.24
Exchange Rate Variance	0.20	-
Lease Rent	13.74	17.19
Liability / Provision Write Backs	0.20	1.68
Miscellaneous Income	230.55	38.22
Total	**1,568.50**	**1,211.89**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 26 : COST OF MATERIALS CONSUMED

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Explosives	164.80	135.96
Timber	0.03	0.28
Oil & Lubricants	320.69	288.82
HEMM Spares	133.88	125.37
Other Consumable Stores & Spares	52.79	54.13
Total	**672.19**	**604.56**

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

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Opening Stock of Coal	400.78	215.37
Closing Stock of Coal	425.46	400.78
A. Change in Inventory of Coal	(24.68)	(185.41)
Opening Stock of Workshop made finished goods and WIP & Press Jobs	9.84	6.71
Closing Stock of Workshop made finished goods and WIP	17.17	9.84
B. Change in Inventory of workshop	(7.33)	(3.13)
Change in Inventory of Stock in trade (A+B) { Decretion / (Accretion) }	**(32.01)**	**(188.54)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 28 : EMPLOYEE BENEFITS EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Salary and Wages (incl. Allowances and Bonus etc.)	2,233.96	2100.67
Contribution to P.F. & Other Funds	644.55	764.99
Staff welfare Expenses	131.44	137.27
	3,009.95	**3,002.93**

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
CSR Expenses	167.16	267.52
Total	**167.16**	**267.52**

Note:- CSR Policy framed by Coal India Limited incorporated the features of the Companies Act 2013 and other relevant notifiations.The fund for CSR, 2% of the average Net profit for the three immediate precedings financial year or ₹ 2.00 per tonne of Coal Production of previous year, whichever is higher, comes to ₹ 136.36 crores (₹ 122.85 crores).

NOTE 30 : REPAIRS

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Building	104.28	69.73
Plant & Machinery	50.62	56.67
Others	2.86	2.93
Total	**157.76**	**129.33**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Transportation Charges	1170.90	1180.93
Wagon Loading	72.81	68.61
Hiring of Plant and Equipments	1,254.23	1,177.65
Other Contractual Work	66.07	53.45
Total	**2,564.01**	**2,480.64**

NOTE 32 : FINANCE COSTS

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Interest Expenses		
Borrowings	0.07	14.05
Unwinding of discounts (Site Restoration)	32.76	51.15
Others	11.36	8.06
Total	**44.19**	**73.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 33 : PROVISIONS (NET OF REVERSAL)

	For Year ended 31.03.2019	For Year ended 31.03.2018
(A) Allowances/Provision made for		
Doubtful debts	41.56	19.64
Doubtful Advances & Claims	0.09	0.08
Stores & Spares	-	6.68
Others	28.09	55.30
Total(A)	**69.74**	**81.70**
(B) Allowances/ Provision Reversal		
Doubtful debts	0.95	99.03
Doubtful Advances & Claims	0.13	0.02
Stores & Spares	3.23	-
Others	2.71	269.95
Total(B)	**7.02**	**369.00**
Total (A-B)	**62.72**	**(287.30)**

Note:

Others:- Created		
Surveyed off	1.54	0.37
Claims receivables	-	3.44
Medicines	-	0.02
Demand for Environment clearance 2015-16	-	50.97
Claims by customers	-	0.50
Compensation demand of OHPCL	2.70	-
STC levied on NTPC Kaniha	21.47	-
Lease rent receivable of M/s IBEUL	0.96	
Impairment of CWIP	1.42	-
	28.09	55.30
Others:- Reversal		
Stowing and stabilization of unstable workings of Deulbera colliery	0.32	0.22
Excise Duty	-	115.86
Clean Energy Cess	-	153.87
Surveyed off	2.39	-
	2.71	269.95

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 34 : PROVISIONS (NET OF PAST PROVISIONS)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Doubtful debts	-	-
Less :- Provided earlier	-	-
	-	-
Doubtful advances	0.02	-
Less :- Provided earlier	-	-
	0.02	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
	-	-
Others	-	-
Less :- Provided earlier	-	-
Total	**0.02**	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crores)

NOTE 35 : OTHER EXPENSES

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Travelling expenses	17.37	15.02
Training Expenses	7.38	7.42
Telephone & Postage	6.38	6.44
Advertisement & Publicity	9.97	14.30
Freight Charges	0.07	0.05
Demurrage	2.25	1.44
Security Expenses	104.98	106.44
Service Charges of CIL	144.15	143.22
Hire Charges	44.86	38.30
CMPDI Charges	26.63	17.17
Legal Expenses	4.32	1.69
Consultancy Charges	1.27	1.24
Under Loading Charges	179.65	35.60
Loss on Sale/Discard/Surveyed of Assets	1.28	0.98
Auditor’s Remuneration & Expenses		
- For Audit Fees	0.16	0.16
- For Taxation Matters	-	-
- For Other Services	0.11	0.13
- For Reimbursement of Exps.	0.25	0.20
Internal & Other Audit Expenses	2.84	2.08
Rehabilitation Charges	85.38	82.96
Rent	0.45	0.49
Rates & Taxes	20.24	29.96
Insurance	0.86	0.41
Loss on Exchange Rate Variance	-	1.02
Rescue/Safety Expenses	2.51	2.41
Dead Rent/Surface Rent	0.46	0.19
Siding Maintenance Charges	51.01	32.63
R & D expenses	0.07	0.79
Environmental & Tree Plantation Expenses	12.15	16.17
Expenses on buyback of shares	0.02	0.03
Miscellaneous expenses	112.12	89.61
Total	**839.19**	**648.55**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 36 : TAX EXPENSE

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Current Year	3,165.24	2532.40
Deferred tax	76.30	45.97
MAT Credit Entitlement	-	-
Earlier Years	-	-
Total	**3,241.54**	**2,578.37**
Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate for 31.03.2019		
Profit/(Loss) before tax	9277.49	7,336.88
At India's statutory income tax rate of 34.944% (31 March 2018: 34.6081%)	3,241.93	2,539.15
Less : Adjustment in respect of current income tax of previous year	-	4.89
Less: Income exempt form Tax	(60.50)	(61.60)
Less: share of results of associates and Joint venture	-	-
Add: Non-deductible expenses for tax purposes	373.32	386.43
Less: Additional Expenses allowed as per Income Tax	(389.50)	(336.48)
Income Tax Expenses reported in statement of Profit & Loss	**3,165.24**	**2,532.40**
Effecive income tax rate :	34.12%	34.50%
Deferred tax liability relates to following:		
Deffered Tax Liability		
Related to Property, Plant and Equipment	165.14	123.47
Others	264.83	241.87
Total Deferred Tax Liability	429.97	365.34
Deferred Tax Asset		
Related to Trade Receivables	23.87	9.68
Employee Benefits	44.01	67.75
Others	40.10	40.12
Total Deferred Tax Asset	107.98	117.55
Net Deffered Tax Asset/ (Liabilities)	**(321.99)**	**(247.79)**

a) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

b) At 31 Mar 2019, deferred tax liability of ₹ 76.30 crores (31 March 2018: ₹ 45.97 Crores) recognised for all taxable temporary differences. There are no temporary differences associated with investments in subsidiaries, associate and joint venture, for which no deferred tax liability has been recognised.

c) During the year ended 31 Mar 2019, the Group has paid Final Dividend of ₹ 125 crores (for FY 2017-18) and Interim Dividend of ₹ 3750 crores to its shareholders. This has resulted in payment of DDT of ₹ 796.52 crores to the taxation authorities. The Group believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crores)

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
(A) (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(16.28)	27.34
	(16.28)	27.34
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(5.69)	9.46
	(5.69)	9.46
Total (A)	**(10.59)**	**17.88**
(B) (i) Items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
	-	-
Total (B)	**-**	**-**
Total (A+B)	**(10.59)**	**17.88**

NOTE - 38:

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019 (CONSOLIDATION)

1. Fair Value measurement

(a) Financial Instruments by Category

	31st March, 2019		31st March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments :				
Secured Bonds	-	958.70	-	958.70
Preference Shares	-	-	-	-
- Equity Component				
- Debt Component				
Mutual Fund/ICD	1000.83	-	-	-
Other Investments	-	-	-	-
Loans	-	1625.98	-	1001.14
Deposits & receivables	-	1647.35	-	1579.33
Trade receivables	-	465.24	-	433.41
Cash & cash equivalents	-	432.09	-	205.49
Other Bank Balances	-	12866.24	-	13168.31
Financial Liabilities				
Borrowings	-	6.29	-	7.09
Trade payables	-	493.22	-	784.31
Security Deposit and Earnest money	-	252.18	-	209.16
Other Liabilities	-	1107.81	-	1163.33

(b) Fair value hierarchy

Table below shows Judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value – recurring fair value measurement	31st March 2019			31st March 2018		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL						
Investments :						
Mutual Fund/ICD	1000.83	-	-	-	-	-
Financial Liabilities						
If any item	-	-	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31st March 2019			31st March 2018		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at Amortised cost						
Investments :	958.70	-	-	958.70	-	-
Preference Shares - Equity Component - Debt Component	- -	- -	- -	- -	- -	- -
Other Investments	-	-	-	-	-	-
Loans	-	-	1625.98	-	-	1001.14
Deposits & receivable	-	-	1647.35	-	-	1579.33
Trade receivables	-	-	465.24	-	-	433.41
Cash & cash equivalents	-	-	432.09	-	-	205.49
Other Bank Balances	-	-	12866.24	-	-	13168.31
Financial Liabilities						
Borrowings	-	-	6.29	-	-	7.09
Trade payables	-	-	493.22	-	-	784.31
Security Deposit and Earnest money	-	-	252.18	-	-	209.16
Other Liabilities	-	-	1107.81	-	-	1 163.33

A brief of each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This included Mutual Funds which is valued using Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

(a) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

(b) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(c) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Group considers that the Security Deposits does not include a significant financing component. The security deposits coincide with the group’s performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the group, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Group uses its judgement to select a method and makes suitable assumptions at the end of each reporting period.

2. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Group’s principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group’s operations and to provide guarantees to support its operations. The Group’s principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Group. The risk committee provides assurance to the Board of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis/ Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk- foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk- interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Group's risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principals for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the group enters into legally enforceable FSAs with our customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities (“PPUs”) and independent power producers (“IPPs”);
- FSAs with customers in non-power industries (including captive power plants (“CPPs”); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Credit risk arises when counterparty defaults on contractual obligations resulting in financial loss to the group.

Expected credit loss: The Group provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach)

Expected Credit losses for trade receivables under simplified approach

As on 31.03.2019

(₹ in crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	371.34	72.88	(16.79)	0.58	35.18	72.80	535.99
Expected loss rate (%)	-	-	-	-	-	97.18	13.20
Expected credit loss allowance	-	-	-	-	-	70.75	70.75

As on 31.03.2018 (₹ in crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	372.83	23.26	(47.90)	36.30	48.78	30.28	463.55
Expected loss rate (%)	-	-	-	-	-	99.54	6.50
Expected credit Loss allowance	-	-	-	-	-	30.14	30.14

Reconciliation of loss allowance provision – Trade receivables

	₹ in crores
Loss allowance on 31.03.18	30.14
Change in loss allowance	40.61
Loss allowance on 31.03.19	70.75

Significant estimates and judgements Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Group.

(i) Maturities of financial liabilities

The table below summarizes the maturity profile of the group's financial liabilities based on contractual undiscounted payments.

	As at 31.03.2019			As at 31.03.2018		
	less than one year	between one to five years	more than 5 years	less than one year	between one to five years	more than 5 years
Non- derivative financial liabilities						
Borrowings including interest obligations	-	5.71	-	-	6.50	-
Trade payables	493.22	-	-	784.31	-	-
Other financial liabilities	1309.35	51.22	-	1328.00	45.08	-

C. Market risk

a) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Group's functional currency (INR) .The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Group also imports and risk is managed by regular follow up. Group has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from bank deposits with change in interest rate exposes the Group to cash flow interest rate risk. Group policy is to maintain most of its deposits at fixed rate.

Group manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The group being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the group is as follows: **(₹ in crore)**

	31.03.2019	31.03.2018
Equity Share capital	661.84	706.13
Preference share capital	NIL	NIL
Long term debt	5.71	6.50
Current maturities of long-term debt	0.58	0.59

3. Employee Benefits: Recognition and Measurement (Ind AS-19)

i) Gratuity

Gratuity is maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

ii) Leave encashment

The liabilities for earned leave are expected to be settled after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

iii) Provident Fund:

Group pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund during the period ended is ₹ 394.75 Crores(₹ 223.75 Crore as on 31.03.2018) has been recognized in the Statement of Profit & Loss (Note 28).

iv) The Group operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded

- Gratuity
- Leave Encashment
- Medical Benefits

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2019 based on valuation made by the Actuary, details of which are mentioned below is ₹ 1596.79 Crores.

(₹ in Crores)

Head	Opening Actuarial Liability as on 01.04.2018	Incremental Liability during the year	Closing Actuarial Liability as on 31.03.2019
Gratuity	1073.92	41.38	1115.30
Earned Leave	247.51	41.83	289.34
Half Pay Leave	42.86	8.99	51.85
Life Cover Scheme	5.45	0.10	5.55
Settlement Allowance Executives	5.94	(0.32)	5.62
Settlement AllowanceNon-executives	8.43	0.11	8.54
Group Personal Accident Insurance Scheme	0.11	0.01	0.12
Leave Travel Concession	45.44	(15.71)	29.73
Medical Benefits Executives	77.56	(2.47)	75.09
Medical Benefits Non-Executives	1.23	0.97	2.20
Compensation to dependents in case of mine accidental death	13.91	(0.46)	13.45
Total	1522.36	74.43	1596.79

v) Disclosure as per Actuary's Certificate

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2019 CERTIFICATES AS PER IND AS 19 (2015)

Changes in Present Value of defined benefit obligations	As at 31.03.2019	As at 31.03.2018
Present Value of obligation at beginning of the period	1073.92	718.74
Current Service Cost	58.60	53.43
Interest Cost	76.45	52.43
Plan Amendments: Vested Portion at end of period (Past Service)	-	354.97
Actuarial (Gain) / Loss on obligations due to change in financial assumption	12.67	(50.13)
Actuarial (Gain) / Loss on obligations due to unexpected experience	16.16	21.96
Benefits Paid	122.50	77.48
Present Value of obligation at end of the period	1115.30	1073.92

(₹ in Crores)

Changes in Fair Value of Plan Assets	As at 31.03.2019	As at 31.03.2018
Fair Value of Plan Asset at beginning of the period	928.41	727.20
Interest Income	70.09	56.07
Employer Contributions	204.23	223.45
Benefits Paid	122.50	77.48
Return on Plan Assets excluding Interest income	12.55	(0.83)
Fair Value of Plan Asset as at end of the period	1092.78	928.41

(₹ in Crores)

Statement showing reconciliation to Balance Sheet	As at 31.03.2019	As at 31.03.2018
Funded Status	(22.52)	(145.51)
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	1092.78	928.41
Fund Liability	1115.30	1073.92

Statement showing Plan Assumptions:	As at 31.03.2019	As at 31.03.2018
Discount Rate	7.55%	7.71%
Expected Return on Plan Asset	7.55%	7.71%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executivesand 6.25% for Non-Executives	9.00% for Executivesand 6.25% for Non-Executives
Average Expected Future Service (Remaining Working Life)	13,14	14
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age(Male & Female)	60	60
Early Retirement and Disablement (all causes combined)	0.30%	0.30%

(₹ in Crores)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2019	As at 31.03.2018
Current Service Cost	58.60	53.43
Past Service Cost (vested)	-	354.97
Net Interest Cost	6.36	(3.64)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	64.96	404.76

Other Comprehensive Income	As at 31.03.2019	As at 31.03.2018
Actuarial (Gain) / Loss on obligations due to change in financial assumption	12.67	(50.13)
Actuarial (Gain) / Loss on obligations due to unexpected experience	16.16	21.96
Total Actuarial (Gain) / Loss	28.83	(28.17)
Return on Plan Asset, excluding Interest Income	12.55	(0.83)
Balance at the end of the period	16.28	(27.34)
Net (Income) / Expense for the period recognised in Other Comprehensive Income	16.28	(27.34)

Mortality Table

Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Disclosure Item				
31.03.2018			31.03.2019	
Increase	**Decrease**	**Sensitivity Analysis**	Increase	Decrease
103.69	1113.33	Discount Rate (-/+ 0.5%)	107.65	1156.61
-3.444%	3.670%	%Change Compared to base due to sensitivity	-3.474%	3.704%
110.24	1045.00	Salary Growth (-/+ 0.5%)	114.26	1087.42
2.652%	-2.693%	%Change Compared to base due to sensitivity	2.452%	-2.499%
107.49	1072.97	Attrition Rate (-/+ 0.5%)	111.63	1114.29
0.088%	-0.088%	%Change Compared to base due to sensitivity	0.090%	-0.090%
108.03	1067.52	Mortality Rate (-/+ 10%)	112.20	1108.58
0.596%	-0.596%	%Change Compared to base due to sensitivity	0.602%	-0.602%

Table Showing Cash Flow Information	
Next Year Total (Expected)	1133.60
Minimum Funding Requirements	84.95
Company's Discretion	-

Table Showing Benefit Information Estimated Future payments (Past Service)	
Year	₹ in Crore
1	122.11
2	118.32
3	115.30
4	122.48
5	126.33
6 to 10	619.04
More than 10 years	1004.82
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	2228.40
Less Discount For Interest	1113.11
Projected Benefit Obligation	1115.30

Table Showing Outlook Next Year Components of Net Periodic benefit Cost Next Year

(₹ in Crore)

Current service Cost(Employer portion Only) Next period	60.32
Interest Cost next period	79.60
Expected Return on Plan Asset	84.20
Unrecognized past service Cost	-
Unrecognized actuarial/gain loss at the end of the period	-
Settlement Cost	-
Curtailment Cost	-
other(Actuarial Gain/loss)	-
Benefit Cost	55.71

(₹ in Crores)

Bifurcation of Net Liability	**As at 31.03.2019**	**As at 31.03.2018**
Current liability	117.74	127.65
Non-Current Liability	997.55	946.27
Net Liability	1115.30	1073.92

ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.19 CERTIFICATES AS PER IND AS 19 (2015)

(₹ in Crores)

Changes in Present Value of defined benefit obligations	**As at 31.03.2019**	**As at 31.03.2018**
Present Value of obligation at beginning of the period	290.38	300.68
Current Service Cost	24.61	23.39
Interest Cost	20.89	22.27
Actuarial (Gain) / Loss on obligations due to change in financial assumption	4.77	(15.97)
Actuarial (Gain) / Loss on obligations due to unexpected experience	28.02	(16.30)
Benefits Paid	27.48	23.69
Present Value of obligation at end of the period	341.19	290.38

(₹ in Crores)

Changes in Fair Value of Plan Assets	As at 31.03.2019	As at 31.03.2018
Fair Value of Plan Asset at beginning of the period	255.19	203.57
Interest Income	19.27	15.70
Employer Contributions	28.47	60.05
Benefits Paid	27.48	23.69
Return on Plan Assets excluding Interest income	(2.28)	(0.43)
Fair Value of Plan Asset as at end of the period	273.16	255.19

(₹ in Crores)

Statement showing reconciliation to Balance Sheet	As at 31.03.2019	As at 31.03.2018
Funded Status	(68.03)	(35.19)
Unrecognized actuarial (gain) / loss at end of the period	0.00	0.00
Fund Asset	273.16	255.19
Fund Liability	341.19	290.38

Statement showing Plan Assumptions:	As at 31.03.2019	As at 31.03.2018
Discount Rate	7.55%	7.71%
Expected Return on Plan Asset	7.55%	7.71%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executivesand 6.25% for Non-Executives	9.00% for Executivesand 6.25% for Non-Executives
Average Expected Future Service (Remaining Working Life)	13,14	14
Mortality Table	IALM 2006-2008 ULTIMATE	
Superannuation at Age(Male & Female)	60	60
Early Retirement & Disablement (All causes combined)	0.30%	0.30%

(₹ in Crores)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2019	As at 31.03.2018
Current Service Cost	24.61	23.39
Net Interest Cost	1.62	6.57
Actuarial Gain/Loss	35.08	(31.84)
Benefit Cost (Expense recognised in Statement of Profit/Loss)	61.31	(1.88)

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

(₹ in Crores)

Disclosure Item				
31.03.2018			31.03.2019	
Increase	Decrease	Sensitivity Analysis	Increase	Decrease
278.19	303.53	Discount Rate (-/+ 0.5%)	326.66	356.89
-4.196%	4.529%	%Change Compared to base due to sensitivity	-4.257%	4.603%
303.44	278.16	Salary Growth (-/+ 0.5%)	356.74	326.67
4.500%	-4.207%	%Change Compared to base due to sensitivity	4.559%	-4.256%
290.71	290.04	Attrition Rate (-/+ 0.5%)	342.16	340.21
0.116%	-0.116%	%Change Compared to base due to sensitivity	0.286%	-0.286%
292.18	288.57	Mortality Rate (-/+ 10%)	343.26	339.11
0.622%	-0.622%	%Change Compared to base due to sensitivity	0.609%	-0.609%

Table Showing Benefit Information Estimated Future Payments	
Year	(₹ in Crore)
1	25.32
2	26.88
3	28.22
4	33.15
5	37.43
6 to 10	197.88
More than 10 years	485.64
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	834.51
Less Discount For Interest	493.32
Projected Benefit Obligation	341.19

(₹ in Crores)

Bifurcation of Net Liability	As at 31.03.2019	As at 31.03.2018
Current liability	24.42	25.45
Non-Current Liability	316.77	264.92
Net Liability	341.19	290.38

4. Unrecognised items

a) Contingent Liabilities

I. Claims against the Company not acknowledged as debts

Table I (₹ in Crore)

Particulars	Central Government	State Government and other localities	CPSE	Others	Total
Opening as on 01.04.2018	1536.36	11162.54	1.13	235.62	12935.65
Addition during the period	1594.13	864.52	-	44.27	2502.92
Claims settled during the period-					
a. From opening balance	198.50	63.42	-	92.17	354.09
b. Out of addition during the period	0.20	-	-	-	0.20
c. Total claims settled during the period (a+b)	198.70	63.42	-	92.17	354.29
Closing as on 31.03.2019	**2931.79**	**11963.64**	**1.13**	**187.72**	**15084.28**

Table II (₹ in Crore)

Claims against the company not acknowledged as debt		
	31.03.2019	**31.03.2018**
Central Govt.		
Central Excise	328.10	328.32
Income Tax*	2207.64	794.86
Clean Energy	308.23	308.96
Service Tax	82.32	98.68
Others	5.50	5.54
State Govt. and Local authorities		
Sales Tax	163.14	158.48
Royalty	1368.32	1291.36
Environment clearance	10289.83	9593.63
Others	142.35	119.07
Central Public Sector Enterprises		
Suit against the company under litigation	1.13	1.13
Others	187.72	235.62
Total	**15084.28**	**12935.65**

* The above amount included interest in Income tax of ₹ 0.61 crores from the date of order to 31.03.19

b) ₹ 86.66 crores towards demand received from Executive Engineer Burla Irrigation Division, Burla for drawal of Surface water and ground water by Lajkura OCP & Samleswari OCP of IB Valley Area for the period 01.10.2010 to 31.08.2017. As decided in the meeting held on 29.03.2017 under the Chairmanship of Chief Secretary, Odisha, all dues of MCL were settled up to 28.02.2017 after one time settlement of ₹147.83 crores. As per the letter from Head of Directorate of Water services to the EIC- cum - Special Secretary to Government in DoWR, raising of demand in penal rates is not justified after the date of receipt of their application in Form 'J' and directed the Executive Engineers to review their demands as per provision of the Orissa Irrigation Act: section 28(B). Further no revised demand has been received till date. As the reliable estimate of demand for principal amount cannot be made & as per Ind AS 37, in the absence of reliable estimate, provision /contingent liability are not to be recognized. Hence there is no recognition in the books of accounts.

c) Guarantee

The group has not provided any guarantee on behalf of any other Company.

d) Letter of Credit and Bank Guarantee :

As on 31.03.2019 outstanding letters of credit is ₹ 2.83 Crores (₹ 7.24 crores as at 31.03.2018), and bank guarantee issued is ₹ 39.42 Crores (share of parent company is ₹ 30.52 crores) (₹ 51.42 Crores as at 31.03.2018(restated))

II. Commitments

Estimated amount of contracts remaining to be executed on

Capital account and not provided for : ₹ 839.02 crores (₹ 833.04 crores as at 31.03.2018)

Others (Revenue Commitment) : ₹ 2304.91 crores (₹ 2894.57 crores as at 31.03.2018)

5. Group Information:

Name	Relationship with MCL	Principal activities	Country of Incorporation	% of Equity interest	
				31.03.19	31.03.18
MNH Shakti Ltd	Subsidiary Company	Coal Production	India	70	70
MJSJ Coal Ltd	Subsidiary Company	Coal Production	India	60	60
Mahanadi Basin Power Limited	Subsidiary Company	Power Generation	India	100	100
Mahanadi Coal Railways Limited	Subsidiary Company	Construct & Operate Rail Corridor projects	India	64	64

6. Other Information

a) Provisions

The position and movement of various provisions as per Ind AS 37 except those relating to employee benefits which are valued actuarially as on 31.03.19 are given below:

Provisions	Opening Balance as on 01.04.2018	Addition during the period	Write back/ Adj. during the period	Unwinding of discounts	Closing Balance as on 31.03.2019
Note 3:- Property, Plant and Equipments :					
Impairment of Assets :	46.43	1.54	(2.39)	-	45.58
Note 4:- Capital Work in Progress :					
Against CWIP :	12.76	1.42	-	-	14.06
Note 5:- Exploration And Evaluation Assets :					
Provision and Impairment :	-	-	-	-	-

Note 8:- Loans : Other Loans :	-	-	-	-	-
Note 9:- Other Financial Assets: Other Deposits and Receivables	0.16	-	-	-	0.16
Security Deposit for utilities	-	-	-	-	-
Current Account with Subsidiaries	-	-	-	-	-
Claims & other receivables	0.76	-	(0.70)	-	0.06
Note11:-Other Current Assets: Advances for Revenue	4.90	1.64	-	-	6.54
Advance payment of statutory dues	-	-	-	-	-
Other Advances and Deposits to Employees	0.03	-	(0.01)	-	0.02
Note 13:-Trade Receivables : Provision for bad & doubtful debts :	30.14	41.56	(0.95)	-	70.75
Note 21 :- Non-Current & Current Provision :					
Ex- Gratia	118.15	392.46	(382.98)	-	127.63
Performance Related Pay	97.95	102.10	(22.08)	-	177.97
Provision for National Coal Wage Agreement X	303.06	-	(303.06)	-	-
Provision for Executive Pay Revision	103.71	-	(103.71)	-	-
Others	66.05	470.52	(7.12)	-	529.45
Site Restoration/Mine Closure	768.77	28.15	(22.68)	33.00	807.24
Reclamation of Land	5.20	-	(0.31)	-	4.89

b) Government Assistance

Sand Stowing & Protective Works includes ₹ Nil received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works during the year ended on 31.03.2019(Note-24).

CCDA Grant of ₹ Nil received as Capital Grant from Ministry of Coal, Government of India towards assistance for Road and Rail Infrastructure work during the year ended on 31.03.2019. The total CCDA grant received of ₹ 208.58 crores till date is being amortized over the useful life of the underlying asset and the outstanding balance of ₹ 194.68 crores is disclosed under Note-22 as Deferred Income.

c) Segment Reporting

In accordance with the provisions of Ind AS 108 'operating segment', the operating segment used for presenting segment information are identified based on internal reports used by BOD to allocate resources to the segments and assess their performance. The BOD is the group of Chief operating decision maker within the meaning of Ind AS 108.

The Board of directors considers a business from a prospect of significant product offerings and have decided that presently there is one single reportable segment being sale of Coal. Information of financial performance and net asset is presented in the consolidated information of P/L and Balance sheet.

Revenue by destination is a follows **(₹ in crore)**

	India	Other countries
Revenue	17011.00	Nil

Revenue by customer is as follows

Customer name	Amount (in Crores)	Country
Name of each parties having more than 10% of Net sales value **NTPC**	2506.17	India
Others	14504.83	India

Net current assets by location are as follows

	India	Other countries
Net Current Asset	12017.91	Nil

d) Authorised Capital

	31.03.2019	31.03.2018
29,58,200 Equity Shares of ₹ 1000/- each	775.82	295.82
20,41,800 10% Cumulative Redeemable Preference shares of ₹ 1000/- each (Redeemed on as per terms of earliest redemption)	204.18	204.18

e) Earnings per share

Sl. No.	Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018(restated)	
		PAT	OCI	PAT	OCI
i)	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	6035.95	(10.59)	4758.49	17.88
ii)	Weighted Average no. of Equity Shares Outstanding (in nos.)	6992154	6992154	1474174	1474174
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share) (₹)	8632.46	(15.15)	32279.03	121.29

(f) Related Party Disclosures

1. List of Related Parties

i) Subsidiary Companies

1) Mahanadi Basin Power Limited (MBPL)
2) MNH Shakti Limited
3) MJSJ Coal Limited
4) Mahanadi Coal Railway Limited (MCRL)

2. Key Managerial Personnel

Name	Designation	W.e.f
Shri R. R. Mishra	Chairman-cum-Managing Director	25.09.2018
Mr. L N Mishra	Director (P& IR)	01.02.2016 to 31.12.2018
Mr. J.P. Singh	Director (Technical-Operation)	01.06.2013 to 28.02.2019
Mr. O. P. Singh	Director (Technical-P&P)	01.09.2016
Mr. K. R. Vasudevan	Director (Finance)	04.02.2018
Mr. A. K. Singh	Company Secretary	19.11.2012
Mr. H. S. Pati	Independent Directors	17.11.2015
Dr. R. Mall	Independent Directors	17.11.2015
Ms. Seema Sharma	Independent Director	06.09.2017
Shri S. N. Prasad	Part-Time Director	16.02.2016
Shri R. K. Sinha	Government Nominee	12.06.2017

3. Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2019	For the year ended 31.03.2018
i)	**Short Term Employee Benefits**		
	Gross Salary	1.50	1.53
	Perquisites	-	-
	Medical Benefits	-	-
ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.16	0.16
iii)	**Termination Benefits** (Paid at the time of separation)		
	Leave Encashment	-	1.05
	Gratuity	-	0.83
	TOTAL	**1.66**	**3.57**

Note:

i) Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 750 KMs on payment of concessional rate, in accordance with the provisions of Government of India, Ministry of Finance, Bureau of Public Enterprises O.M. No.2 (18)/PC-64 dated 20.11.1964 as amended from time to time.

(₹ in crore)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2019	For the year ended 31.03.2018
i)	Sitting Fees	0.16	0.13

Balances Outstanding (₹ in Crores)

Sl. No.	Particulars	As on 31.03.2019	As on 31.03.2018
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

4. Related Party Transactions within Group

Mahanadi Coalfields Limited has entered into transactions with its holding Company, co-subsidiaries & subsidiaries which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges, issue of store materials and other expenditure incurred by or on behalf of other subsidiaries through current account.

Transactions with Related Parties

Amount (₹ in crores)

Name of Related Parties	Lease Rent	Apex Charges	Rehabilitation Charges	Workshop/ Press Debits	CMPDI Expenses	Interest on Funds parked with subsidiaries/CIL	Issue of Store Materials	Current Account Balance
Eastern Coalfields Limited (ECL)	-	-	-	-	-	-	0.07	-
Bharat Coking Coal Limited (BCCL)	-	-	-	-	-	-	-	-
Central Coalfields Limited (CCL)	-	-	-	0.74	-	-	-	-
Western Coalfields Limited (WCL)	-	-	-	-	-	-	0.32	-
South Eastern Coalfields Limited (SECL)	-	-	-	(0.04)	-	-	0.10	-
Northern Coalfields Limited (NCL)	-	-	-	-	-	-	(0.19)	-

Central Mine Planning and Design Institute Limited (CMPDIL)	-	-	-	-	84.94	-	-	-
Coal India Limited	-	158.93	85.38	-	-	(0.80)	-	33.87
Mahanadi Basin Power Ltd.	-	-	-	-	-	(1.30)	-	23.69
MNH Shakti Ltd.	(0.02)	-	-	-	-	-	-	0.08
Mahanadi Coal Railway Limited	-	-	-	-	-	(1.83)	-	42.50
MJSJ Coal Limited	-	-	-	-	-	(0.03)	-	1.10

Figures in Bracket denote net income or credit balance.

g) BUYBACK OF SHARES

Details of Buy back during 2018-19 are shown below:

Name of the Company	Number of shares Bought back from CIL	Book Value per share(₹)	Total Value (₹ in Crore)
Mahanadi Coalfields Limited (MCL)	442967	8014.13	355.00

h) Recent Accounting Pronouncements

i) Ind AS, 116- Leases

Ministry Of Corporate Affairs vide notification dated 30th March 2019 has notified Indian Accounting Standard (Ind AS) 116, Leases which shall come into force on the 1st day of April 2019.

This Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The standard permits two possible methods of transition:

Retrospectively to each prior reporting period presented applying IND AS 8 i.e. 1st April 2018.

Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1st April 2019.

Management is in the process of selecting the appropriate method of transition and estimating the impact in the Financial Statement.

ii) **Amendment to Ind AS 19 – plan amendment, curtailment or settlement-**

Ministry of Corporate Affairs vide notification dated 30th March 2019 has notified amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity: to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1st April 2019. Management is in the process of estimating the impact of the above in the Financial Statement.

i) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

j) 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.

k) 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.

l) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

m) 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.

n) Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal

(₹ in Crore and Quantity in '000 MT)

Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018	
	Qty.	Value	Qty.	Value
Opening Stock	**11177.92**	**420.54**	**6387.29**	**276.54**
Production	144151.39	15349.72	143057.91	13818.28
Sales	142303.01	15324.75	138262.45	13673.32
Own Consumption	3.45	0.62	4.83	0.96
Write Off	-	-	-	-
Shortage beyond 5%	116.80	19.43	116.80	19.76
Excess beyond 5%	-	-	-	
Closing Stock	**12906.05**	**425.46**	**11061.12**	**400.78**

o) Disaggregated Revenue as per Ind AS 115

	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Types of goods or service:-		
- Coal	17013.00	14587.47
- Others	-	-
Total revenue from operations	**17013.00**	**14587.47**
Types of customers		
- Power sector	**10412.32**	8,781.00
- Non-Power Sector	**6600.68**	5,806.47
- Other Services	-	-
Total revenue from operations	**17013.00**	**14587.47**
Types of contract		
- FSA	**13991.22**	10,733.73
- E Auction	**3021.78**	3,853.74
- Others	-	-
Total revenue from operations	**17013.00**	**14,587.47**
Timing of goods or service		
- Goods transferred at a point in time	**17013.00**	14587.47
- Goods transferred over time	-	-
- Services transferred at a point in time	-	-
- Services transferred over time	-	-
Total revenue from operations	**17013.00**	**14587.47**

p) 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.

Name of the Company	Relation	Loan/Investment	Amount (₹ in Crores)
MJSJ Coal Limited	Subsidiary	Investment in Shares	57.06
MNH Shakti Limited	Subsidiary	Investment in Shares	59.57
Mahanadi Basin Power Limited	Subsidiary	Investment in Shares	0.05
Mahanadi Coal Railway limited	Subsidiary	Investment in Shares	0.03
NLC India Ltd.		Loan Given	1615.00 (o/s)

- No Corporate guarantees given by the group in respect of any loan as at 31.03.2019
- Group has given a loan of ₹ 2000 crores to NLCIL for meeting the general funding requirements @ 7% interest payable on monthly basis and repayment of principal is in 48 monthly equal installments. This loan to NLCIL is covered under Clause 8 (iv) of Guidelines on Investment of Surplus Funds by the CPSEs as eligible investments.

q) Construction of Mahanadi Institute of Coal Management

The Group is constructing an Institute 'Mahanadi Institute of Coal Management, Bhubaneswar' with an estimated total value of ₹ 138.83 crores through the contractor M/S. NBCC. As per the clause no. 5.18 of MOU between the Company & the contractor, it is the responsibility of the contractor to obtain necessary approval /clearances related to construction & completion of the project from the statutory authorities. However Bhubaneswar Development Authority did not consider the proposal for approval due to the project falls on the proposed ring road alignment finalized in CDP-2010. Now the said CDP-2010 ring road has been re-aligned in CDP-01/2016 which has been approved by Govt. of Odisha vide no. HUD-TP-SCH-0022/2014/8008/HUD dtd. 28.03.18. NBCC, consultant of MCL has again applied to BDA for approval of plan of MICM and on 02.11.2018 BDA have granted necessary permission in favour of MCL. Now the work is under progress. The Group has incurred ₹ 104.48 crores towards construction of the institute till now.

r) Land at Balipanda Mouza, Puri

5 acres of land at Balipanda Mouza, Puri amounting to ₹ 0.80 crores taken as lease from Puri Municipality with a lease period of 99 years w.e.f. 01.04.1996. However, Tahsildar Puri vide his office memo no. 7206 dated 21.08.2004 addressed to the Collector Puri with a copy to MCL, Bhubaneswar stated that the said area comes under the "Sweat water zone" and it has been declared as restricted area by the Govt. in Housing and Urban Development Department.

Though the said land comes under Sweat Water Zone, Tahsildar, Puri has accepted ground rent along with cess till 2008-09. Further MCL have written letter to Tahsildar, Puri requesting them to send the demand note from the period 2009-10 to 2018-19.Further D(P), MCL vide letter no. 4707 dated 08.01.2019, requested to Collector, Puri for early hand over of alternate land to start the stall project. The case is under active consideration with State Authority. MCL is expecting that the alternative land in favor of MCL will be allocated soon.

s) At MCL there are 19 open cast mines & 12 underground mines, out of which 3 open cast mines & 5 underground mines are non productive due to :-

S.No.	Name of Mines	Reason for non productive
1.	Chendipada OCP	Due to mine closure.
2.	Lilari OCP	Due to Mining Plan of Lilari OCP was valid upto March 2018.
3.	South Balanda OCP	Due to exhaustion of Coal Reserve.
4.	Hingir Rampur Colliery UG	This mine is abandoned since 27.05.2013 with the mine closure notice issued from Orient Area.
5.	Orient Mine No-4 UG	a. Production has been stopped since 02.07.2017 due to non-availability of development patches as entire property of mine is already developed and there is no depillaring permission due to want of stage II forest clearance. b. There is shortage of manpower in Orient Area due to retirement etc. As there is shortage of manpower in productive units of other mines of Orient Area, the available manpower of this mine has been transferred to those productive mines for gainful utilization. Now the mine is under process to run in outsourced mode.
6.	Talcher UG	Mining of Coal temporarily discontinued due to non-compliance of Section 22A(1) of Mines Act 1952 by DMS, Bhubaneswar vide Notice No. - 010686/BBR-DH/CO-6/Notice-22A(1)/2015/ 4562, dated 03.09.2015, to provide 3rd entry to the drift top section (present working dist), and as per provision of CMR-2017, Reg No. - 158(3) the production was suspended since 24.02.2018
7.	Deulbera UG	Production had to be stopped as notice from the supt. engineer that water would be released in right bank canal, below which the mine had working w.e.f 19.07.2006
8.	Handidhua UG	Production has stopped due to heavy losses w.e.f. 16.09.1998.

t) MJSJ Coal Limited, subsidiary of MCL has submitted a Bank Guarantee bearing No.50/48 issued by State Bank of India, Talcher, for an amount of ₹ 22.248 crores in favour of The President of India, acting through Ministry of Coal, Shastri Bhavan, New Delhi which has been renewed on 18.02.2019 for 6 months (from 01.01.2019 to 30.06.2019) vide no-50/48(11) and under protest, since MJSJ Coal Ltd is a Government Company.

A letter received from F.No-47011/7(6)/93-CPAM/CA from Govt. of India, Ministry of Coal, dated 9th July, 2013 regarding deduction of 20% of BG (i.e.₹ 22.248 Crores) against which Private shareholders of company proceeding for appeal at Hon'ble High Court of Delhi. This deduction is proposed to be made in view of the company not being able to meet the targeted production by the specified/extended time limit.

u) On 24th September 2014, the Hon'ble Supreme Court cancelled allocation of 204 coal blocks made during 1993-2012 citing the allocation process as arbitrary and allocations as illegal.

Accordingly the Coal Block namely Utkal-A (MJSJ Coal Limited, subsidiary of MCL) and Talabira II & III (MNH Shakti Limited, subsidiary of MCL) allocated earlier in favour of the Company also got de-allocated. However the company has not yet received any letter of de-allocation from Ministry of Coal, Govt. of India. The Other coal block namely Gopal Prasad (W) is still with the MJSJ Coal Limited.

v) As per the provisions of the Coal Mines (Special Provisions) Act 2015, the Government has allocated Talabira II & III coal block to Neyveli Lignite Corporation Limited (one of the previous allottees) as communicated vide its letter dated 17th February 2016. MHN Shakti Ltd., a subsidiary of MCL is entitled to get compensation from the new allottee through the Nominated Authority, MoC towards the amount spent by it for acquisition of land, capital work in progress and intangible assets. The compensation is being determined by the Nominated Authority under the Coal Mines (Special Provisions) Act and will be received by the company in phased manner.

The office of the nominated authority has transferred the compensation amount towards cost of Geological Reports and cost consents to the commissioner of payment i.e. Coal Controller Office (CCO), Kolkata for further disbursal to prior allottee vide Letter no. 110/13/2015/NA, dated 12.09.2016. This includes the compensation amount of ₹ 15.89 crores towards Talabira-II & III Coal Mine. Subsequently Coal Controller office has transferred the amount in the name of MNH Shakti Limited on 04.01.2017.

Once again the office of the nominated authority has transferred the compensation towards cost of Mine Infrastructure to the commissioner of payment i.e. Coal Controller Office, Kolkata for further disbursal to prior allottee vide Letter No. 110/9/2015/NA (Part-II), Dated: 01.12.2016. This includes the compensation amount of ₹ 2.67 Crores only towards Talabira- II & III Coal Mine. Subsequently Coal Controller office has transferred the amount in the name of MNH Shakti Limited on 08.02.2017.

w) Reconciliation of Profit (₹ . in Crore)

	Period to which Error is related	For Year ended 2017-18
Total Comprehensive Income attributable to owners of the company reported earlier		4776.39
Adjustment for prior period items :		
Other Expenses	2017-18	(0.02)
Total Comprehensive income attributable to owners of the company(Restated)		4776.37
Adjusted with opening retained earnings as on 01.04.17:-		
Capital Work in Progress (Note-4).	Prior to 2016-17	(5.00)

x) Significant accounting policy

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

y) Others :

a) Previous year/ period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

b) Previous period's figures in Note No. 3 to 38 are in brackets.

c) Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively , Note 3 to 23 form parts of the Balance Sheet as at 31st March 2019 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date and Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

on behalf of the board

Sd/-
(A K Singh)
Company Secretary

Sd/-
(P K Swarnkar)
General Manager (Finance)

Sd/-
(K R Vasudevan)
Director (Finance)
DIN : 07915732

Sd/-
(R R Mishra)
Chairman-cum-Managing Director
DIN: 05103300

As per our report annexed
For SINGH RAY MISHRA & CO.
Chartered Accountants
Firm Regn No. 318121E

Sd/-
(CA Asit Kumar Mondal)
Partner
Membership No. 052028

Date: 24.05.2019
Place: Raipur