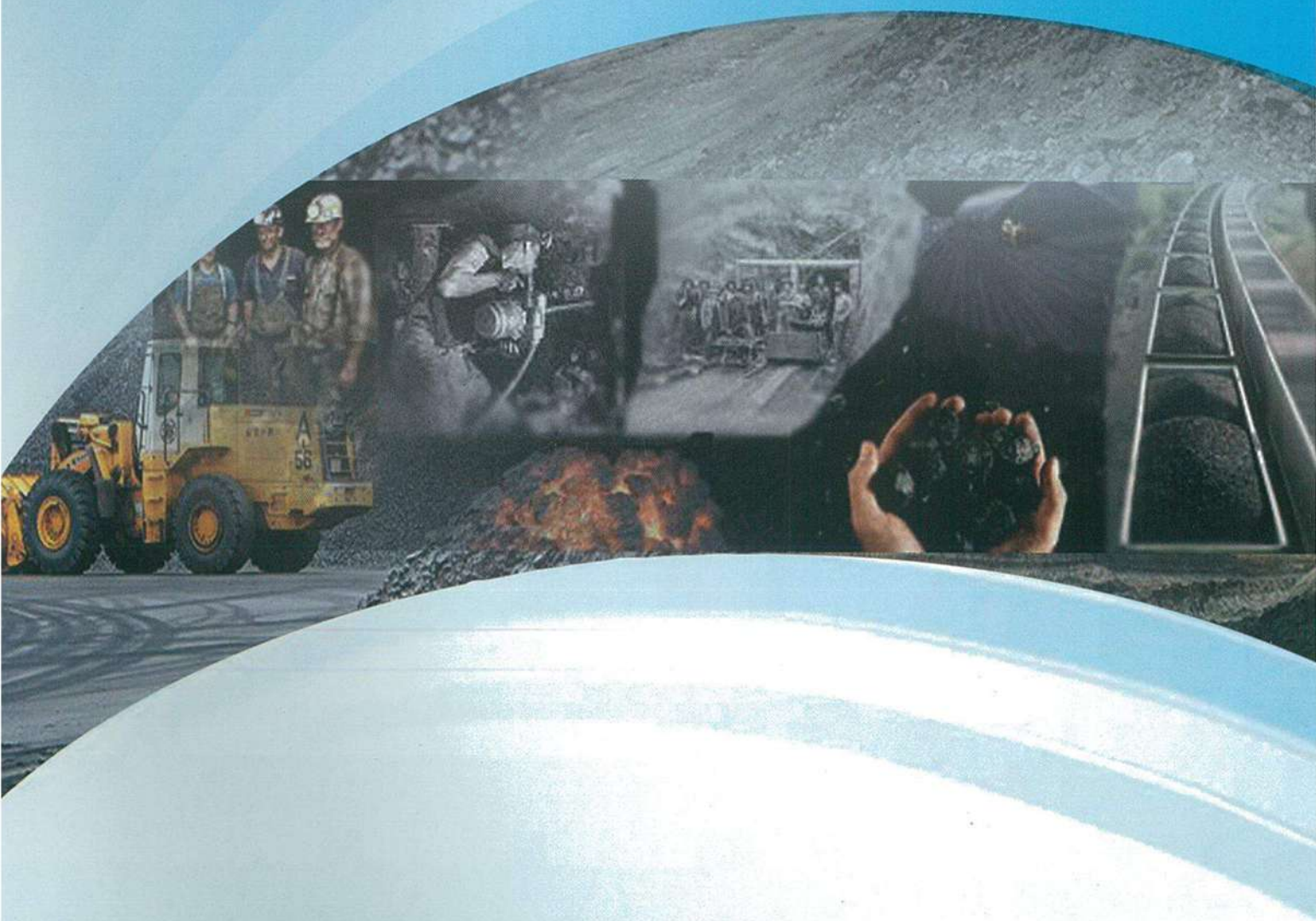




MCL

MAHANADI COALFIELDS LIMITED
A MINIRATNA COMPANY



Co-creating value
for the Nation

2014-15
ANNUAL REPORT & ACCOUNTS

VISION

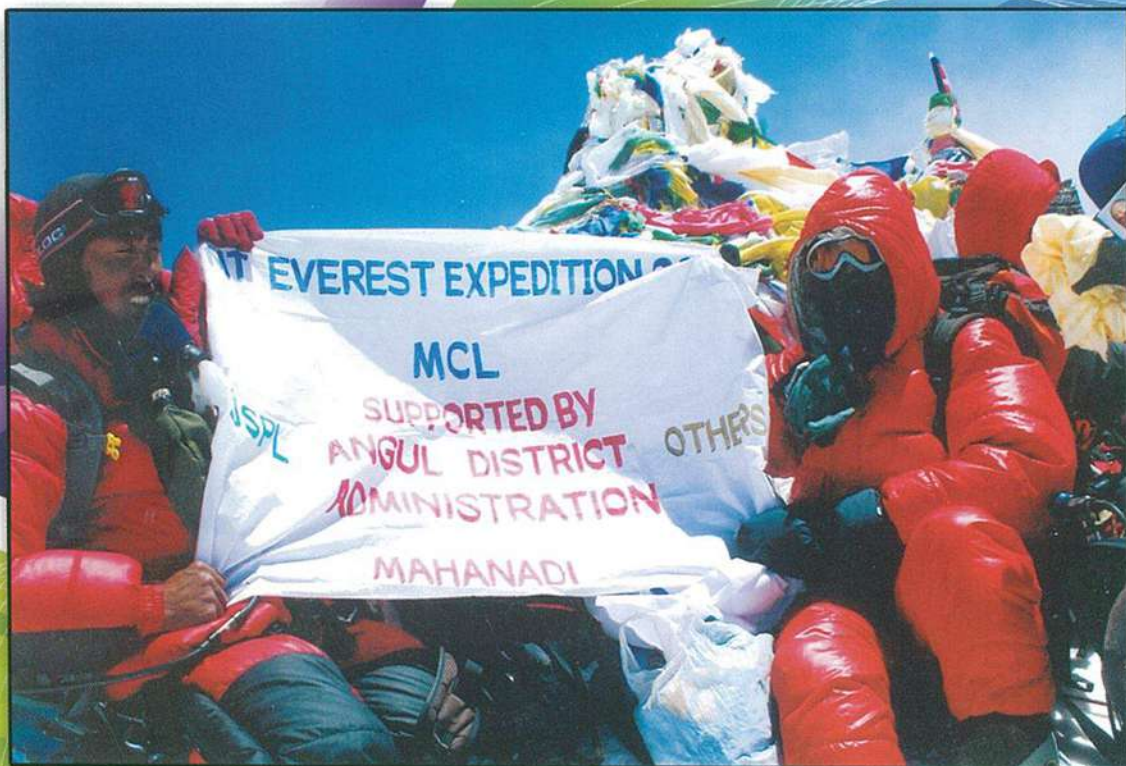
“To be one of the leading energy suppliers in the world through best practices from mine to market.”

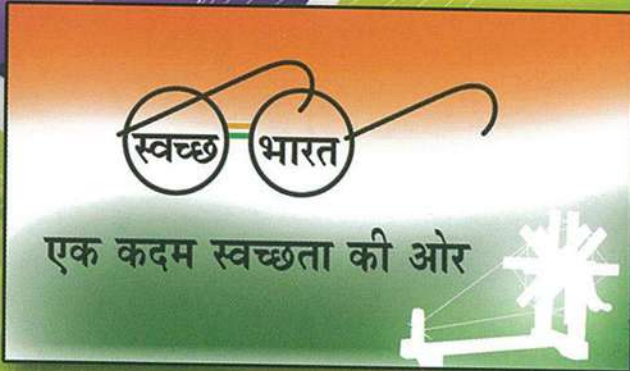


- Born on 3rd April, 1992, as eighth subsidiary of 'Maharatna' Coal India Limited.
- A proud member of 100 MT Club, producing more than 100 million tonnes of coal since 2009-10.
- Crowned as 2nd largest dry fuel producer & supplier in India.
- Operates 16 OC & 5 UG coal mines in Odisha.
- A socially-responsible guardian of over 22,000 strong people.

MISSION

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





ANNUAL REPORT & ACCOUNTS

2014-15



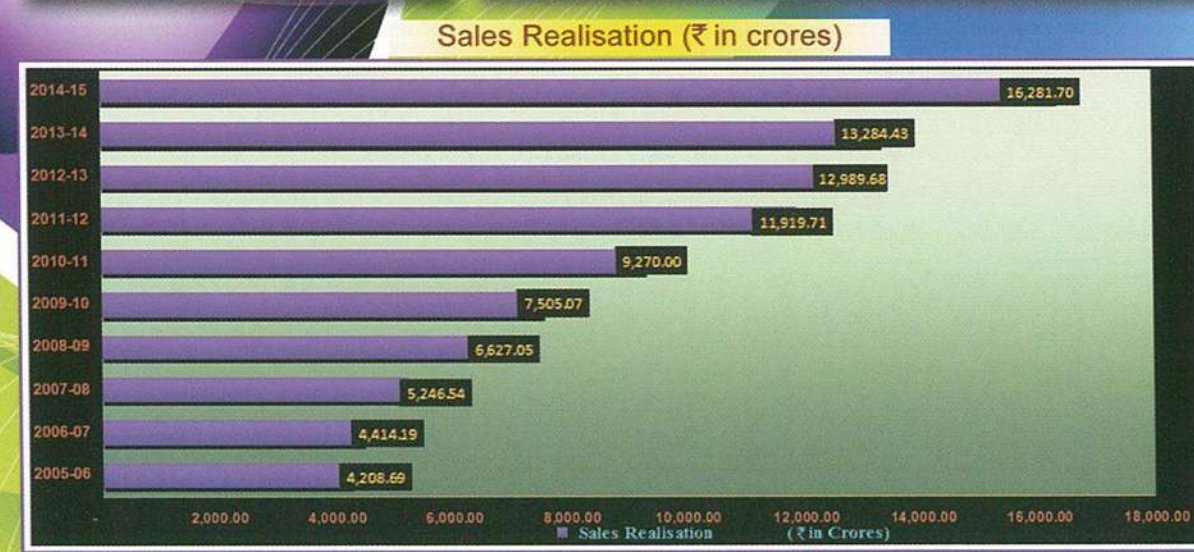
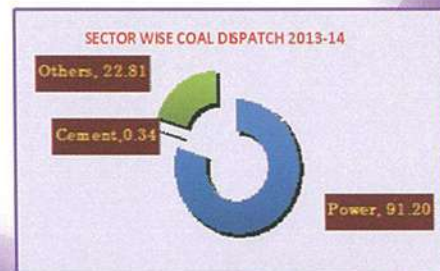
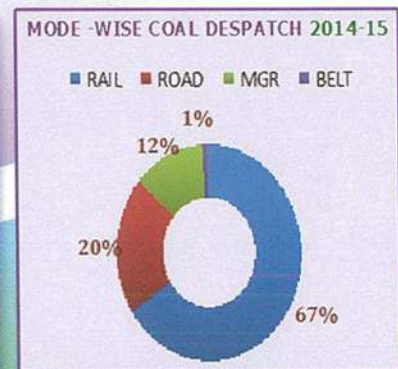
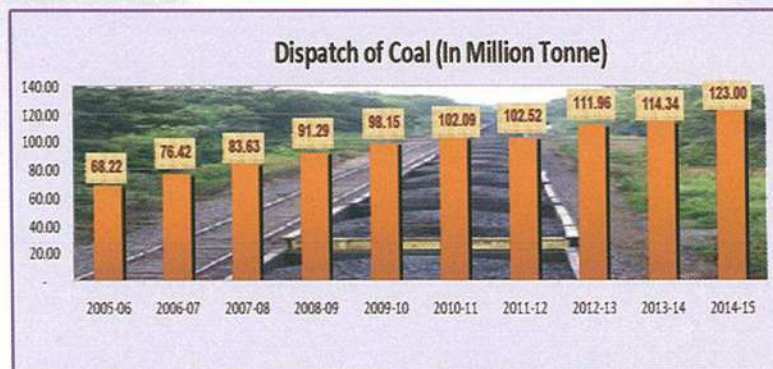
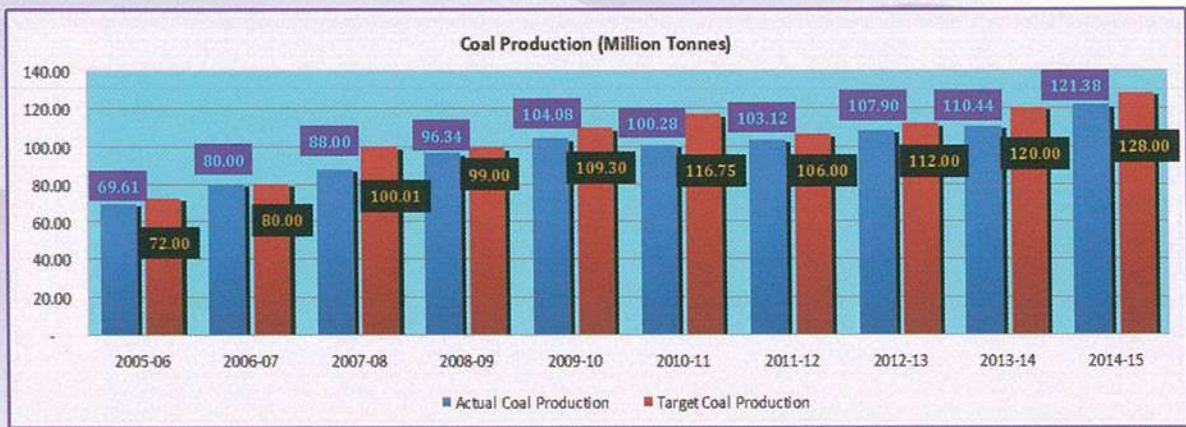
MCL

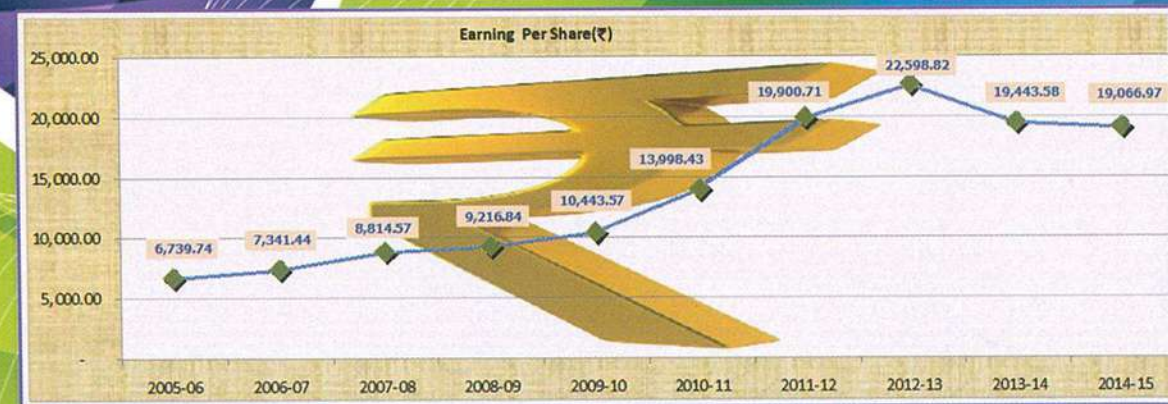
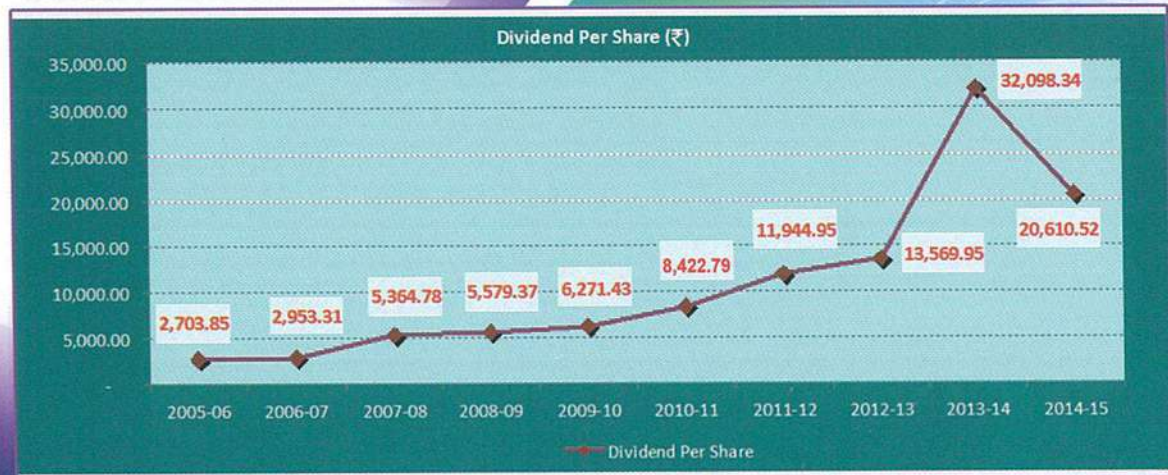
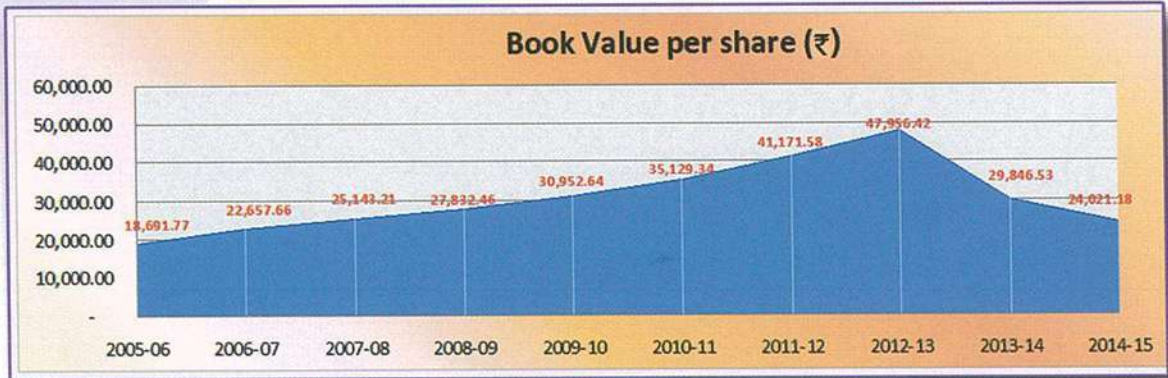
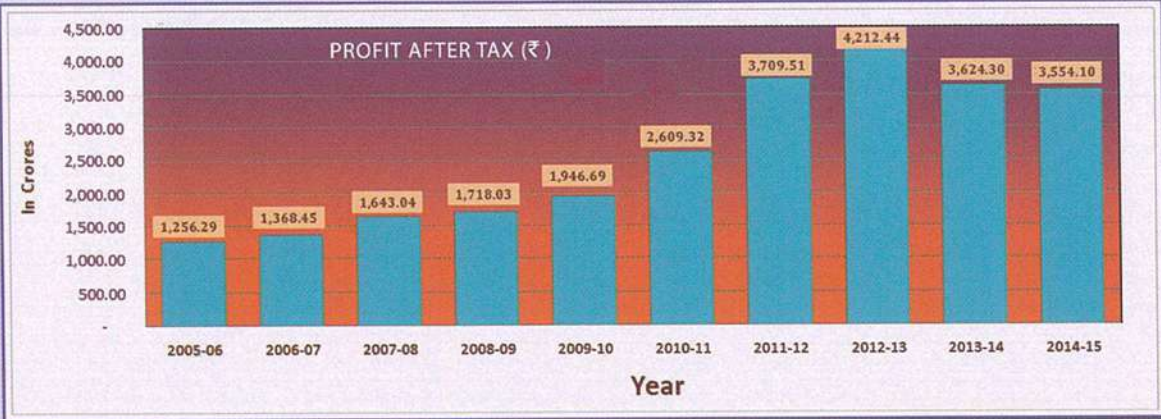
MAHANADI COALFIELDS LIMITED

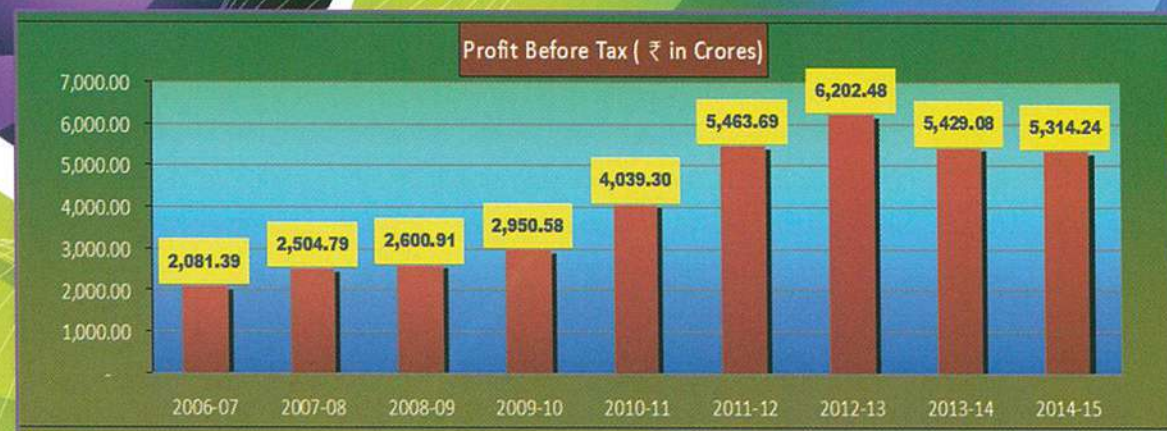
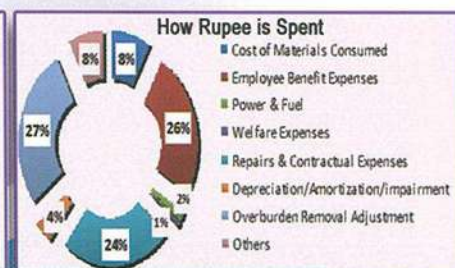
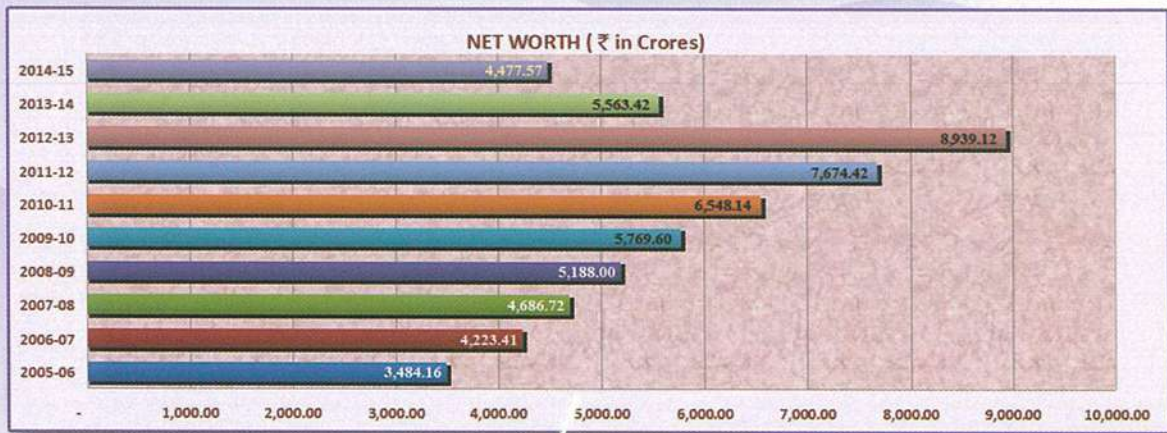
(A subsidiary of Coal India Limited)

A/PO - JAGRUTI VIHAR, BURLA
SAMBALPUR -768020(ODISHA)

Website : www.mcl.gov.in









Shri Naveen Pattnaik, Hon'ble Chief Minister of Odisha, in the presence of Shri A. N. Sahay, CMD, MCL laying the foundation stone of "Sports Complex, Burla" at an estimated cost of ₹ 25.00 Crore, funded by MCL.



Shri Naveen Pattnaik, Hon'ble Chief Minister of Odisha, in the presence of Shri A. N. Sahay, CMD, MCL laying the foundation stone of "Construction of Rope Way from Jawahar Udyan to Gandhi Minar at Hirakud" at an estimated cost of ₹ 5.00 Crore, funded by MCL.



Shri A.K. Tiwari, Director (Tech/Operation) receiving "Best Display" award at MSME Expo, Odisha 2014 from Hon'ble Minister for Industries, School & Mass Education, GoO.



Shri R.K. Sinha, G.M. (IED), MCL receiving award from Shri Tapang Taloh, Education Minister, Govt. of Arunachal Pradesh for project "Saving of Specific Diesel Consumption w.r.t. CMPDI norms in MCL Projects / Mines."

CONTENTS

<i>Sl.No.</i>		<i>Page No.</i>
1.	Management/Bankers/Auditors	3
2.	Notice	5
3.	Chairman's Statement	7
4.	Director's Report	15
5.	Cost Audit Report	82
6.	Secretarial Audit Report	84
7.	Report on Corporate Governance	93
8.	Management Discussion and Analysis Report	112
9.	Comments of the Comptroller & Auditor General of India	117
10.	Report on Performance against MoU Parameters	118
11.	Auditor's Report	134
12.	Management Reply to Auditor's Report	141
13.	Balance Sheet as at 31 st March, 2015	153
14.	Profit & Loss Statement for the year ending 31 st March, 2015	155
15.	Notes forming part of the Balance Sheet and Profit & Loss Statement	157
16.	Cash Flow Statement	215
17.	Consolidated Accounts of MCL and its Subsidiaries	216



PRESENT MANAGEMENT

(As on 8th July, 2015)



Shri A.N. Sahay
Chairman-cum-Managing Director

FUNCTIONAL DIRECTORS



Shri A.K. Tiwari



Shri J.P. Singh



Shri P.C. Panigrahi



Shri K.K. Parida

OFFICIAL PART-TIME DIRECTOR



Shri B.K. Saxena

GOVERNMENT NOMINEE



Shri J.S. Bindra

COMPANY SECRETARY



Shri A.K. Singh

MANAGEMENT DURING 2014-15



CHAIRMAN-CUM-MANAGING DIRECTOR : **Shri A. N. Sahay**

FUNCTIONAL DIRECTORS : **Shri A. K. Tiwari**
Director (Tech/Op)

Shri J. P. Singh
Director(Tech/P&P)

Shri P. C. Panigrahi
Director (Personnel)

Shri K. K. Parida
Director(Finance)
(w.e.f 30.9.2014)

OFFICIAL PART-TIME DIRECTORS : **Shri S. K. Singh**
Joint Secretary, Ministry of Coal,
New Delhi.

Shri B. K. Saxena,
Director (Marketing),
CIL, Kolkata.

PERMANENT INVITEE : **Shri G. D. Brahma**
COM, 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 AUDITOR

M/s PAMS & Associates.
Chartered Accountants, Cuttack

BRANCH AUDITOR

M/s SCM Associates
Chartered Accountants, Bhubaneswar.

COST AUDITOR

M/s Niran & Co.
Cost Accountants, Bhubaneswar.

BRANCH COST AUDITOR

M/s MOU Banerjee & Co.
Cost Accountants, Asansol.

SECRETARIAL AUDITOR

M/s Lokesh A. Gohil & Associates
Company Secretaries,
Sambalpur-Odisha

REGISTERED OFFICE

At/Po: Jagruti Vihar, Burla,
Sambalpur- 768020, Odisha
Website: www.mcl.gov.in

NOTICE

TWENTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of Mahanadi Coalfields Limited, originally scheduled to be held at 11.00 AM on Wednesday the 24th June, 2015 was adjourned and rescheduled to be held at 4.00 PM on Tuesday the 7th July, 2015 is now rescheduled to be held on 10.30 AM on Wednesday the 8th July, 2015 at Registered Office of the Company, At/Po- Jagruti Vihar, Burla, Sambalpur-768020, to transact the following business:

Ordinary Business

1. To consider and adopt:
 - a) The Audited Financial Statements of the Company for the financial year ended March 31, 2015 including the Audit Balance Sheet as at March 31, 2015 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 if India thereon.
 - b) The Consolidated Audited Financial Statements of the Company for the Financial year ended March 31, 2015 including the Audited Balance Sheet as at March, 31 2015 and Statement of Profit and Loss for the year ended on that date and the Reports of the Statutory Auditor thereon.
2. To confirm the payment of interim dividend paid on equity shares for the Financial year 2014-15 as final dividend for the year 2014-15.
3. To appoint Directors in place of Shri B. K. Saxena (DIN 02123135), Director 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 Directors in place of Shri A. K. Tiwari, (DIN 02442844), Director who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offers himself for re-appointment.
5. To approve remuneration, as decided by the Board, payable to M/s PAMS & Associates, Chartered Accountants, Cuttack, the Principal Auditor and M/s SCM Associates, Chartered Accountants, Bhubaneswar, the Branch Auditor who were appointed by the C&AG of India for the Financial Year, 2014-15 by passing the following resolution with or without modification(s):

"RESOLVED that pursuant to the provisions of Section 142(1) and other applicable provisions, if any of the Companies Act, 2013, approval be and is hereby accorded for payment of remuneration and reimbursement of T.A. & out of pocket expenses as decided by the Board of Directors to M/s PAMS & Associates, Chartered Accountants, Bhubaneswar, the Principal Auditor and M/s SCM Associates, Chartered Accountants, Bhubaneswar, the Branch Auditor in connection with the audit of Accounts of the Company for the financial year 2014-15."

Special Business:

Item No. 1. Ratification of Remuneration of Cost Auditors of the Company for the financial year 2015-16.

To consider and if thought fit to pass with or with out 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 Niran & Co, Cost Accountants, Bhubaneswar, be and is hereby appointed as the Principal Cost Auditor of the Company for the year 2015-16, to audit Cost records of the Company, Headquarters and its Units, IB Field Areas, and Basundhara Area at a total Audit fee of Rs. 2,12,500.00 per year, Out of Pocket Expenses of Rs. 1,06,250.00 (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 Mou Banerjee & Co. Baikuntha Apartment, Ground Floor, Gopalpur, Asansol-713304, Dist- Buardwan, West Bengal, Branch Office: Shri V Pani, Residence of Dr. A. K. Kar, Purana Basti, Jharsuguda, Odisha-768202, be and is hereby appointed as the Branch Cost Auditor of the Company for the year 2015-16, to audit Cost records of Talcher Coalfield Areas at a total Audit fee of Rs. 1,40,625.00 per year, Out of Pocket Expenses of Rs. 70,312.00 (maximum) per year and applicable Service Tax on audit fee."

By order of the Board of Directors
For Mahanadi Coalfields Limited

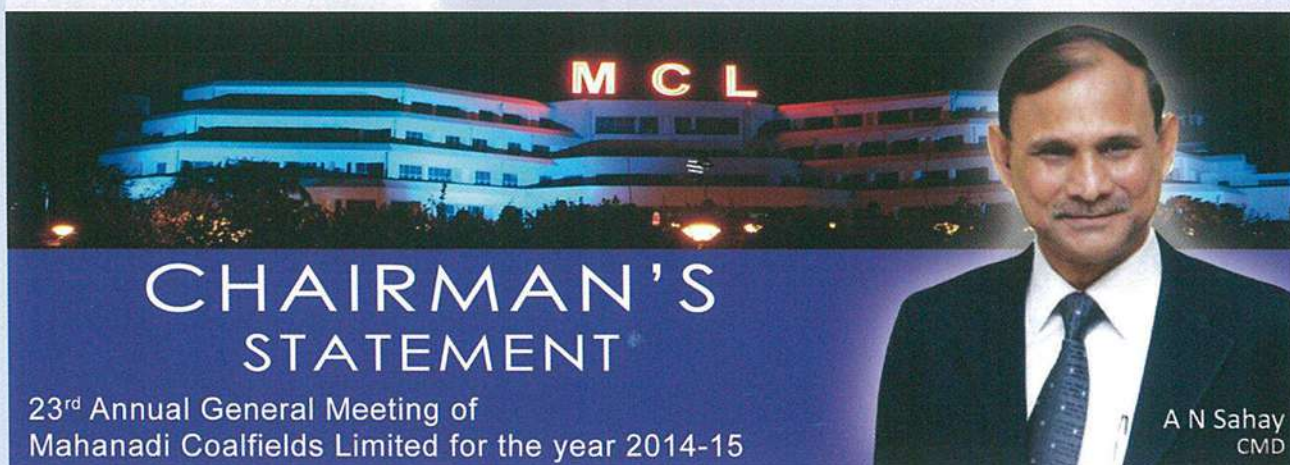
Sd/
(A.K.Singh)
Company Secretary

REGISTERED OFFICE :

Jagruti Vihar, Burla, Sambalpur – 768020

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Members are also requested to accord their consent for convening the meeting at a shorter Notice under Section 101 of the Companies Act, 2013.
3. The Explanatory statement relating to resolutions mentioned in the notice as required by Sec. 102(2) of the Companies Act, 2013, is annexed to the Notice.



23rd Annual General Meeting of
Mahanadi Coalfields Limited for the year 2014-15

A N Sahay
CMD

Friends,

It gives me immense pleasure in welcoming you to the 23rd Annual General Meeting (AGM) of Mahanadi Coalfields Limited. The Report of the Directors, Audited Accounts for the year 2014-15 combined with the Report of the Statutory Auditors and the Report and Review of the Comptroller & Auditor General of India are already circulated to you. With your permission, I would like to take them as read.

This AGM, in a manner, heralds MCL's entry into its new century. A future that promises to be even more magnificent, fulfilling, and rewarding as your Company pursues its vision to be leading energy supplier in the world. In addition, it is emerging as an exemplary Indian enterprise and flagship Company of Coal India Limited. Your continued trust, support and goodwill have always been invaluable and will lend enormously inspiration in the journey ahead.

Coal provides around 30% of the global primary energy needs and generates 40% of the world's electricity. It is currently the world's second largest source of primary energy and is widely expected to replace oil as the world's largest source of primary energy within a few years. In Indian context, Coal continues to dominate the energy scene in 21st Century and contributes over 55% of India's total primary energy production. To meet the future expectation of the nation, there is colossal responsibility in augmenting the coal production. Your company is among one of the growing subsidiaries of Coal India Ltd. and We are expected to excel in all the activities of business operations, Coal Production, Productivity, Despatch, Talent Management, Community development etc. Our corporate vision is to grow in sync with the growth of society. Our efforts have been well recognised and your Company has received several admirable awards. This has increased our responsibility enormously. We reaffirm our commitment to play momentous role in the development of the nation in making India energy efficient.

1. OVERVIEW OF MCL PERFORMANCE 2014-15

Your Company continues its impressive financial results. MCL has been able to perform remarkably well during the year 2014-15. The fact that your Company has acquired much stronger growth momentum in the recent past, makes this occasion very special. The Company had achieved a record coal production of 121.38 million tonnes (MTe.) of coal and registered a growth of 9.90% over the previous year. Coal off-take of MCL during the period was 123.001 million tonnes, which showed a growth of 7.57 % as compared to last year.

The overall growth of GDP in the current fiscal has favourably impacted the Indian economy. Your Company has also gained significantly in terms of better performance. Your Company has recorded Gross Sales of ₹14,989.05 Crore and Profit after Tax of has been ₹3,554.10 Crore for the year under review. Your Company has recommended a dividend of ₹20,610.52 per equity share on a face value of ₹1,000.00 per share for the year as compared to ₹32,098.35 per equity last year. The total outflow on account of dividend was ₹4585.96 Crore comprising ₹3,841.82 Crore as dividend paid to CIL and ₹744.14 Crore as tax on dividend.

2. PROJECT PROFILE

There are 53 sanctioned mining projects in MCL and 05 existing underground mines. The sanctioned capacity of these projects is 261.32 Mty, (peak capacity of 303.57 Mty) with a sanctioned capital outlay of ₹12,514.27 Crores, out of which 34 have been completed with a capacity of 99.989 Mty and sanctioned capital outlay of ₹2823.78 Crores. Out of the 34 completed projects, 02 have been exhausted (Balanda and Basundhara-East OCP). There are 19 on-going projects with a capital outlay of ₹9690.49 Crores with sanctioned capacity of 161.331 Mty. As a forward looking Company, MCL believes that its infrastructural base needs to be strengthened by setting up washeries/CHP/SILOs, RLS, Concrete Transport Roads and Railway Sidings etc and accordingly action has been initiated in right earnest to construct them.



Shri B.N. Jha, CGM, Lakhanpur area explaining a Mine Plan to Secretary, MOC and CMD, MCL.

3. DIVERSIFICATION

Diversification for maximising growth opportunities by expanding business operations, while utilising the core capabilities and leveraging core facilities is the business strategy of your company, which helps in institutionalising the competencies and capabilities of our Organization and people to create value for all our stakeholders and to harness the tremendous opportunities on our continuous path of value creation.

Towards gainful utilization of coal deposits at Basundhara Area, Sundargarh, your Company has envisaged coal-based Thermal Power Plant of 1600(2X800) MW with super-critical technology. Mahanadi Basin Power Limited (MBPL) formed for this purpose has achieved several milestones towards installation of power plant. EIA study has been completed and coal linkage has been in principle accepted by MoC. MoEF has already accorded Terms of Reference (ToR) clearance to go ahead with power project. Water resources Department (WRD) of Govt. of Odisha was approached for water allocation to the project. In the First phase of allocation, WRD has agreed to provide 25 cusec water to the proposed project & allocation of balance 25 cusec is under active consideration of WRD. The proposal of EMP is submitted to MoEF for hearing and clearance. Final DPR of the project has been approved by CIL Board and proposal for funding with 70:30 debt equity participation is being actively considered. Long awaited 220 KV Power Transmission line from Budhipadar to Basundhara Area has become operational during the 2012-13 relieving the Area from power crisis. Now, Basundhara Area is getting un-interrupted power supply from Garjanbahal Sub-station.

Your Company ventured into Power Transmission Business in the State of Odisha for better utilisation of surplus fund along with development of infrastructure in the State of Odisha. Accordingly, a Joint Venture Company namely, Neelanchal Power Transmission Company Private Limited (NPTCPL) has been formed with Orissa Power Transmission Company Ltd.

Your Company is in the process of forming JVs/SPVs with Indian Railway and Govt. of Odisha with focus on development of infrastructure required for un-interrupted supply of coal by rail to meet the energy requirement of the nation. MOU has already been signed amongst MCL, (representing CIL/MOC), IDCO (representing Govt. of Odisha) and IRCON (representing Indian Railways).

Your Company has successfully installed 2MW Photovoltaic Solar Power Plant at Anand Vihar, Burla, Sambalpur in the first quarter of 2014-15 to mark its presence in renewable energy sector.

4. MANAGEMENT BY VALUE

We are prudent about continuous improvement in existing operational processes to enhance the quality of business operation.

Process innovations and new initiatives are its most critical success factors for any organisation. We at MCL have initiated many changes in business processes right from production to dispatch of coal. MCL pioneers in institution building and it stands apart among other Subsidiaries of CIL when it comes to deployment of surface miner or e-mode of tendering for procurement or other contracts. Your company is first in India to introduce auto refund of EMD for unsuccessful bidders/ suppliers on-line. Recognizing the fact that the delay in refund of Earnest Money Deposit (EMD), was adversely affecting the morale of the supplier/tenderer, a system driven refund mechanism has been launched in the month of October, 2013. By this mechanism the EMDs to the tune of ₹ 10.58 Crore (from 15th October, 2013 to 31st March, 2015) have been refunded to the Suppliers/bidders' on auto-mode once they were declared as unsuccessful/rejected bidders.



Secretary, MOC inaugurating the 2 MW Solar Power Plant, MCL, Burla in presence of CMD, Functions Directors & CVO, MCL.



CMD, MCL formally floating the first ever e-tender for setting up of Coal Washery in the presence of Directors and Officials of MCL.

For the first time in CIL, e-tendering is introduced by MCL to finalise tender for setting up of coal washery with a view to expedite the evaluation process of washery tenders and to minimize human intervention in identifying lowest bidder, thereby making the overall process more transparent.

Operator Independent Truck Despatch System (OITDS) has been installed in three open cast projects of MCL namely, Balaram, Lingaraj and Bharatpur and is running

successfully and MPLS/VSAT based secondary data communication network connecting all offices with MCL head quarter is being established. Rail and road (Static and in-motion) weighbridges have been connected through radio link. GPS based VTS (Vehicle Tracking System) units have been installed in 1800 trucks/tippers engaged in transportation of coal. The relevant information is being fed in the central server in real time. 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. Video surveillance cameras have been installed in 22 numbers of railways sidings. IP cameras have been installed at the in-motion and static road weighbridges for dedicated e-surveillance and control. An uniform ERP (Coalnet) across 2700 sq. km in MCL through OFC/Radio network link has been established. Fuel management systems has been introduced to avoid the diesel theft. Logging of online complaint has been made available on the Company's website.

Further, we are all set to implement advanced technologies to augment the operational excellence of your company.

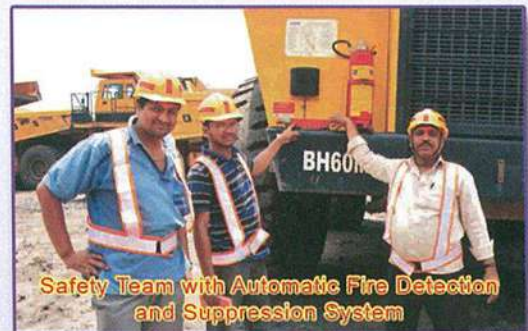
4.1 PRODUCT AND SERVICE QUALITY

It has been a constant endeavour for MCL to ensure quality across its entire value chain so that customer satisfaction is maintained at all cost. Conventional mining methodologies are being strategically replaced by new technologies. As per decision taken by Coal India Limited for installation of washeries on Build, Operate & Maintain (BOM) basis for economic washing of high ash coal, MCL has proposed to install 4 numbers of 10.0Mty washeries each on BOM basis viz, Hingula washery, Basundhara washery, Jagannath washery & IB Valley washery at Lakhanpur. This will enable us to supply quality coal to our esteemed consumers as per their requirement. Systemic change anticipated in handling and transportation of coal through CHPs and SILOs will ensure appropriate quantity of (-) 100mm coal at a faster rate of loading into rakes. Infrastructure for sampling and GCV determination of coal has been upgraded with procurement of 18 Auto Bomb Calorimeters. Independent Third party sampling at loading end through sampler selected by consumer has been introduced to minimise the complaint arising out of quality of coal despatched and to ensure maximum consumer satisfaction. Accordingly, ten number of power houses have deployed their Third party agency at loading end. Electronic rail weighbridges with print out facility are available at all sidings for weighment of 100% of coal despatch. By adopting stringent sampling procedure in case of seam, stock, siding & tipper samples, the Annual Coal Grade has been declared to the utmost satisfaction of the consumers.

In the year 2012-13, the company-wide Integrated Management System (IMS) of your Company was accredited with 9001:2008-Quality Management System, ISO 14001:2004-Environmental Management System and OHSAS 18001:2007-Occupational Health Management System which confirmed to all the applicable international standards. These systems are in operation and contributing towards excellence.

4.2 SAFETY

'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 to ensure that the 'Zero Accident' target is best achieved and becomes the motivating force for the employees to be more productive. During financial year 2014-15, one case of fatal accident has been reported. The sharp decrease



can be ascribed to sincere efforts on the part of the Company to achieve 'Zero Accident'. Our efforts in this direction inter-alia include making available proper safety equipment, training, R&D and strict monitoring of safety related compliances. Your Company strives hard to provide a safe work environment to all its employees and never compromises with safety standards in any mining operation.

Further, to overcome any un-anticipated happening during mining operation, your Company has fully equipped all its rescue stations and has deployed sufficient rescue trained workforce. Your Company firmly believes that safety and productivity cannot be separated and tries to strike a fine balance between production as well as safety at work place. Your Company has taken number of steps to provide safe environment to all the workmen for achieving the Company's objective towards Zero harm.

4.3 CORPORATE GOVERNANCE

The year under report was another excellent year as far Corporate Governance is concerned. Implementation of DPE Guidelines has been relatively more wide spread and deep rooted compared to the previous year. All the Board Sub-committees that are assigned with specific roles have been performing at their best and providing necessary support to the Board. There has been marked change in the Board effectiveness due to fast decision making, auditing and reporting systems being in place. Your Board is focused towards long-term sustainability of the Company and towards that end is committed to provide ethical and responsible leadership to the maximum possible extent.

Believing that 'Good Governance' is the hallmark of successful Companies, MCL endeavours to incorporate best practices relating to Corporate Governance into its system. Secretarial Audit has been introduced as per the requirement of Companies Act, 2013 to bring more transparency in the functioning of the Board.

4.4 SUSTAINABLE MINING

Your Company strives hard to hold its public image as a "Green Champion" in the region. Consequent upon issue of DPE guidelines of September, 2011 and subsequent revision on April, 2013 on "Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises", MCL has been publishing the Sustainability Report since 2011-12. The third Corporate Sustainability Report of MCL titled "Unearthing Smiles" is being published in line with GRI 3.1 guidelines and GRI's Mining and Metal Supplement (MMSS), with highest application level 'A'. The report covers data across 84 parameters (covering Social, Environment, Economics, Human rights, labour, Society etc) and few sector specific supplements and clearly demonstrates MCL's strategic commitment to its stakeholders and how it intends focussing on environmental issues and social responsibility on its path of economic progress. MCL can now ably benchmark itself against global giants on the triple bottom line (people, planet, profit).



4.5 R&R

Your Company acquires land for expansion of mining activities by providing rehabilitation and resettlement to the affected villagers. During the year 2014-15, MCL has taken physical possession of 314.035 hectares of land.

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 is amply reflected in its R&R Policy. MCL follows the R&R Policy of the state of Odisha and has provided 411 employments during 2014-15 and total number of 11856 employments since inception. MCL is acting on the advice of RPDAC towards redressal of grievances related to land oustees.

Your Company has gone beyond Odisha R&R Policy to ensure that affected families get its due and they are rehabilitated suitably.

A number of measures such as Annuity Scheme, one time Cash Compensation Scheme and other incentive schemes have been approved by MCL Board to help the affected families, if they are not in a position to take up employment for different reasons. Monetary Compensation payable to land losers, paid by MCL is much higher as compared to the Odisha R&R Policy. Cash incentive, infrastructure facilities, and annuity scheme @ ₹ 12,000/- per month in lieu of employment along with the increment of ₹ 1,000 per two year are the unique features of the R&R benefits offered by MCL.

Resettlement colonies have been set up with pucca roads, street lighting, health centres, post offices, daily markets, schools, community centres, worshipping 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 free of cost or at a nominal charge of ₹ 2.00 per patient.



4.6 TRAINING AND DEVELOPMENT

Training & Development is an integral part of our company's corporate policy to deal with the development of existing Human Resources as well as to look ahead with clear perspective with special reference to technological advances and growth of manpower to full fill the demand of production vis-à-vis technology.

An amount of ₹11.03 Crore has been spent for skill development training programmes. Total training days for executives, workers and supervisory staffs have been 7156, 32780 and 4135 respectively against the target of 2664, 21560, and 2160 respectively. Attrition rate has been much lower as compared to the target.

Your Company has entered into an arrangement with some technical Institutes in Odisha for training of the land oustees to develop the requisite technical skill for their gainful deployment in the organisation.

Your Company has taken up such a large initiative to cater to the growing and emerging developmental needs of the executive population, within the coal sector. MCL Institute of Natural Resources and Energy Management (MINREM) solely promoted and fully funded by your company with an estimated cost of ₹138 Crore is coming out as a world class Institute in the capital city of Bhubaneswar. The aim of the Institute is to instil the right values in the organization's emerging leaders; keep them open-minded and curious; build the necessary muscles to steer the Company through competitive storms. The Institute is expected to be operational during 2015-16.

4.7 CSR

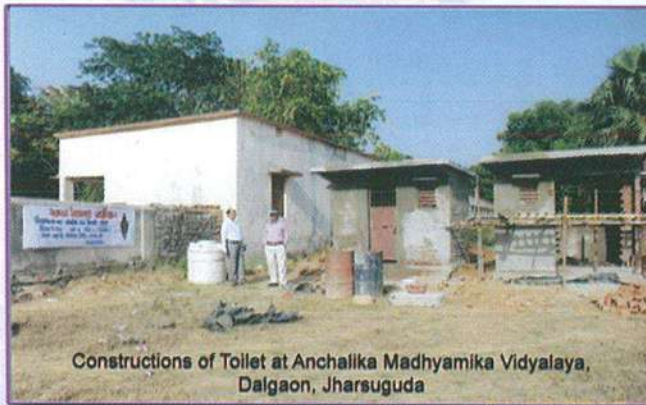
Development of community is enormously important for the development of the nation. Your company has always taken noteworthy initiatives to enhance the growth of society. MCL has hugely invested in CSR to uplift the progress of people and key focus was on fulfilling the basic requirements.

Since its inception, the Company has taken up various activities extending financial assistance for Water Supply Schemes, construction/repair of public utility roads, construction of community centre, check dams etc. through infrastructure development, social empowerment through Girls education, imparting training to weaker section and vocational training to un-employed youth/PAPS, render preventive health programme, village health programme, family welfare programme and medical facility to peripheral villages through mobile medical van on regular basis.

Your Company, as a Corporate Citizen, is fully aware of its corporate social responsibilities and reaffirms the corporate motto of 'Growing with Surroundings' which goes in sync with the national agenda of 'Inclusive Growth'. Your Company believes that trustworthy relationship with the host communities leads to mutual development with greater satisfaction. MCL's impeccable track record as a socially responsible Company is once again well proven with range of CSR activities going multi-fold along with increasing budgetary allocation every year. MCL has started the remarkable journey of CSR in the year 2010 -11 by taking up different Socio-Economic Development works through its well defined CSR Policy to cover maximum numbers of beneficiaries of the poorest section of society.



CMD, MCL in the presence of Vice-Chancellor, VSSUT & Directors of Officials of MCL, inaugurating Ladies Hostel, VSSUT, Burla constructed by MCL under CSR Scheme.



MCL has allocated ₹ 113.97 Crore for the year 2014-15 @ 2% of the Net Profit based on the average last three years towards CSR activities as per CIL and MCL's CSR policy.

An amount of ₹ 175 Crore has been earmarked under Swachh Vidyalay Abhiyan. In this regard, fund has been sought from CIL as an additional budget.

The major activities undertaken during the financial year are as under :

Sl. No.	CSR Project or activity identified	Place of Project	Budgeted Amt. (₹ in Lakh)	Amt. spent (₹ in Lakh)
1	Summer Water Supply Arrangement to the peripheral villages of Talcher Coalfields.	Angul	726.92	536.53
2	Borewell at Gopal Prasad, Naraharipur, Gobara (3nos.), Gurujang (3nos.), Hilo (2nos.), Rakas, Jarada, Madanmohanpur, Dayanidhipur, Rasulpur, Soubhagyanagar, near SDPO Office, Taalcher, Handidhua and Hand Pump at Boulapur, Orphan Home, Hingula.	Angul	112.13	90.81
3	Medical camps in Peripheral villages of Sundargarh, Angul, Sambalpur and Jharsuguda.	Sundargarh, Angul, Jharsuguda	101.87	101.87
4	Construction of Girls Hostel for mentally retired school at Brindamal, Jharsuguda. Repair and maintenance of building, tarfelting over roof and pipe line for Brajrajnagar College, Brajrajnagar. Construction of Boys Hostel at Banari Ashram School, Laxhanpur, etc.	Jharsuguda	253.36	253.36
5	Providing Toilets, Cycle Shed and Cultural Pandal at Satyabadi High School, Badajorda near of Nandira Colliery. Construction of Compound Wall for Chauliachuta U.P. School at Lingaraj Area, etc.	Angul	123.48	178.48
6	Construction of Ladies Hostel at VSSUT Burla. Sambalpur. Renovation of the School building of Govt. Hindi High School, Sambalpur.	Sambalpur	208.00	163.21
7	Sports Complex at Burla, Sambalpur.	Sambalpur	2500.00	79.86
8	Promotion of Hockey in Odisha in Patnership with IDCO as apart of CSR Initiative of MCL.	Bhubaneswar	600.00	600.00
9	Deposit of ₹5,54,86,062.00 only to CESU for the "Lighting arrangement along Sea Beach of Puri and Grand, Puri in view of forth coming Nabakalebar Festival, 2015 of Lord Sri Jagannath" under CSR.	Puri	554.86	554.86

Sl. No.	CSR Project or activity identified	Place of Project	Budgeted Amt. (₹ in Lakh)	Amt. spent (₹ in Lakh)
10	Renovation of pond and construction of bathing ghat at Village Sartangpal and Pipilikani of Piplikani GP. Excavation of new pond of Lechuapada village of Kushraloi G.P., under Lakhampur OCP. Deepening of pond at Limaliapada under Sarandamal G.P.	Jharsuguda	61.45	57.19
11	Widening and strengthening of Balinga-Taparia Road 2.24 KM to 24.20 KM.	Sundargarh	2691.33	1446.13
12	Construction of community center building at Village Nuadihi, Kuarkela, Luabahal of Garjanjore GP, Construction of community center building at Chitamunda Village of Kendudihi Grampanchayat, Construction of community center building at Kandadhupa Village.	Sundargarh	86.42	74.53
13	Resurfacing of damaged portion of the road along Barpali village by rigid concrete pavement under CSR scheme of BG Area.	Sundargarh	75.50	75.50
14	Construction of Ujjalpur bye pass Road in Sundargarh	Sundargarh	1858.22	278.73
15	Construction of 04 nos. bathing steps and 01 no bathing step renovation at Singhara Jora and Patnasahi pond of Gopal Prasad village, Construction of 02 nos. Bathing steps at pond in at Danara. Renovation of Kukudula Village pond under CSR. Reclamation of	Angul	63.29	56.06
16	Construction of Bathing steps at Puruna Bandha and Raja Bandha at village Jambubahali. Construction of Drain with culvert towards Rajbandha at Jambubahali village. Construction of compound wall and Development work at Belargada pitha, Dera. Bathing step at Binoda Sagar, Danara, etc.	Angul	70.39	47.91
17	Renovation of Soubbhagya Sagar Big Tank of Talcher Municipality.	Angul	322.48	162.81
18	Construction of cement concrete road from Madan Mohan Chhak towards Gopinath village in ward no; 3 and ward no; 16 of Talcher. Resurfacing of Bitumenous Road and construction of concrete road in damaged portions including drained and Hume Pipe Crossings at Danara village under Hingula area, etc.	Angul	1374.25	832.31

5. EXPECTATION

We hope that the way we build around our resources and capabilities will certainly bring us more success in the years to come and by continuously doing so we can meet the expectation of our numerous stakeholders including the expectation of the Nation.

6. ACKNOWLEDGEMENT

I express my eternal gratitude to, all the shareholders of the Company, Ministry of Coal, Govt. of India, Coal India Limited, various Central Government Authorities, State Government Authorities, People's Representatives, Local Bodies, all Employees and their Unions, our Valued Customers, Suppliers and Media for their timely support and co-operation.



(A. N. Sahay)

Chairman-cum-Managing Director

Sambalpur
Date: 12.06.2015

Promoting the National Game of India Through Odisha Sports Promotion and Development Company (a SPV of MCL with idco)



Champions Trophy unveiling ceremony with the Captains of eight National Teams at Bhubaneswar on 05.12.2014.

MCL has launched 'Kalinga Lancers', a field hockey team that is playing in the Hockey India League since 2014.

CIL/MCL was proud to be associated with FIH Hockey Champions Trophy 2014, as the Principal Sponsor. The championship was held in Bhubaneswar from 6-14 December 2014 between 8 World Class teams.

Being the Principal Sponsor of the Champions Trophy is a strong demonstration of CIL/MCL's tireless effort to support excellence in Hockey. All the 24 matches were telecast live by Ten Sports in 146 countries.



A Glimpse of Champions Trophy & Hockey India League held at Bhubaneswar





JAGRITI MAHILA MANDAL

An important cog in MCL's CSR Wheel

Jagriti Mahila Mandal, a philanthropic and voluntary organisation of the wives of MCL employees, is an important cog in the Corporate Social Responsibility wheel of the Company.

- The Jagriti Mahila Mandal :
- Runs Sewing Centre for the poor.
- Conducts computer training programmes for the weaker sections.
- Educates the peripheral village women on hygiene and sanitation.
- Provides essential commodities on regular basis to orphanages, old-age homes and leprosy colonies.
- Undertakes medical camps in peripheral villages.
- Provides study materials to needy Children.

Smt. Anju Sahay, President & Dr. Richa Srivastava, Vice-President, Jagriti Mahila Mandal during a ceremony to enroll teenage girls from under-privileged segments in Laadli Pariyojana.



DIRECTORS' REPORT

To
The Shareholders,
Mahanadi Coalfields Limited,
Dear Shareholders,

I have great pleasure in presenting on behalf of the Board of Directors, the 23rd Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2015 along with the report of the Statutory Auditors and the Comments of the Comptroller & Auditor General of India.

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

2. ORGANISATION

2.1 The coal reserve of Mahanadi Coalfields Limited is spread over two Coalfields viz., Talcher and IB Valley with Ten (10) operating Areas consisting of Six (6) Underground and Sixteen (16) Open Cast Projects. 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)

2.2 Besides, MCL has formed three Subsidiary Companies and one Joint Venture Company respectively in the recent past, namely;

- i) MNH Shakti Limited
- ii) MJSJ Coal Limited
- iii) Mahanadi Basin Power Limited (SPV)
- iv) Neelanchal Power Transmission Company Pvt. Limited. (JV)

3. PERFORMANCE HIGHLIGHTS

- ♦ Your Company has achieved highest ever 121.38 Million Tonnes (MTe.) of coal during the year against previous year's production of 110.440 MTe., registering a growth of 9.91%.
- ♦ Off-take of coal during the year 2014-15 was 123.003 MTe. against previous year's off-take of 114.34 MTe. with a growth of 7.58%.
- ♦ Your Company has achieved all time high Gross Sales Value of Rs.15693.71 (including STC) against the previous year's Gross Sales value of Rs.13165.61 Crore registering a growth of 14.58%.
- ♦ The Profit before Tax (PBT) for the year was Rs.5314.24 Crore against previous year's PBT of Rs.5429.08 Crore. The Profit after Tax (PAT) for the year under review was Rs.3554.10 Crore against last year's PAT of Rs. 3624.30 Crore.

- ♦ The Company has been consistent in payment of dividend since last nine years. Interim dividend of Rs. 3841.82 Crore has been paid on Equity Share Capital during the year as against Rs. 5983.16 crore (special dividend) paid during the previous year.

4. PRODUCTION PERFORMANCE

- (a) Production performance of MCL for the financial year 2014-15 as compared to the target and achievement of the previous year is given below:

(Figs. in M.Te.)

Production	2014-15 AAP		2013-14		% Ach. against Target	% Growth over L. Yr.
	Target	Actual	Target	Actual		
(i) Coal (M.Te)						
Opencast	125.45	120.10	118.00	109.01	95.7	10.18
UG	1.55	1.28	2.00	1.43	82.3	-10.97
Total	127.00	121.38	120.00	110.44	95.6	9.90
Coal(OC+UG)						
(ii) OBR (M.Cum)	113.00	89.22	109.75	96.028	79.0	-7.09

- (b) Production performance of MCL for last five years (incl. 2014-15) is appended below:

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

Financial year	Target	Achievement	Growth over last year		% age Achievement against Target
			Absolute	%age	
2010-11	116.75	100.28	-3.80	-3.65	85.9
2011-12	106.0	103.12	2.84	2.83	97.3
2012-13	112.0	107.895	4.78	4.63	96.3
2013-14	120.0	110.440	2.55	2.36	92.0
2014-15	127.00	121.38	10.94	9.90	95.6

(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	
2010-11	54.92	4.39	8.7	54.8
2011-12	59.13	4.21	7.7	57.3
2012-13	73.83	14.71	24.9	68.4
2013-14	86.46	12.63	17.1	78.3
2014-15	106.82	20.35	23.5	88.0

- (1) Coal production achieved is 95.6% of the target with growth of 9.9% over last year. However, it fell short of target by 4.4%, mainly, due to:

- i. Bhubaneswari OCP-Prod. restricted in March, 15 as it reached the optimum EC capacity .
- ii. Belpahar OCP- Prod. stopped from 16/01/15 to 04/02/15, as EC capacity exhausted.
- iii. Hingula Area: Scarcity of working space due to R&R problem.
- viii. Basundhara Area-Coal evacuation problem due to outside despatch restriction during day time by Dist. administration
- xi. Due to expiry of sand lease, no sand stowing in depillaring panels of Talcher Area since October, 2012. Less production from Orient Area due to old and distant working faces, scarcity of working space and shortage of skilled manpower.
- xii. 'Bandh' called by BJD party related to Aahar Scheme on 30/03/2015; Labour strike by Central trade unions on 6th and 7th January, 2015.

Further, loss in production due to force majeure are tabulated below:

Name of the project	MoU target 14-15	Actual 14-15	Diff	Loss due to Force majeure	Remarks
Bharatpur OCP	8.700	6.447	2.253	2.253	Delay in forest land hand over. FC stage-II obtained on 07.02.2014.
Jagannath OCP	6.000	2.650	3.350	3.350	Delay in forest land hand over. Coal production from Jagannath OCP for 2011-12, 2012-13 & 2013-14 is 6.00 MT. But for delay in handover of forest land, Jagannath OCP could only achieve 2.65 MT.
Kaniha OCP	10.000	6.986	3.010	3.010	Less lifting of coal by NTPC, Kaniha through its dedicated MGR.
Lingaraj OCP	13.000	11.388	1.610	1.610	
Balaram	6.000	3.700	2.300	2.300	Non- availability of land for work at Balaram OCP
Kulda	6.000	4.804	1.200	1.200	As on 1.4.2014 Coal stock of Kulda OCP = 4.74 MT. Kulda OCP could not produced more due to huge stock.
Total	49.7	35.975	13.723	13.723	

Total Coal Production of MCL during 2014-15 = 121.38 MT

Total loss in production due to force majeure 13.723 Mt. but effective loss was 6.62 Mt, (128-121.38) MT as other mines have produces more.

Hence, Coal production target with adjustment for force majeure will be 121.38 MT in excellent category for evaluation of MoU 14-15.

(iii) OB Removal of MCL (Figs. in MM³)

Financial year	Ext. Target	Achievement	Growth over last year Absolute	%age	%age Achievement against Target
2010-11	74.00	88.70	22.63	34.25	119.9
2011-12	100.00	85.67	-3.04	-3.42	85.7
2012-13	105.00	90.421	4.75	5.55	86.1
2013-14	109.75	96.03	5.61	6.20	87.5
2014-15	113.00	89.22	-6.81	-7.09	79.0

(2) OB removal achieved is 89.2% of the target with growth of (-) 7.09 % over last year. The main reasons being:

- i Space constraint due to delay in forestry clearance of Samaleswari OCP, Lajkura OCP and Jagannath OCP.
- ii Poor performane of BEML excavators.
- iii R&R problem in Hingula Area.
- iv Bandh' called by BJD party related to Aahar Scheme on 30.03.2015; Labour strike by Central trade unions on 6th and 7th January, 2015 .

The reasons for the loss of OB removal due to Force majeure during 2014-15 are stated below:

Name of the project	OB removal target as per MoU 2014-15	Actual OB removed during 2014-15	Difference between Target & actual 14-15	Actual Loss due to Force majeure	Remarks
Samleswari OCP	15.00	04.13	10.87	10.87	Delay in issue of Stage-II Forestry clearance.
Lajkura OCP	05.00	02.99	2.01	01.51	Delay in issue of Stage-II Forestry clearance.
Jagannath OCP	05.00	01.28	3.73	03.23	Delay in handing over of forest land.
Bhubaneswari OCP	16.50	12.64	3.86	03.74	Due to non-shifting of Talasahi, Naraharipur & Saharsahi villages.
Hingula OCP	03.50	02.00	1.51	01.51	Scarcity of land in the project
Balram OCP	09.00	05.68	3.32	03.14	R&R problems
Total	59.00	28.72	25.29	24.00	

5. PRODUCTIVITY

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

Fig.in Tonne/Manshift

	2014-15 Target AAP	2014-15 Actual	2013-14 Actual	% Achieve- ment against target	%Growth over previous year
Opencast	22.16	22.11	22.16	99.77	-0.23
Underground	0.78	0.77	0.84	98.72	-8.33
Overall	16.65	17.10	16.69	102.70	2.46

5.2 The OMS was 17.10 Tonne/Manshift during 2014-15.

The details of calculation of OMS is as under:

SL No	2014-15	2013-14	Growth over last year	
1	OC OMS	22.11	22.16	-0.23
2	UG OMS	00.77	00.84	-8.33
3	Adjusted M/S of OC (Lakhs)	54.326	49.188	10.45
4	Manshift of UG (Lakhs)	16.664	16.982	-1.87
A	Total Manshift for overall OMS	70.990	66.170	7.28
6	OC Coal (L.Tes)	1201.033	1090.07	10.18
7	UG Coal (L.Tes)	12.755	14.327	-10.97
B	Total Coal (L.Tes)	1213.788	1104.397	9.91
8	Overall OMS (B/A)	17.10	16.69	2.44
9	Formula OMS			
UG =	Coal Production/ Actual Manshift			
OC =	$\frac{\text{Coal Production} + (1.4 \times \text{OB Production})}{\text{Actual Manshift} \times \{1 + (1.4 \times \text{St. Ratio})\}}$			
Overall =	$\frac{\text{Coal Production of UG} + \text{Coal Production of OC}}{\text{Manshift of UG} + \text{Adjusted manshift of OC}}$			
Adjusted manshift (Mine wise for OC) =	$\frac{\text{Coal Production/ OMS}}{10}$			
Calculation of Overall OMS =	$\frac{14.327+1090.07}{16.982+49.188}$	$\frac{12.755+1201.033}{16.664+54.328}$		
	1104.397	1213.788		
	66.170	70.990		
	16.69	17.10		

6. POPULATION AND PERFORMANCE OF HEMM

6.1 The details of availability and utilization of HEMM vis-à-vis target set by CMPDIL and achievement together with the fleet strength are given below:

i. % Availability and Utilization achieved (figures in absolute)

Sl. No.	Equip-ment	Population as on		% Availability			% Utilization		
		31.03.15	31.03.14	April'14 to March'15	April'13 to March'14	CMPDIL NORM	April'14 to March'15	April'13 to March'14	CMPDIL NORM
1	DRAGLINE	4	4	85	83	85	47	41	73
2	SHOVEL	85	87	71	71	80	34	35	58
3	DUMPER	364	363	72	71	67	26	28	50
4	DOZER	131	116	64	64	70	27	27	45
5	DRILL	94	94	86	87	78	20	23	40
TOTAL		678	664						

ii. Working Hours Achieved:

- There is increase in availability in case of Dragline & Dumper while availability of Shovel & Dozer remains same w.r.t. last year.
- There is 3.8% increase in working hour of Shovels compared to previous year.
- The restriction of time during summer i.e from 1st April to 15th June, closure of operation in projects from 11.00 AM to 3.30 PM affects utilization of HEMM.
- Utilization of Dumper and Drill have decreased due to non-availability of land in OCPs, lack of skilled manpower in operation and maintenance, restriction of working hours during summer and heavy rain during monsoon periods.

IV. STEPS TAKEN TO IMPROVE THE AVAILABILITY & UTILIZATION

- Timely surveying off of HEMMs and replacement/procurement action against such surveyed off equipment.
- To improve the technical skill for operating and maintaining new model equipment by conducting regular training programmes by OEMs.
- Special attention is being given to operator's comfort. New HEMMs which are being procured are fitted with air-conditioned cabins.

- Daily production from HEMMs and their working hours are being closely monitored at Headquarters level.
 - Maintaining various float sub-assemblies like Engines, Transmissions and other assemblies at HQ and CWSs for replacement in exigency.
 - Maintenance of haul roads prior to monsoon period.
 - Land acquisition, Law and Order problems are being taken up at various forums by MCL Management.
 - Unskilled manpower like land-oustees are being trained in different Industrial Training Institutes(ITI).
- v. Breakdown Status of HEMM:**

Equipment	Population		Breakdown > 3 months	
	As on 31.03.15	As on 31.03.14	As on 31.03.15	As on 31.03.14
Dragline	4	4	0	0
Shovel	85	87	05	06
Dumper	364	363	48	64
Dozer	131	116	21	20
Drill	94	94	07	05
MCL Total	678	664	81	95

vi. Equipment rehabilitated at Central Workshops:

Area	Year	
	2014-15	2013-14
CWS (Talcher)	0	01
CWS (IB Valley)	02	09
MCL Total	02	10

7. CAPACITY UTILIZATION (OPEN CAST PROJECTS)

Sl. No.	Description	Capacity (based on 1 st April of the year)		Growth over Last Year
1	Departmental Capacity (M.Cum)	100.91	94.41	6.89 %
2	System Capacity (M.cum.)	285.48	235.18	21.39 %
3	Departmental Production (M.Cum)	63.550	55.013	15.52 %
4	Total Production (M.Cum)	161.573	161.47	0.06 %
5	Departmental Capacity Utilization	63%	58%	5 %
6	System Capacity Utilization	56.6 %	68.66%	-17.56 %

The System Capacity utilization for the year 2014-15 was 56.6%.

8. POWER

8.1 Talcher Coalfields : Power is received at Nandira 3 X 20 MVA, 132 / 33 kV, Grid Sub-station through an 11 KM long 132 kV Double Circuit over-head transmission line from GRIDCO's Angul Sub-station, under the command area of Central Electricity Supply Utility of Orissa with Contract Demand of 31.0 MVA.

8.2 IB Valley Coalfields: Power is received at Jorabaga 3 X 20 MVA, 132 / 33 kV, Grid Sub-station through a 19 KM long 132 kV Double Circuit over-head transmission line from GRIDCO's Budhipadar Sub-station, under the command area of Western Electricity Supply Company of Orissa (WESCO) with a Contract Demand of 22.25 MVA.

8.3 Basundhara Coalfields: Basundhara Area is receiving power from Budipadar Sub-station under the command area of Western Electricity Supply Company of Orissa (WESCO) at 220 kV with a Contract Demand of 5 MVA. One of the Transformer of the 3 X 20 MVA, 220 / 33 kV sub-station at Basundhara was commissioned on 22/11/2012. 220 kV Single Circuit Overhead Transmission Line connecting the Basundhara Sub-station from Budhipadar Sub-station (39 Km) of GRIDCO is erected and charged by M/s OPTCL (Orissa Power Transmission Corporation Ltd.) on deposit work basis.

8.4 Availability of Power

Items	2014-15	2013-14
Contract Demand (MVA)	59.650	59.650
Maximum Demand (MVA) (Highest in a month during FY)	59.684	58.44
Energy Consumed (Million kWh)	305.289	292.76
Specific Energy Consumed (kWh / Tonne)	2.52	2.65

9. POPULATION OF MAJOR UNDERGROUND EQUIPMENT OF MCL:-

9.1 The population of major underground equipment and their availability during the year as compared to previous year were as under:

Sl. No.	Name of the equipment	No. on Roll		2014-15		2013-14	
		2014-15	2013-14	% Availability	% Utilization	% Availability	% Utilization
1	Winder	6	6	83.33	82.29	83.33	65.12
2	Haulage (Main)	26	29	92.31	82.29	93.10	65.12
3	SDL*	19	19	79.05	27.31	74.67	25.35
4	LHD*	28	29	81.30	40.66	64.78	35.20
5	Main Pump	54	52	85.18	82.29	80.77	65.12
6	Vent. Fan	12	12	91.67	82.29	91.67	65.12
7	Belt Conveyor	71	71	90.14	82.29	88.73	65.12
8	Transformer (Power)	79	79	93.67	82.29	79.75	65.12
9	Locomotive	5	5	80	82.29	100	65.12
10	Coal Drill	102	102	71.57	82.29	71.57	65.12
11	Mine Car	60	60	75	82.29	83.33	65.12

For the Year 2014-15

Actual UG Prodⁿ – 12.75507 Lac Tonne
Target UG Prodⁿ – 15.50 Lac Tonne

For the Year 2013-14

Actual UG Prodn. – 14.32679 Lac Tonne
Target Prodn. – 22.000 Lac Tonne

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

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

For SDL and LHD, formulae 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 / year

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

12.11 MT of Crushed Coal was despatched through CHP during 2014-2015 against 15.903 Million Tonnes of Crushed Coal during 2013-2014.

	2014-2015		2013-2014	
	Crushing Capacity in MTY	Coal despatched through CHP(MT)	Crushing Capacity in MTY	Coal despatched through CHP(MT)
Coal Handling Plants/ Feeder Breakers	39	12.11	41.50	15.903
% Utilisation of Crushing Capacity of Plant	31.06 %	38.32 %		

After introduction of surface miners in most of the OCPs of MCL, as technology change, use of crusher/CHP got reduced to large extent and thus are used as standby and where ever meagre quantity of coal production is done conventionally, that quantity only is being crushed. Baring underground production, total ROM coal production in MCL is only 13.28667 MT. As capacity of crushing is quite high, no need of further adding any new Crusher or Feeder Breaker.

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

Major CHPs

Area	Location of CHP	Capacity(Mty)
Jagannath	Jagannath OCP	2.0
Bharatpur	Bharatpur OCP	3.5
	Total	5.50

9.2.2 Mini CHPs / Feeder Breakers

Area	Location of CHP	Capacity(Mty)
Jagannath	Jagannath OCP	4.0
	Ananta OCP	7.0
Hingula	Hingula	2.0
	Balram	4.0
Ib-Valley	Lajkura OCP	2.0
	Samaleswari OCP	3.0
Lakhanpur	Belpahar OCP	2.0
Lingaraj	Lingaraj OCP	6.5
Basundhara	Basundhara OCP	1.0
	Kulda OCP	2.0
	TOTAL	33.50

The construction activities of CHP with SILO loading arrangement at Bharatpur siding and Lingaraj OCP is in progress. The first circuit with SILO of Bharatpur SILO is expected to be completed by 30th June, 2015 and the complete project is expected to be commissioned by December, 2015 .

Since the progress of the construction of Anata SILO by the contractual agency was dismal, the contract was terminated and fresh tender is being floated for completion of balance works.

Action for tendering for the following SILO and allied arrangement has been initiated:

- Coal transport from Hingula OCP by pipe conveyor to proposed Hingula washery as well as SILO loading arrangement at Balram siding, Hingula Area.
- Transportation of raw coal from Bhubaneswari OCP to SILO near Spur siding-III bypassing Jagannath washery.
- SILO loading arrangement at Kulda OCP for coal dispatch from Basundhara Washery to SILO.

9.3 Details of Weighbridges

Sl No.	Type of Weighbridge	2014-2015	2013-2014
1.	Road Weighbridges (Electronic)(No.)	118	113
2.	RAIL Weighbridges (Electronic)(No.)	32	32
3.	% Weighment during the year (By RAIL)	98.89	99.02
4.	% Weighment during the year (Overall Weighment)	99.26	99.37

In order to ensure 100% weighment, 40 numbers of 100Te in-motion Road weighbridges were ordered. All the 40 ordered weighbridges were received and 35 weighbridges were commissioned till 31.03.2015 and the balance 5 weighbridges are under different stages of installation. These weighbridges are equipped with RFID system.

10. CAPITAL STRUCTURE

The Authorised Share Capital of the Company as on 31.3.2015 continued at ₹ 500.00 crore, divided into 2958200 Equity Shares of ₹ 1000/- each and 2041800 10% Cumulative Redeemable Preference Shares of ₹ 1000/- each.

The paid up Equity Share Capital of the Company as on 31.3.2014 stand unchanged at ₹ 186.40 crore. The entire Equity Share Capital are held by Coal India Limited (CIL) and its nominees.

11. FINANCIAL REVIEW

The Company has recorded the highest ever gross Sales Value of ₹ 15693.71 (including STC) against ₹ 13697.22 Crore (including STC) of the previous year. The Profit before Tax (PBT) has also gone down to ₹ 5314.24 crore from ₹ 5429.08 crore in the previous year. Profit after Tax (PAT) for the year is ₹ 3554.10 crore. The financial results of 2014-15 as compared to 2013-14 are summarised below :

	(₹ in Crore)	
	2014-15	2013-14
Gross Profit (Before Depreciation and Interest)	5612.79	5713.15
Less: Depreciation		
(Incl. Social Over head depreciation)	297.11	269.18
Interest and Financial Charges	1.44	14.89
Net Profit before Tax	5314.24	5429.08
Less : Provision for	1760.14	1804.78
Income Tax and deferred tax liability		
Net Profit after Tax	3554.10	3624.30
Op. Balance available in P&L	2213.18	6063.86
Less : Transfer to General Reserve	355.41	362.43
Transfer to CSR Reserve	-	53.95
Transfer to Sustainable Development Reserve	-	4.61
Interim Dividend on Equity Shares	3841.82	5983.16
Proposed Dividend on Equity Shares		-
Tax on Dividend	744.14	1016.84
Profit/Loss after above appropriation	825.91	2267.17

11.1 Transfer to Reserve

An amount of ₹ 355.41 crore, being 10% of Profit after Tax for the year, has been transferred to General Reserve.

The opening balances of CSR reserve and Sustainable Development Reserve as at 01.04.2014 amounting to ₹ 21.93 crore and ₹ 8.34 crore respectively have also been transferred to General Reserve during the year since they are no longer required due to changed circumstances.

11.2 Dividend

The Directors are pleased to recommend dividend of 2061.06% as interim dividend (previous year 3209.85.00%) of the paid up Equity Share Capital for the year amounting to ₹ 3841.82 crore (interim dividend) for your approval.

The total outflow on account of dividend would be ₹ 4585.96 crore comprising ₹ 3841.82 crore as dividend and ₹ 744.14 crore towards tax on dividend.

11.3 Unsecured Loans

The amount due to Coal India Limited (CIL) and M/s Liebherr France SA, France as on 31.03.2015 stands at ₹ 7.40 crore out of which loan ₹ 7.40 crore fully pertains to M/s Liebherr France SA for supply of four Hydraulic Shovels on deferred credit.

11.4 Performance of Financial Parameter of MoU 2014-15

Sales Turn over(Net sales)	: 11024.42
	Crore
Gross operating Margin Rate	: 0.4568
PAT/Networth	: 0.7938
EBITDA/Net Block	: 1.8146
Sales Turn over/Net Block	: 3.5707
Debtor Turnover ratio	: 9.0793
(No of days) (Average Collection period)	

12. INVESTMENT

12.1 As per tripartite agreements with State Electricity Boards (SEB), in the year 2003-04 the Company had received 8.5% Tax Free Power Bonds (unquoted long term investment) of nominal value of ₹ 344.32 Crore against old outstanding dues as on 30th September, 2001 from three SEBs (MSEB, TNEB and WBPDC). During the year, ₹ 22.70 Crore (Previous year ₹ 22.71 Crore) has been redeemed resulting in the balance of ₹ 22.70 Crore as on 31.3.2015

12.2 Non current Investments in Equity Shares of MNH Shakti Limited, MJSJ Coal Limited and Mahanadi Basin Power Limited, subsidiaries of MCL, are ₹ 59.57 Crore, ₹ 57.06 Crore and ₹ 0.05 Crore respectively.

12.3 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 – convertible IRFC tax free bonds, 7.22% secured redeemable REC tax free bonds stood on 31.03.2015, 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 ₹ 836.50 crore against previous year's expenditure of ₹ 876.84 Crore.

14. SALES REALISATION

Gross sales of MCL during 2014-15 was ₹ 15693.71 crore (including STC) against ₹ 13697.22 crore (including STC) in 2013-14.

Total realization during 2013-14 was ₹ 15538.14 Crore which works out to be 99.01% 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:

	2014-15	2013-14
Royalty	1395.72	1330.30
Sales Tax/Odisha VAT/	549.85	499.22
Stowing Excise Duty	123.00	114.98
Entry Tax	58.25	62.19
Clean Energy Cess	1179.14	578.15
Central Excise Duty	719.27	548.00
TOTAL	4025.23	3132.84

16. PROJECT FORMULATION/CAPITAL PROJECTS**16.1 Planning**

MCL had planned to achieve 127.00 million tonne of coal during the financial year 2014-15. The capital outlay estimated for the year 2014-15 was ₹ 700.00 crore, major share of which was to be utilized for land acquisition, development of infrastructures and procurement of Heavy Earth Moving Machineries (HEMM).

16.2 Research and development

R&D initiatives namely "Award of work for Benchmarking of energy efficiency in diesel and electricity in an opencast mine through Bureau of Energy Efficiency etc": The study was carried out by CMPDIL, Ranchi. Award of work for carrying out Annual Benchmarking of diesel consumption in 12 OCPs on dated 18.06.2014 & Award of work for Benchmarking of energy efficiency in

electricity in Bharatpur OCP (Opencast mine) on dated 01.02.2015.

16.3 Innovative practices

The following four innovative practices were undertaken in 2014-15:

- (i) Geo-fencing of Kaniha: Geo-fencing of Kaniha Mines completed for vehicles having GPS on 16.12.2014.
- (ii) Auto refund of EMD in e-procurement system of MCL: implemented successfully w.e.f 07.04.2014.
- (iii) Digital repository for licences (Explosive, Mine opening, Mine Closure Plan): completed for 23 mines during the year 2014-15.
- (iv) On line project monitoring at Area level: completed for 10 Areas during the year 2014-15

16.4 Project Formulation

During the financial year 2014-15 three project reports were prepared by CMPDIL

- i) Gopalji- Kaniha Expansion OCP 30 Mty
- ii) Garjanbahal Opencast Project 10 Mty
- iii) Integrated Lakhanpur-Belpahar-Lilari OCP 30 Mty.

16.5 Project Implementation

In 2014-15, MCL Board has approved 5 project reports. They are as follows:

- i). Basundhara (W) Extension approved in 157th Board meeting held on 07.05.2014.
- ii) Jagannath reorgansiation approved in 158th Board meeting held on 26.05.2014.
- iii) Kulda Expansion approved in 159th Board meeting held on 25.06.2014

iv) Garjanbahal OC approved in 161st Board meeting held on 16.09.2014.

v) Integrated Lakhanpur-Belpahar-Lilari OCP 30 Mty. in 164th Board meeting held on 03.02.2015.

Total land notified under different section during 2014-15 is as follows:

- (i) Notification under u/s Sec 4(1) of CBA: Notification u/s Sec 4(1) of CBA for Gopalji OCP published on 3037(E) dated 28.11.2014
- (ii) Notification under u/s Sec 7(1) of CBA: NIL
- (iii) Notification under u/s Sec 9(1) of CBA: NIL
- (iv) Notification under Sec. 11 of CBA : Kalinga East Block, Area-1479.553 Ac. SO No-1821(E) dated 10.07.14.

During 2014-15 total land taken under possession is 314.035 Ha .

The total capital expenditure of MCL during 2014-15 is Rs.836.50 Crs. against the target of Rs. 700.00 Crs resulting in an achievement of 119.5 %.

The following major Project Activities / Milestones (MOSPI) projects were undertaken and their performance during 2014-15 are as follows:

- Kulda: possession of 20 Ha. of forest land was not completed during 2014-15.
- Hingula OCP: Stage -I Forestry Clearance for 440.53 Ha.: Stage -I Forestry clearance obtained vide F. No-8-69/2014-FC dated 06/01/2015 .
- Bhubaneswari: Coal production of 20 Mty: Coal produced during 2014-15 is 25.00 MT.

- Kaniha: Despatch of 4 Mty through MGR.: Coal dispatched by MGR during 2014-15 is 6.1936 Mt.
- Gopalprasad OCP: EC for 15 Mty : EAC recommended subject to stage-I forestry clearance. Directive from MoC regarding block reallocation to MCL awaited.
- Samaleswari OC: Compliance of Stage-I forestry clearance: Compliance of Stage - I clearance submitted to AIG (Forest), New Delhi on dtd-20.09.2014 for final clearance.
- Lingaraj OC: Award of work for construction of SILO for Lingaraj OCP: Work awarded vide LOA no. MCL/SAMB/E&M/Lingaraj SILO /2014-15/LOA -76 dated 12.06.14.
- Bharatpur OC: Commissioning of SILO : Not achieved .
- Balaram OC: Notification u/s Sec 7(1) for 841.26 Acre for Balaram Expansion: Not achieved.
- Design & Engineering, supply, Erection, installation, testing & Commissioning of one no. 33KV power transformer bay, one no. 33 kV lighting transformer bay and one no.33 kV potential transformer bay for augmentation of 33kV/11 kV Kalinagar sub-station in Orient sub-Area, MCL : Not achieved

16.6 Capital projects

There are 53 sanctioned mining projects in MCL and 05 existing underground mines. The sanctioned capacity of these projects is 261.32 Mty, (peak capacity of 303.57 Mty) with a sanctioned capital outlay of ₹ 12514.267 Crores, out of which 34 have been completed with a capacity of 99.989 Mty and sanctioned capital outlay of ₹ 2823.78 Crores. Out of the 34 completed projects, 2 have been exhausted (Balanda OCP and

Basundhara-East OCP). There are 19 ongoing projects with a capital outlay of ₹ 9690.49 Crores with sanctioned capacity of 161.331 Mty. Other details are as under:

Production (i) Coal (M.Te)	2014-15		2013-14		% Ach. against Target	% Growth over L. Yr.
	AAP Target	Actual	Target	Actual		
Opencast	125.45	120.10	118.00	109.01	95.7	10.18
UG	1.55	1.28	2.00	1.43	82.3	-10.97
Total Coal(OC+UG)	127.00	121.38	120.00	110.44	95.6	9.90
(ii) OBR (M.Cum)	113.00	89.22	109.75	96.028	79.0	-7.09

16.7 Completed Projects: - 34 Numbers

Sl. No.	Name of the Project	Cap (MTY)	Sanctioned Capital (Rs. Cr.)	Completion Date
TALCHER COALFIELDS				
1.	Ananta O/C	4.00	156.49	Mar 1995
2.	Ananta O/C Expn. Ph-I	1.50	46.99	Mar 1997
3.	Ananta O/C Expn. Ph-II	6.50	35.88	Mar 2007
4.	Balanda O/C (Exhausted)	1.00	36.87	Mar 1984
5.	Balaram O/C (Kalinga OCP)	8.00	345.96	Mar 2000
6.	Bharatpur O/C	3.50	158.97 (RCE)	Mar 1991
7.	Bharatpur O/C Expn Ph-I	1.50	48.02	Mar 1998
8.	Chhendipada O/C	0.35	19.75	Mar 2007
9.	Hingula-II O/C	2.00	48.57	Mar 2002
10.	Hingula -II O/C Expn. Ph-I	2.00	89.78	Mar 2009
11.	Hingula -II O/C Expn. Ph-II	4.00	35.67	Mar 2009
12.	Jagannath O/C/Jagannath Extn.	4.00	66.71/4.71	Mar 1991
13.	Jagannath O/C Expn. Ph-II	2.00	4.95	Mar 2008
14.	Lingaraj O/C	5.00	229.84	Mar 1998
15.	Lingaraj O/C Expn Ph-I	5.00	98.89	Mar 2007
16.	Lingaraj O/C Expn. Ph-II	3.00	2.18	Mar 2008
17.	Lingaraj OC Expn.Ph-III	3.00	125.047(RCE)	Mar 2014
18.	Nandira U/G (Augmentation)	0.33	17.95	Mar 1995
Sub Total (Excluding exhausted mines)		55.68	1536.357	
IB VALLEY COALFIELDS				
19.	Belpahar O/C	2.00	131.31 (RCE)	Mar 1994
20.	Belpahar O/C Expn. Ph-I	1.50	35.47	Mar 2007
21.	Lajkura O/C	1.00	38.98 (RCE)	Mar 1991
22.	Lakhanpur O/C	5.00	221.51	Mar 2000
23.	Lajkura OCP Expn. Ph-I	1.50	60.77 (RCE)	Mar 2013
24.	Lakhanpur O/C Expn.Ph-I	5.00	98.74	Mar 2010
25.	Lakhanpur OCP Expn. Ph-II	5.00	116.54	Mar 2011
26.	Litari O/C	0.80	19.78	Mar 1992
27.	Samaleswari O/C	3.00	126.85	Mar 1996
28.	Samaleswari O/C Expn. Ph-I	1.00	28.69	Mar 2007
29.	Samaleswari O/C Expn. Ph-II	1.00	13.38	Mar 2007
30.	Samleswari O/C Expn. Ph-III	2.00	87.95	Mar 2009
31.	Samleswari O/C Expn. Ph-IV.	5.00	27.82	Mar 2013
32.	Basundhara (E) O/C (Exhausted)	0.60	19.69	Mar 1998
33.	Basundhara (West) O/C	2.40	176.55	Mar 2007
34.	Basundhara (West) Expn. Ph-I	4.60	46.52	Mar 2011
Sub Total		40.80	1230.86	
<i>(Excluding capacity of exhausted mines)</i>				
TOTAL		96.48	2767.22	
<i>(Excluding capacity of exhausted mines)</i>				

16.8 On-going Projects:-19 Numbers

Sl. No.	Name of the Project	Cap in Mty.	Capital in Rs. Crores	PR approval date
TALCHER COALFIELD				
1	Ananta OCP Expn. Ph-III	3.00	207.28	31.08.2008
2	Bharatpur OCP Expn., Ph-II	6.00	95.87	29.03.2003
3	Bharatpur OCP Expn. Ph.-III	9.00	131.39	12.02.2007
4	Balram OCP Extension.	8.00 *	172.08	22.12.2007
5	Bhubaneswari OCP	20.00	490.10	22.12.2007
6	Gopalprasad OCP	15.00	395.87	09.02.2008
7	Hingula-II OCPEXPN. Ph-III	7.00	479.53	08.11.2008
8	Jagannath Re-organisation	6.00 *	337.66	26.05.2014
9	Jagannath U/G	0.67	80.75	15.10.2001
10	Kaniha OCP	10.00	457.77	22.12.2007
11	Natraj U/G	0.64	92.11	30.01.2001
12	Talcher (W) U/G	0.52	85.08	18.02.2002
	Sub total	71.83	3025.49	
IB VALLEY COALFIELD				
13	Basundhara (W) Extn	7.00 *	479.15	07.05.2014
14	Belpahar O/C Expn. Ph-II	4.50	14.40	04.02.2011
15	Kulda OCP	10.00	302.96	12.01.2005
16	Kulda Expn OCP	5.00	289.03	25.06.2014
17	Talabira OCP	20.00	447.72	29.03.2008
18	Siarmal OCP	40.00	3756.36	29.05.2014
19	Garjanbahal OCP	10.00	1375.38	08.11.2014
	Sub total	89.50	6665.00	
	TOTAL (Ongoing projects)	161.33	9690.49	
	GRAND TOTAL	257.81	12514.27	
	<i>(Excluding capacity of exhausted mines)</i>			

* These are the extensions of original projects annexing additional areas. Hence, there will be no additional capacity addition.

16.9 Existing Old Underground Mines: - 05 Nos.

Sl.No	Name of the Project	Cap In Mty as assessed by CMPDIL (MT/YR)		
		2012-13.	2013-14.	2014-15
1	Himgir Rampur Colliery	0.245	0.245	Closed
2	Hirakhand Bundia Mine	0.612	0.551	0.551
3	Orient Mine 1& 2	0.490	0.490	0.428
4	Orient Mine 3	0.612	0.643	0.551
5	Orient Mine 4	0.061	0.061	0.061
6	Talcher U/G	0.323	0.329	0.318
	Total	2.343	2.319	1.909
	Grand Total for MCL			259.72
	<i>(Excluding capacity of exhausted mines)</i>			

16.10 Future projects: - 03 Nos.

Sl.No.	Name of Projects	Cap(Mty.)	Remark
1.	Integrated Lakhanpur-Belpahar -Lilari OCP	30.00	PR approved by MCL Board on 03.02.2015. To be approved by CIL Board.
2.	Gopalji OCP (Expansion of Kaniha OCP)	30.00	PR under formulation
3.	Balaram Expn OCP	15.00	'In principal' approval of PR by MCL Board on 31.03.2012

16.11 NON-MINING PROJECTS

NON-MINING PROJECTS

Major Ongoing non-mining projects of MCL costing > ₹ 20 Crs :

Sl.No.	Name of the Project	Cap-(' Cr.)
1	Construction of 4-Lane 41.5 km long road at Talcher coal field.	251.35
2	Construction of diversion road from check post of Lingaraj OCP to NH-200.	136.00
3	Construction of ROB at the level crossing near Ghantpara Village at Talcher	37.50
4	Construction of all CT roads in B-G area having life more than 5 yrs with concrete.	22.96
5	Construction of all CT roads in Ib CF having life more than 5 yrs with concrete.	94.22
6	Construction of all CT roads in Talcher CF having life more than 5 yrs with concrete except Kaniha	165.92
7	Construction of concrete CT Road in Kaniha OCP	26.92
8	Construction of Bye Pass Rd from Lajkura Welcome Gate to Mine 3 Junction of 3.7 Km	35.56
9	Construction of concrete CT Road connecting Bundia Mine to NH 200 of 12.54 km	135.29
10	Widening of road from 2 lane to 4 lane from Bankibahal to Kanika Rly Sdg. 27km	266.50
11	SILO loading arrangement at Ananta Spur Siding V & VI for 15Mty.	198.66
12	SILO loading arrangement at Lingaraj OCP for 16 Mty.	237.56
13	SILO loading arrangement at Kulda OCP for Basundhara washery (10Mty)	35.96
14	Jharsuguda Barpali Rail Line.	469.68
15	Railway Siding work from Angul Station to Kalinga CPP	99.00
16	Auto signalling system between Talcher and Paradeep port	63.23
17	Basundhara Washery (10.00 Mty) on B-O-M basis	165.79
18	Jagannath washery (10.00 Mty) on B-O-M basis	160.70
19	IB Valley washery(10.00 Mty) on B-O-M basis	181.00
20	Hingula washery(10.00 Mty) on B-O-M basis	181.00
	Total	2964.80
	Future projects	
1	Construction of 4 lane dedicated coal corridor from 666.00 (Revised) Bankibahal to Bhedabahal (on SH-10) in Sundargarh District.	

16.12 The following Project Reports have been prepared during 2014-15 :

Sl.No	Name of the Project	Capacity (Mty.)	Capital (Rs.Crs.)	Remarks
1.	Gopalji-Kaniha Expansion OCP	30 Mty.	Departmental:2893.31 (within target year) Outsourcing :1460.27 (within target year)	Project Report yet to be approved by MCL Board.
2.	Garjanbahal Opencast Project	10 Mty	Departmental:1045.35 (Additional capital require within target year) Outsourcing : 511.27 (Additional capital require within target year)	Project Report yet to be approved by MCL Board.
3.	Integrated Lakhanpur-Belpahar-Lilari OCP	30 Mty	Departmental:3553.76 (Additional capital require upto target year) Outsourcing :1333.94 (Additional capital require upto target year)	Project Report yet to be approved by MCL Board.

16.13 Foreign Collaboration: Nil

16.14 Modernisation and Technology Absorption

- Higher capacity HEMMs like 10 cum & 20 cum shovels, 100T & 170T dumpers, 770 HP dozers etc have been envisaged in the latest sanctioned Project Reports.
- Continuous Miner is slated to be introduced in different UG projects of MCL. Tendering for its introduction in HBI mine is under process.
- MCL is the trend-setter in introducing Blast-free technology of winning coal in opencast mine by Surface Miner. Now, it is envisaged to introduce Ripper Dozer to remove OB also.
- MCL has undertaken Geo-technical studies for Caving Characteristics of Talcher Underground Mine & Environmental impact and impact on ground water of fly ash filling in Balanda opencast excavation.
- SILO with Rapid Loading System is going to be introduced in all the major opencast projects of MCL.

- Man-riding system has already been introduced in four underground mines at IB Valley coalfield and going to be introduced in other mines at Talcher coalfields also.
- MCL has planned to construct four numbers of Washeries of 10.00 Mty capacity each, two in Talcher Coalfields, one in Ib Valley Coalfields and one in Basundhara sector of Ib Valley Coalfields. Constructions of these washeries are to be implemented on B-O-M (Built-Operate-Maintain) basis. Techno-Economic-Feasibility Reports for all these Washeries have been approved by MCL Board. Two work orders has already been given in respect of Basundhara and Hingula Washery of 10 Mty capacity each, which is being delayed due to environment clearance.

16.15 Projects pending approval of Government: Nil

16.16 Land Acquisition & Possession during 2014-15:

(Figures are in Hectares)

Area	Tenancy		Govt. non-Forest		Forest Land		Total Acquisition	Total Possession	REMARKS
	Acq.	Poss.	Acq.	Poss.	Acq.	Poss.			
Jagannath	0.000	21.900	0.000	0.000	0.000	8.500	0.000	30.400	
Hingula	0.000	12.492	0.000	0.000	0.000	0.000	0.000	12.492	Balaran OCP Expn Block - 841.20 Ac or 340.429 Ha. 4(i) Ga Notification vide SO no. 239(E) dt.14.01.2015. 7(i) sent to MoC on 27.02.2015
Bharatpur	0.000	0.000	0.000	0.000	0.000	180.790	0.000	180.790	Balarani East OCP Block - 945.29 Ha. 7(i) Ga Notification vide SO no.3057 (E) dt. 31.07.2014. 9(i) is under process at Area
Lingaraj	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Kaniha	0.000	2.000	0.000	0.000	0.000	0.000	0.000	2.000	Gopalji OCP Block - 1141.437 Ha. 4(i) Ga Notification vide SO no. 3037(E) dt. 28.11.2014. 7(i) is under process.
Ib- Valley	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	Lakura OCP Expn Block - 469.78 Ha. 4(i) Notification proposal sent to MoC on 18.03.2015
Lakhanpur	0.000	35.103	0.000	20.990	0.000	5.000	0.000	61.093	
B-G Area	47.506	27.260	0.000	0.000	0.000	0.000	47.506	27.260	Direct purchase land- 25.070 Ha land in village Chhalanpali and 22.436 Ha in vill - Badkhalia.
Jagannath	0.000	21.900	0.000	0.000	0.000	8.500	0.000	30.400	Balaran OCP Expn Block - 841.20 Ac or 340.429 Ha. 4(i) Ga Notification vide SO no. 239(E) dt.14.01.2015. 7(i) sent to MoC on 27.02.2015
Total	47.506	98.755	0.000	20.990	0.000	194.290	47.506	314.035	

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

In line to the decision of CIL for installation of coal washeries on Build, Operate & Maintain (BOM) basis for economic washing of high ash coal, MCL is intending to establish four number of coal washeries viz., Hingula Washery, Basundhara Washery at Kulda OCP, IB-Valley Washery at Lakhanpur & Jagannath Washery of 10 Mty capacity each on BOM concept in Phase-I. The Phase-I washeries are planned to come in operation in between 2017 & 2018.

In Phase-II, MCL is planning to bring two washeries viz., Lakhanpur Washery, 20 Mty capacity on Turnkey basis & Siarmal Washery, 40 Mty capacity. The Phase-II washeries are likely to be operational after 2018. The details are given here after:

(A) Hingula Washery, 10 Mty capacity:

1. Letter of Intimation to "Lowest Bidder" was given in December'2013.
2. ToR was issued by MoEF in January'2014.
3. Public Hearing (PH) is scheduled on 28th April'2015, communicated by State Govt. on 13.03.2015.
4. As per the Bid, Letter of Award can be issued to the Lowest Bidder only after getting Environmental Clearance.

(B) Basundhara Washery, 10 Mty capacity at Kulda OCP:

1. Letter of Intimation to "Lowest Bidder" was given in May'2014.
2. ToR was issued by MoEF in September'2014.
3. Submission of EIA/EMP report by MCL to State Pollution Control Board for Public Hearing is scheduled in May'2016.

4. As per the Bid, Letter of Award can be issued to the Lowest Bidder only after getting Environmental Clearance.

(C) IB-Valley Washery, 10 Mty capacity at Lakhanpur:

1. The Revised Conceptual Report (CR) is approved by MCL Board in November'14.
2. Approval & Floating of e-NIT is scheduled in April'2015.

(D) Jagannath Washery, 10 Mty capacity:

1. The Revised Conceptual Report (CR) is approved by MCL Board in November'14.
2. Approval & Floating of e-NIT is scheduled in April'2015.

17. Geological Exploration:

Particulars	2014-2015		2013-2014
	Target	Actual	Actual
1. Total Drilling in CIL Blocks (in metre)	28,000.00	11374.00	22205.00
2. Coal Reserves proved due to above drilling (in million tonne)	Nil	Nil	Nil

Note: Drilling is continuing in the blocks where 22,205 m of drilling has been carried out during 2014-15. However, 04 numbers of Geological Reports have been submitted by CMPDI to MCL command Area during 2014-15 and details on coal reserve estimated are given below:-

Sl No	Block	Coalfield	Reserve Estimated in Million Tonnes			
			Proved	Indicated	Inferred	Total
1	Prajapara	Ib Valley	972.973			972.973
2	Prajapara Dip Extn.	Ib Valley	703.861	703.425	192.956	1600.242
3	Dip Side of Samaleswari	Ib Valley	617.742	341.880	108.520	1068.142
4	Subhadra West	Talcher	527.809			527.809
TOTAL			2822.385	1045.305	301.475	4169.166

18. ENVIRONMENTAL MANAGEMENT

- 18.1** Consequent upon issue of DPE guidelines of September, 2011 and subsequent revision on April, 2013 on "Corporate Social Responsibility and Sustainability for

Central Public Sector Enterprises”, MCL has been publishing the Sustainability Report since 2011-12. The third Corporate Sustainability Report of MCL titled “Unearthing Smiles” is being published in line with GRI 3.1 guidelines and GRI’s Mining and Metal Supplement (MMSS), with highest application level ‘A’. The report covers data across 84 parameters (covering Social, Environment, Economics, Human rights, labour, Society etc aspects) and few sector specific supplements and clearly demonstrates MCL’s strategic commitment to its stakeholders and how it intends focussing on environmental issues and social responsibility on its path of economic progress. MCL can now ably benchmark itself against global giants on the triple bottom line (people, planet, profit). Henceforth, MCL will continue to publish such reports every year in line with international guidelines.

18.2 Statutory Compliance - Environmental Clearance & TOR from MoEFCC:

As per EIA Notification 2006 (Notified under the Environment Protection Act, 1986) Prior Environment Clearance (EC) from Central Government (Ministry of Environment, Forest & Climate Change or in short MoEF) is necessary for operating any mine or for expansion/extension of any mine. Accordingly, MCL is regularly applying and obtaining EC for all the mines (New & Expn.). The status of EC obtained in FY 2014-15 is given in the following table.

Sl. No.	Particulars	Talcher Coalfield	IB Valley Coalfield	Total
1	EC available as on 31.03.2014	108.78	66.81	175.59
2	EC Granted in 2014-15 (addl. capacity)	8.00	12.25	20.25
3	Total EC available as on 01.04.2015	116.78	79.06	195.84
4	EC recommended by EAC* (addl. capacity)	18.00	23.00	41.00
	Total			236.84

Note : * - includes JV projects – Gopalprasad OCP of M.J.S.J. Coal Ltd. & Talabira –II&III OCP of M.N.H.Shakti Ltd..

- During the year 2014-15 Environment Clearance (EC) was obtained for 07 proposals from Ministry of Environment & Forest (MoEF) against 01 no. of EC in 2013-14,

Sl.	Name of the Project	Letter no. and date of the EC letter
1	Lakhanpur OCP Expn.- 18.75 Mty	J-11015/391/2012-IA.II(M) Dt.21/05/2014
2	Ananta OC Expn.-Phase-III (12 MTPA to 20 MTPA)	J-11015/397/2008-IA.II(M) Dt: 10/12/2014
3	Samleswari OC Expn. (5 MTPA to 11 MTPA)-Phase-II EC	J-11015/183/2008-IA.II(M) Dt.26/12/2014
4	Belpahar OC Expn. (6 MTPA to 9 MTPA)	J-11015/189/2008-IA.II(M) Dt. 22/01/2015
5	Lajkura OC Expn. (1 MTPA to 3 MTPA)-Phase-II EC	J-11015/423/2008-IA.II(M) Dt. 30/01/2015
6	Lajkura OC Expn. (3 MTPA to 4.5 MTPA)	J-11015/423/2008-IA.II(M) Dt. 30/01/2015
7	Samleswari OC Expn. (11 MTPA to 15MTPA)	J-11015/183/2008-IA.II(M) Dt.06/02/2015

- In the FY 2014-15, 04 Application for Terms of Reference (ToR) and its extension was considered by EAC, MoEF and ToR was granted as per following details:

Sl.	Name of the Project	Date of grant of TOR
1	Lingaraj OC Expn.- 20 MTPA	Validity of TOR Extended up to 21/03/2015
2	Siarmal OCP-50 MTPA	20/02/2015
3	Basundhara Washery-10 MTPA	30/09/2014
4	Kakudi Sand Mines-0.25 MCUM	16/03/2015-EAC presentation

- PH was held for Lingaraj OC Expn. (20 MTPA) on 09.09.2014, Final EIA/EMP prepared and on line application submitted for EC on 10.02.2015.

18.2.1 Statutory Compliance - Post-EC Clearance

- “Consent to Operate” under Water & Air Acts has been obtained from Orissa State

- Pollution Control Board (OSPCB) for all the operating mines of MCL and one Rly Siding.
- Work was awarded to CMPDI for Hydrogeological Impact Assessment Study in Talcher Coalfields and Ib Valley Coalfields and as per request of CMPDI Tenders were invited for Bore hole drilling and construction of Peizometers at 23 locations in Talcher Coalfields and 17 locations in Ib Valley Coalfields. Tenders were finalized by Evt. Dept. MCL HQs., and work awarded to M/s PRB Infraprojects Pvt. Ltd., Nagpur for Talcher Coalfields at a contract Value of ₹1.47 Crores and to M/s Tirupati Enterprises, Jharsuguda at a contract value of ₹ 94.63 Lakhs and the work orders were issued on 27.03.2015.
 - "Authorisation" under Hazardous Wastes Rules has also been obtained from the SPCB by the operating opencast mines having excavation workshops (which generate used batteries, spent oil & grease) and oil & grease traps to recover oil & grease from waste water flowing out of washing ramps (which generate oily sludge). The used batteries and recovered oil & grease are auctioned to authorised re-processors through MSTC Ltd. after sufficient accumulation. Half-yearly return for batteries and annual return for other Hazardous Wastes were submitted to the SPCB as per the Statutes.
 - Environmental Audit was conducted by a team of 3 inter-disciplinary officers of MCL with regard to each of the 22 operating mines during the year.
 - As per the instruction of Member Secretary, Orissa State Pollution Control
- for compliance of the orders of Hon'ble High Court of Odisha in the matter of WP(C) 6976, work order was issued for Surface Runoff Study of all the 15 opencast mines of MCL including preparation of Management Plan and ascertaining the possibility of zero discharge. Interim Report on qualitative aspects were submitted to OSPCB within the stipulated date of 31st March, 2015.
- Annual Environmental Statements in Form-V under Rule-14 of Environment Protection Rules were submitted to SPCB on 27th September, 2014 within the stipulated date of 30 September for all the 22 operating mines.
 - Half-yearly Reports on compliance of the Environment Clearance conditions with regard to all the operating mines having EC under EIA Notification were submitted to MoEF in the year 2014-15 and the officials from the Regional Office of the MoEF, Bhubaneswar visited the mines from time to time for monitoring of compliances.

18.3 Measures Taken to Protect and Improve Environment.

18.3.1 Air Pollution Control Measures

In keeping with the company's concern for Environment, it has kept up the long standing practices to check air pollution with adequate measures, some of which are highlighted here.

- Continuous enhancement in coal production through the environment friendly Surface Miner Technology (from 4.2% in 1999-2000 to 88.42% in 2014-15). During 2014-15 MCL produced 106.82 million tonne coal with Surface Miner Technology out of a total production of

121.38 million tonne (88%). 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. Apart from that, selective mining of coal and stone layers separately is done with the machine to reduce the ash content by about 3 to 4% resulting in less ash generation in power plant. There is also reduction in generation of green house 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 and further reduction in generation of green house gases resulting from less quantity of transport to the power plants because of 3 to 4 % 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 1,10,000 Te on this account.

- Coal transportation is the major source of dust pollution but in MCL approximately 80% of coal transportation is through rail mode, which is the most eco-friendly mass transport system, wherein 3,800 Te of coal is transported through a single rake, without generating any pollution during transit, which would have been equivalent to plying of about 250 trucks each carrying approximately 15 Te of coal and the level of pollution would have been unimaginable.
 - Rake loading facility and Rail Infrastructure are being enhanced/improved and strengthened (upgradation of tracks, doubling of tracks, interconnection of sidings, auto signalling system etc), presently the coal is dispatched through
- 22 sidings and 3 MGRs. Average number of rakes loaded has increased to 35 rakes/day in Talcher Coalfields and 25 rakes/day in Ib Valley Coalfields registering an overall growth of 10 to 15% in rake loading.
- Bharatpur (RLS) is in operation. Six additional SILOs are in pipeline.
 - 80 nos of Mobile Water Tankers of capacity 28 KL are deployed in the mines to control the dust pollution due to mining activities. Capital expenditure on one 28KL Mobile Water Tanker is approximately ₹ 1.2 Crore and revenue expenditure is approximately ₹ 85 lakhs/Tanker/Yr.
 - On Coal Transportation road in the Coalfields beyond the MCL 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 during wagon loading activities. Mobile Water Tankers have also been provided. Further, to improve the dust suppression, Installation of innovative and new dust suppression system Atomizers/Fog Cannons are under consideration for the sidings.
 - In Coal Handling Plants there are Misters, Fixed Sprinklers and Mobile Water Tankers to control the dust pollution. However, due to very negligible conventional coal production (only 11.5% of the total production) and thereby reduced requirement of crushing in the CHPs, dust generation from CHPs have significantly reduced.
 - After possession of forest land at Lingaraj Area, existing CT Road for Road Sale

Trucks will be diverted from Lingaraj Chowk post to NH-200 for coal evacuation including flyover and ROB on the level crossing. (Length 2.3 Km., Value of work - 1136 Crs.). This will result in significant reduction of dust pollution in the colonies and villages.

- Construction of Road over bridge near Ghantapada village at the level crossing over the road from Handidua to NALCO chowk (Value of work - 1 33.5 Crs.) which will also reduce air pollution in the area while giving convenience to the public.
- Construction of separate coal corridor for transportation of coal from mines of Basundhara Garjanbahal area to SH 10 (Length 33 Km., Value of work - 1 385 Crs.) which will significantly reduce the dust pollution.
- Similarly, Rail Infrastructure and new linkages are under construction involving approximately 1 2,000 crore which will further reduce the coal evacuation through road mode and will have significant impact on reducing dust pollution.
- Manual sweeping and collection of spillage and dust over coal transportation roads.
- Three numbers of heavy-duty truck-mounted vacuum-operated mechanical road sweepers have been provided for sweeping and collection of coal spillage and dust over pucca coal transportation roads at Talcher Coalfields.
- All the drills are having dust extractor system and wet drilling system.
- Green belts are continued to be developed between residential areas and the mine including infrastructure.



Mechanical Road Sweeper at Talcher Coalfield



Instant Shower System at Hingula

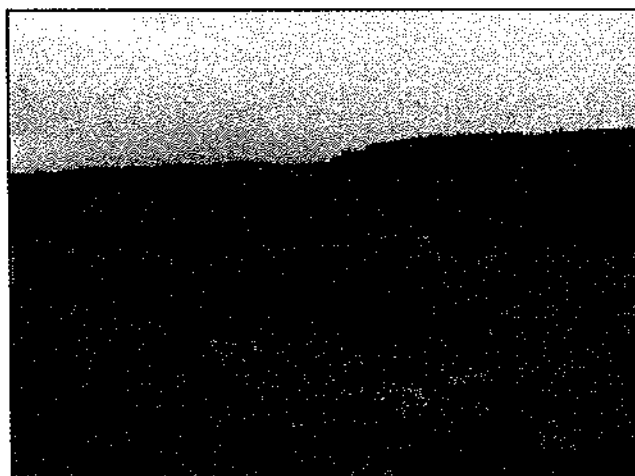
18.3.2 Water Pollution Control Measures:

- As the coal evacuated is more than the overburden removed, 40 to 50% of the original land from where coal has been evacuated becomes void after backfilling of the overburden. These Mine voids act as huge sedimentation ponds for rain water collected during monsoon and where suspended solids settle due to gravity and water becomes clean. The clear water is used for dust suppression, fire fighting, plantation, drinking water supply, supply for irrigation of nearby agricultural land on demand etc., there is no outside discharge of water except monsoon. Total sump capacity of MCL

mines has been estimated as 1918 Lakh m³ against the estimation of total surface runoff generated during monsoon to the tune of 304 Lakh m³.

- Mine Drainage Treatment Plants (MDTP) have been provided at Samaleswari, Lakhanpur, Belpahar, Jagannath, Kaniha OCPs for treatment of surface runoff generated in the ML area which can not be drained to the mine sump. Before meeting the natural water course, it is ensured in these MDTPs that suspended solids and other parameters are within the specified norm.
- Oil & Grease Traps (OGT) are in place at the workshops of opencast mines in order to remove oil & grease as well as oily sludge from the waste water stream.
- Oil skimmer has been provided at Samaleswari HEMM Workshop, which is a new system in mining workshops.
- All the ETPs/OGTs of HEMM workshops have been made zero discharge and the treated water is totally re-used in the Workshops.
- Garland drains and catch drains are also provided around quarry boundary and OB dumps in order to arrest sediments and prevent silting of natural drainage.
- Sewage Treatment Plants (STP) have been provided at 7 townships to take care of the domestic sewage. One new STP is under construction at Lajkura OCP Colony.
- Disused quarry voids act as natural water harvesting structure for recharge of ground water.
- Water Treatment Plants (WTP) are operational under integrated water supply

schemes of Talcher, Ib-Valley, Belpahar and Basundhara. Small scale water filtration units for domestic supply are existing at Talcher and Orient Areas using under ground mine water and water from quarry water reservoirs.



Rain Water Harvesting in Jagannath Quarry Void No. 8

18.3.3 Noise and Ground Vibration Control Measures:

- 88% 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 these 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 system 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 and after wards plantation is taken up as biological reclamation process.
- In keeping with the company's concern for environment, MCL has planted 49,19,290 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.
- Additional plantations are also done in residential townships and office premises especially with fruit-bearing, flowering and medicinal plants and trees.
- This year total numbers of sapling planted and distributed is 1,29,735 numbers.
- Carbon foot print reduction to the tune of 98,000 Te of CO₂ has been estimated due to plantation activities of MCL (20kg/tree/yr).
- Seven nos. of Sewage Treatment Plants (STP) have been provided for treatment of domestic effluent. The sludge generated is used as manures for plantations and gardens in the townships. The treated water flowing out of these STPs is reused for irrigation purposes.
- Monitoring of the land reclamation through remote sensing data generated by National Remote Sensing Agency is in

progress for 14 Open Cast Mines (11 nos > 5 MM³/Yr and 4 Nos < 5 MM³/Yr capacity) in both Ib-Valley and Talcher Coalfields through CMPDIL the report generated is uploaded on the Company website.



Tree Plantation on OB dump at Bahratpur OCP

18.3.5 Environmental Monitoring:

- Routine environmental monitoring of air, water and noise was carried out during the year through CMPDI laboratories, duly recognised by the Central Pollution Control Board (CPCB) at an estimated cost of ₹4.29 crore. 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. Further, the environment monitoring results are being uploaded on the company website on monthly basis.

18.4 ISO Certification:

- MCL as a corporate has been assessed and issued certificate of registration on Integrated Management System consisting of ISO 9001:2008 (Conforming Quality Management System), ISO 14001:2004 (Conforming Environmental

Management System) & OHSAS 18001:2007 (Conforming Occupational Health and Safety Management System) awarded by Governing Board of MS Certification Services Pvt. Limited and is valid till 10.04.2016.

18.5 Awards and Recognition

- ❖ Lajkura OCP & Kaniha OCP were individually awarded Gold & Silver Awards respectively in Metal & Mining Sector for Outstanding Achievement in Environment Management in the "15th Annual Greentech Environment Award 2015 at Kolkata.
- ❖ CIL Corporate Award for Best Environmental Management during 2013-14 was awarded to MCL on CIL Foundation day held at Kolkata on 1st November, 2014.

19. SALES AND MARKETING PERFORMANCE

MCL has achieved an off-take of 123.001 MTe during 2014-15 with a growth of 7.57% over last year, in spite of strike, bandh, cyclone during October, 2014 followed by flood and the restriction imposed by State Govt. on transportation of coal from Basundhara & Garjanbahal area to Kanika siding during day hours.

19.1 Demand and offtake

Offtake during 2014-15 was 123.001 MTe, against the target of 132.00 MTe, which was 93.18% of target and an absolute growth of 8.654 MTe over last year.

The Sector-wise dispatch during 2014-15 is appended below:

Sector	2014-15			Fig in MTe
	Target	Achieved	%	2013-14 Actual
	Power (including CPP)	109.68	103.78	94.63
Cement	0.68	0.43	63.55	0.340
Others	21.65	18.78	86.77	22.806
Coll. Consumption	0.00	0.01	-	0.005
Total	132.00	123.00	93.18	114.347

The reasons for the loss of coal offtake during 2014-15 due to force majeure are stated below:

Name of the project/particulars	MoU14-15 target	Fig in MTe			Actual Loss due to Force Majeure (MT)
		Actual 2014-15	Diff 2014-15	Actual	
Kaniha OCP	10	6.68	3.32	3.01	Less lifting of coal by NTPC, Kaniha through dedicated MGR.
Lingaraj OCP	13	11.1	1.9	1.9	
Kulda OCP (MT)	6.1	4.9	1.2	1.2	Less dispatch due to restriction imposed by state govt on day transportation from 9AM to 5PM.
The reduction of sale due to less no of Rakes	62.6 (Rakes/day)	58 (Rakes/day)	2.8 (Rakes/day)	3.9	
e-auction of coal (MT)	18.00	14.7328	3.2672	3.2672	
Total				13.2772	

Total offtake of MCL during 2014-15 = 123.001 MT

Total loss in offtake due to force majeure 13.723 Mt. but effective loss was 10.00 MT as other mines have dispatches more.

19.2 Wagon Loading

Daily average wagon loading during 2014-15 in MCL was 59.8 Rakes/Day against 54.3 Rakes/Day during 2013-14 with an absolute growth of 5.5 Rakes /Day i.e. 10.13 %. The Field-wise loading against target and supply is appended below:

Field	Fig in FWW/Day			
	Target	2014-15 Supply	2013-14 Loading	2013-14 Actual
Ib Valley	25.9	24.5	24.5	22.7
Talcher	36.7	35.4	35.4	31.6
Total	62.6	59.8	59.8	54.3

19.3 e-Auction

During 2014-15 MCL had offered 19.404 MTe. under Spot & Forward auction against this 16.563 MTe. was booked by different bidders registering a premium of ₹ 1107.92 Crore over notified price.

19.4 Fuel Supply Agreement (FSA)

MCL has signed 03 FSAs with various consumers during 2014-15.

19.5 Performance of MOU parameters for the year 2014-15 is as under:

- a) Despatch covered under agreed sampling to power sector during 2014-15 is 100%.
- b) Sized coal Despatch to power sector by Rail during 2014-15 is 100%.
- c) Despatch of coal to power sector by rail weighed on electronic weighbridge during 2014-15 is 98.87%.
- d) Despatch under FSA for Power Utilities covered under 3rd Party Sampling through a jointly agreed mechanism during 2014-15 is 100%.

20. COAL QUALITY IMPROVEMENT

Your Company has taken utmost care to improve the quality of coal being supplied to different Power Houses including other consumers as well as to fulfill the consumer satisfaction. During the year various measures for ensuring proper quality of coal dispatch were intensified.

This year MCL have achieved a record despatch of 123.006 Mt. against 114.36 Mt. as compared to the previous year. So far quality complaints are concerned, this year the number of complaints received is 33 (Thirty Three) against 53 (Fifty Three) in the previous year.

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 points/sidings as well as Weighbridges and 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 who were specifically responsible for maintaining and ensuring proper quality, weightment and sizing of coal.
4. Whenever any complaint whether it was major or minor in nature received in the Department, the same had been enquired at the spot by Officers of QC Department and the findings had been informed to the consumer from where complaint was received, within the optimum timeframe.
5. All the railway sidings at area level are being constantly monitored by QC Department in respect of despatch of assured quality coal to all consumers.
6. Surprise inspections and analysis of coal from different sidings are being done regularly by teams of Officials of QC

- Department to ensure proper quantity and quality of coal despatched.
7. Frequent inspections of Weighbridges and Laboratories are being done regularly by QC department. In case of any discrepancy or fault found in Laboratories, Weighbridges and Sidings during inspection, the same was communicated to the concerned CGM/GM of the Area for information and taking corrective measures.
 8. To develop awareness on quality from grass root level, Q.C. Deptt. has observed "QUALITY FORTNIGHT" from 16.02.15 to 01.03.15 in all Areas. All Area personnel had whole heartedly participated. The Final Day Celebration was held on 18.03.2015 at MCL HQ, which was graced by CMD, CVO and all functional Directors.
 9. Independent Third Party Sampling Agency namely M/s. K.C. Sharma & M/s. Superintendence Co. Pvt. Ltd. were deployed from October, 2013 at all loading points to carry out sampling and analysis of coal being dispatched to MAHAGENCO, WBPDC, SAIL (RSP, CPP-I), SPCL (RSP, CPP-II), APGENCO, TNEB, NTPC(Kanhia), TTPS, OPGC, NALCO, KPCL, NALCO (Dmj) NTPC (Simhadri) and Vedanta Aluminium Company Ltd, Sesa Sterlite Energy Ltd., Adani Power Ltd., RGTPP, etc..

Ten numbers of PHs have deployed their 3rd party agency at loading end as per the direction of MoC/CIL. Rest PHs has been requested to deploy their 3rd party agency at the earliest.
 10. There are total Ten coal analysis laboratories in different Areas like Ib Valley, Lakhanpur, Orient, Basundhara & Garjanbahal, Jagannath, Lingaraj, Bharatpur, Hingula, Talcher and Kaniha. All are well equipped with modern equipments like electronic Auto Bomb Calorimeter for determination of GCV of coal.
 11. These equipments enable us to determine the grade of coal despatched to different consumers within a period of two hours. This has helped for quick monitoring of the quality of coal available in the colliery stocks, sidings and the quality of coal being mined.
 12. During this year also selective mining method of extraction of coal was being continued and accordingly surface miners were deployed at Lakhanpur OCP, Belpahar OCP, Lingaraj OCP, Bharatpur OCP, Balram OCP, Hingula OCP, Basundhara(W), Kulda OCP, Samaleswari OCP, Ananta OCP, Bhubaneswari OCP & Kaniha OCP
 13. By using surface miner the rejects are being separated from the coal seam which helps to maintain the quality of coal.
 14. Electronic Rail Weighbridges with print out facility are available at all sidings. Apart from this, Company has provided stand-by weighbridges for achieving the target of 100% weighment.
 15. 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.
 16. 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.

17. Out of total dispatch of 123.006 MTe. of coal, 99.26% of coal was weighed with electronic print out during 2014-15 against 99.37% of 114.34 MTe. coal during 2013-14.
18. By adopting stringent sampling procedure in case of seam, stock, siding & tipper samples, during the period 2014-15, the Annual Coal Grade has been declared to the utmost satisfaction of the consumers.
19. Performance of MOU parameters for the year 2014-15 is as under:
 - a) Despatch covered under agreed sampling to power sector during 2014-15 is 100%.
 - b) Sized coal Despatch to power sector by Rail during 2014-15 is 100%.
 - c) Despatch of coal to power sector by rail weighed on electronic weighbridge during 2014-15 is 98.87%.
 - d) Despatch under FSA for Power Utilities covered under 3rd Party Sampling through a jointly agreed mechanism during 2014-15 is 100%.

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.

21.1 Accident Statistics

S.N.	Particulars	2014-15	2013-14
1	No of fatal accidents	1	1
2	No of fatality	1	1
3	No of serious accidents	10	11
4	No of serious injury	10	11
5	Rate of fatality		
	Per million tonne output	0.008	0.009
	Per 3 lakh manshift	0.061	0.061
6	Rate of serious injury		
	Per million tonne output	0.082	0.100
	Per 3 lakh manshift	0.605	0.675
7	Place-wise fatality		
	UG	--	--
	OC	--	--
	AG	1	1
		--	--

21.2 Steps taken for improving safety in MCL

- (i) MOU target is fixed at the beginning of every financial year, unit-wise and for the whole Company to bring about improvement in safety standard in operations, maintenance and working conditions in the mines. As per MOU during 2014-15, 11.11% reduction in fatality rate per million tonne of coal produced & 18% reduction in serious injury rate per million tonne of coal produced achieved w.r.t. 2013-14.
- (ii) Safety Management Plan for all 16 Opencast Mines & 6 underground mines formulated, reviewed by CIL and implemented for improving the safety standards at mines.
- (iii) Adequate material and monetary resources are provided for the smooth and efficient execution for achieving MOU targets in respect of safety. As a testimony to the fact, Capital Budget of ₹ 961.44 Lakhs, Revenue Budget of ₹ 3833 Lakhs

- and Special Safety Fund of ₹ 1350 Lakhs were earmarked for the purpose during 2014-15.
- (iv) All the employees are provided with the safety gadgets such as helmets, safety foot wears, etc. to provide protection against conditions which may cause ill-health and injuries. During 2014-15, 30119 pairs of mining shoes, 6795 pairs of gumboots & 6208 nos. of helmets were allocated.
- (v) Statutory personnel are appointed in sufficient numbers and deployed for supervision of workmen so as to ensure the safety of man, machine and mine. During 2014-15, 30 nos. of Mining Sirdar, 147 nos. of Electrician & 2 nos. of Deputy Surveyors were appointed.
- (vi) 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.
- (vii) In addition to the statutory inspections by the Mine Officials appointed under the provisions of the Coal Mines Regulations, 1957, safety standards of the mines are also monitored by Workmen's Inspectors (appointed under the Mines Rules, 1955), Safety Committee at mine level (constituted under the Mine Rule, 1955), Area Level Tripartite safety committees and Company Level Tripartite safety committee.
- (viii) 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.
- (ix) 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.
- (x) 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, 21 dumper operators were imparted Simulator training at Northern Coalfields Limited, Singrauli during 2014-15 as compared to 12 dumper operators who were imparted training in 2013-14.
- (xi) Regular medical examinations of workmen and supervisors are conducted for detecting defects and diseases so that they can be treated in time.
- (xii) Internal Safety Audit by teams of Internal Safety Organisation and by external competent agencies are carried out regularly for evaluating the safety system so that the crucial focus areas of each project may be ascertained for further improvement. Internal Safety Audit of all 16 OCPs and 06 underground mines of MCL was carried out during 2014-15.
- (xiii) Safety Fortnight and special safety drives were observed throughout the company

to refresh and tune the whole system to the statutory requirements. On this occasion, trophies and shields were also distributed among the mining projects and workshops in different categories. During 2014-15, Annual Safety Fortnight was observed in all establishments of MCL from 20.01.2015 to 03.02.2015.

- (xiv) Performance of MOU parameters for the year 2014-15 is as under:
- a) Safety Management Plan of 09 mines of MCL was prepared during 2014-15.
 - b) Environmental Telemonitoring system at Hirakhand Bundia Mine (UG) had been implemented in April, 2014.
 - c) Fatality per Million Tonne of Coal during 2013-14 is 0.009 whereas during, the same is 2014-15 is 0.008 which have reduced the fatality rate per Million Tonne of Coal w.r.t previous year by 11.11%.
 - d) Serious injury per Million Tonne of Coal during 2013-14 is 0.1 whereas during the same is 2014-15 is 0.082 which have reduced the Serious injury rate per Million Tonne of Coal w.r.t previous year by 18%.

21.3 New safety technologies adopted

- (i) Surface Miner Technology, which is a blast free mining technology, completely eliminates the dust generating operations like drilling, blasting and crushing. It also does away with the hazards associated with blasting. In addition, the coal seams having inferior bands of carbonaceous matter can also be selectively mined with this machine to reduce the ash content resulting in less ash generation in power plants and reduction of green house gases. As such, it is a safer, more

environmental friendly and continuous production technology.

- (ii) Introduction of riper dozer another blast free technology for removal of OB has also eliminated the dust generating operations like drilling and blasting which, many times causes nuisance to the villagers.
- (iii) Environmental Telemonitoring System constantly monitors the presence of and gives forewarning about the increasing concentration of noxious gases such as carbon monoxide, carbon dioxide, methane etc. in the environment of underground mine. Such systems have been installed in underground mines for continuous monitoring of the environmental conditions.
- (iv) Long and arduous travelling in underground mines causes fatigue and lost of valuable working time. This may also lead to accident. To overcome this problem, man riding system has been installed in underground mines so that the workers are not tired and may give greater output.
- (v) Machines such as SDLs and LHDs have been introduced to eliminate manual loading of coal in underground mines. This has reduced the number of persons in working districts for the same output which is a commendable achievement both from safety and production points of view.
- (vi) Introduction of UDMs in underground mines have helped in eliminating manual drilling which is the most arduous job in underground mine. This technology has also reduced the exposure of workpersons in the green roof zone and has enhanced the drilling output.

- (vii) MCL is in advance stage of procuring state of the art survey equipment like 3D LASER scanner for improving ease and accuracy of surveying work.
- (viii) MCL is in the process of procuring Real time Slope monitoring Radars for monitoring the slope movement of its OB dumps.
- (ix) Old and inefficient CHPs are being gradually done away with bulk dispatch systems like SILOs and MGRs.

Research and development

- (i) The stability study of the abandoned workings of Deulbera Colliery under Talcher township has been carried out by CIMFR.
- (ii) A scientific study to evaluate the stability of surface structure over Remua incline and over other development workings of Deulbera Colliery has been awarded to CIMFR.
- (iii) A field trial for construction of ventilation stopping made by Quick setting chemical is under process at Orient Colliery mine no. 3 by CIL team under the guidance of NIT, Rourkela.
- (iv) Scientific study for determining the stability of high walls of Coal & OB benches and OB dumps for all OCPs of MCL is in process. The study has been completed for 05 OCPs.
- (v) An R&D Project "Studies on Determination of Free Silica (α-Quartz) content in Air borne Respirable Dust (ARD) in Coal Mines & Preparation of Data Bank of free silica and Minerals present in Dust as well as in Coal" completed under the aegis of Coal India Limited in collaboration with the

national premier research institute Central Institute of Mining and Fuel Research, Dhanbad under Council of Scientific and Industrial Research.

- (vi) Non-destructive test of Coal handling plants, Rapid loading system, Overhead bunkers and Heavy earth moving machineries is carried out regularly by CMPDIL, Ranchi - a premier scientific agency of Coal India Limited.
- (vii) Scientific study of the roof strata in respect of each and every depillaring district of underground mine is being carried out before the start of depillaring operation and also during depillaring operation by reputed scientific institute.

1. **Awards related to safety:** Ministry of Labour & Employment, Government of India instituted National Safety Awards (Mines) in 1983 with a view to promote a competitive spirit amongst mine operators for the betterment of safety standards in mines and to give due recognition to outstanding safety performance at national level. This award is generally given away by the Hon'ble President of India every year and has generated considerable enthusiasm amongst the Mining community. National Safety Awards (Mines) for the years 2011 & 2012 were given away on 20th March, 2015 at New Delhi by the Hon'ble President of India. In the past also National Safety Awards (Mines) for the years 2008, 2009 & 2010 were given away by the Hon'ble President of India. Details of prize winning mines of MCL are given below:

National Safety Awards to MCL awarded during 2014-15

SN	Year for which awarded	Name of Mine	Category of Prize	Prize
1	2012	Samaleswari OCM	Longest Accident Free Period Cat (3)	Winner
2	2011	Hirakhand Bundia Mine	Longest Accident Free Period Cat (2)	Runner
3	2011	Belpahar OCM	Lowest Injury Frequency Rate Cat (3)	Runner

21.6 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. To further strengthen the rescue services, the following additional arrangements were made during 2014-15:

1. 14 Nos. of Fire Suits were procured to strengthen our Fire Brigade's capacity to deal outbreak of fire safely in emergency situation.
2. 01 No. of Air Compressor procured for filling the cylinder of water mist type fire extinguisher.
3. 04 Sets of Portable generator and Lighting system were procured for emergency lighting during rescue operation at emergency site in case of power failure.

The various activities that have been completed by the rescue services of MCL are as follows: -

1. The zonal rescue competition was successfully conducted by RRRT, Talcher at Talcher.
2. Mines Rescue station also attended to emergencies not related to any mining activity and arising at Civilian Township.
3. 16 persons were imparted training in Rescue and recovery operation in I batch from 14/07/2014 to 29/07/2014.

4. 191 persons were imparted refresher training in Rescue and recovery operation at MRS, Orient area and RRRT, Talcher Area.
5. Total 191 rescue trained persons were medically examined and found to be fit.
6. No emergency was required to be attended to by the rescue services of MCL in the year 2014-15.

The following proposals were approved in the year 2014-15, for which procurement process is going on: -

1. 28 Nos Positive pressure Self Contained Breathing Apparatus.
2. 6 Nos of resuscitating apparatus.
3. 49 Nos of fire extinguishers of different type.
4. 40 Nos of LED cap lamps.
5. One Universal Tester
6. 2 Nos of Gas Chromatographs.
7. 2 Nos of dummy bodies for rescue and recovery practice.
8. One Trapped Miner Locator.

22. COMPUTERISATION

Coalnet – Various modules of Coalnet like Financial Information System(FIS), Personal Information System(PIS), Payroll, Sales & Marketing, Production Information System, Equipment Monitoring System etc are in use. Some miscellaneous modules have also been added in Coalnet system 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.

The activities like Road sale & Rail sale billing, Bill payment status entry, updation of employee data, production detail entry, Online Material management system etc are operational in central coalnet server up to Area & Project level. Activities like financial accounting, payroll and personal information system at MCL Bhubneswar including Debtors accounting at MCL Kolkata office after getting shifted to central coalnet server are running smoothly with value addition as and when required. FIS and Payroll modules of Coalnet are also being implemented at Areas by migrating the existing legacy system. We have already completed the migration of FIS for Ib Valley, Basundhara Garjanbahal, Lakhanpur and CWS Ib Valley. Migration of payroll system has also been done for Ib Valley and BG Area.

Performance of MOU parameters for the year 2014-15 is as under:

- a) Implementation of online Material Management system on central Server at MCL HQ. has been done by February, 2015.
- b) CCTV based surveillance system in Railway siding completed in 21 railway sidings.
- c) Installation of camera in weighbridges completed in 82 weighbridges.

e-Procurement - e-tendering portal developed by NIC is in operation for tender hosting, opening and evaluation for works and services and procurement goods for ECV more than Rs. 2 lakhs. The salient features of this system are as below:

- Fulfillment of all the security norms of CVC
 - Online receipt and Auto refund of EMD
 - Evaluation of technical part by portal software
 - No off-line document by bidder for evaluation
 - Provision for feedback on e-Procurement status at each stage
 - Provision for uploading scanned copy of Original Documents by the Lowest bidder
- e-Payments & e-Receipts** – Almost all Payments and Receipts are being done through electronic mode.

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

MCL Website:- The website of MCL www.mcl.gov.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, status of bill payments to contractors/vendors etc.

e-mail Accounts :- With the objective of providing official e-mail account to all the executives of MCL in addition to the existing 400 email accounts another 1500 accounts have been obtained from NIC.

Uploading of tenders:- All open tenders are uploaded on daily basis in the Govt. portal www.tenders.gov.in by systems department in addition to their publication on e-procurement portal of MCL.

OMMS (Online Material Management System):-

The OMMS running in legacy system at all the nine Regional and two central workshops have been migrated to Central Coalnet Server. More than 99% of the store items have been codified as per the standard codification scheme. This has enabled in viewing the inventory of entire MCL and getting the stock position of any item across all stores on real-time basis.

Linking between MCL office at BBSR and Kolkata :- MCL office at Bhubneswar and Kolkata are connected to MCL HQ through 1 Mbps leased line obtained from BSNL for the purpose of accessing Coalnet Modules. Additionally to meet any eventuality VPN connectivity through internet has also been provided.

Internet Leased Line :- The existing 10 Mbps Internet leased line obtained from BSNL is meant for providing internet access to the users of MCL through the existing corporate network. Another 10 Mbps Internet bandwidth has been taken from RailTel for the use of GPS based Vehicle Tracking System.

Productivity Improvement Scheme Software

:- The software which was developed in-house in Oracle and was implemented in Open Cast Projects of MCL for timely payments of incentives as per Productivity Improvement Scheme has been modified and migrated to Coalnet System in central server.

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 with HQ is being established by BSNL. The material for the first phase has been delivered.

Installation of Servers at Central data Centre and Nodal Computer Centres :-

High-end IBM servers have been installed at HQ and three Nodal Areas i.e Jagannath Area of Talcher Coalfields, Ib Valley Area of Ib Valley Coalfields and Basundhara Garjanbahal Area. All these servers at the nodal locations are in sync with HQ server. Basudhara Area Server has been established as the recovery site. The coalnet module has been successfully migrated to the newly installed IBM server at HQ in Oracle 11g Database and 11g Application Server (Web Logic).

Monitoring of Contractual Bill Payments :-

The Bill Tracking module is successfully running in Coalnet server. In this system the bills received from the contractors/ vendors are being captured online by the respective user departments. The acknowledgement which gets generated on bill capturing is handed over to the customers/ contractors. The status of these bills up to the final destination i.e their payment, is being updated in coalnet server and the same is being uploaded in our website i.e www.mcl.gov.in for online viewing by the concerned parties. Thus the concerned parties can track the status of their respective bill from our website itself.

GPS/GPRS based Vehicle Tracking System :-

- (i) GPS based VTS (Vehicle Tracking System) units have already been installed in 1500 of private trucks/tippers engaged in

production and internal transportation of coal. The relevant information is being populated in the central server in real time. The 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.mcl.gov.in. There is also the provision in the system for sending auto generated of 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.

CCTVs for surveillance of Weighbridges & Railway sidings:-

- (i) Video Surveillance cameras are being installed in our existing 22 nos of railway sidings and till date installation at 21 sidings have been completed.
- (i) IP cameras are being installed at the in-motion and static road weighbridges which are capable of sending snapshots of the trucks coming over there for weightment and sending the picture along with weightment details to the central server. As on date installation has already been completed at 82 weighbridges out of planned 96 locations.

SMS/Email Alert: As per the e-Initiatives to be taken by MCL, Bulk Transactional SMS service has been obtained from M/s IMI mobile Pvt Ltd, Hyderabad for sending SMS alerts to Contractors/ Suppliers/ Vendors/ Customers. SMS alerts are being sent to Customers regarding details of

Delivery Orders, Refund details of RDOs etc.

Future Plan / Other Ongoing Activities:

- Wi-Fi Network at Corporate Office: Tendering was done for setting up Wi-Fi connectivity at Corporate Office of MCL, and Residential Complex at Jagriti Vihar, and same has been cancelled. Re-tendering has been done with revised commercial and technical terms & conditions in order to attract more bidders. Price bid has been opened.
- Replacement of 349 PCs: Work order has been placed for supply of 349 nos. of PCs and 328 nos. of Mono Laser Printers against survey-off of old PCs / Printers. Materials have been delivered at Central Stores. Installation will be done shortly.
- Migration of Legacy Software to Coalnet System: The Payroll & Financial Information System are being migrated from legacy system to COALNET for all the locations.
- Additional 300 GPS Units are to be fitted to trucks / tippers engaged for production / internal transportation of Coal. Supply order amendment has been issued for the same.

23. TELECOMMUNICATION

1. Mobile CUG facility has been provided to all the executives of MCL serving at different units of the organization all over the state of Odisha. This has enabled 24X7 unlimited communications among about 1900 executives at minimum cost engaged in mining, Despatch, Engineering and other activities and thereby substantially reinforcing the communication

- infrastructure of MCL. Action has also been initiated to rope in other MCL executives posted outside Odisha, (a small fraction) and 140 JCC members under the CUG. Out of 140 JCC member, 80 JCC members have been provided with the CUG SIM. Also CUG SIM have been issued to the employees posted at Railway Sidings of MCL for smooth functioning of the same.
2. The IP based Wide Area Network (WAN) or Coal Net installed covering almost all the units of MCL, is being widely and successfully used for different activities like finance, Sales, System, coal weighment data transmission to server etc. for online data communication, facilitating management for various activities of the organization. Efforts have been taken for increasing the use of the network for more sophisticated purpose like ERP, various online activities etc.
 3. WiMax Internet facility has been provided to all the road weighbridges of MCL being used for road sale to enable generation of e-transit pass for the truck to be dispatched.
 4. For enhancing the internal communication facilities, 05 numbers EPBAX Exchanges for Lajkura, Nandira, Bhubhaneswari, Bhubaneswar office and Anand Vihar MCL HQ have been commissioned.
 5. CCTV Camera Surveillance System has been successfully installed in the office Campus of MCL HQ, Jagruti Vihar to enhance the security of the Corporate Office.
 6. Works for installation of CCTV Surveillances system at Central Workshops, Central stores & Regional stores of all Area of MCL are in final stages of approvals.
 7. Work for installation of CCTV Surveillances system at magazines of all areas of MCL is under survey and requirement assessment.
 8. Being an obscured place, for recreation of the employee at MCL HQs., on cable TV service with about 650 connections at the residence of staff and executives of MCL HQ, Covering both Jagruti Vihar and Anand Vihar has been arranged and maintained by the Deptt.
 9. Procurement of 30 line underground communication system is also under process for mine no. 4 of Orient Area and Nandira Colliery by replacing the existing system.
 10. Work order has been placed for procurement of VHF communication system for Jagruti Vihar and Anand Vihar, MCL HQs for use of Security Department.
 11. Video conferencing system has successfully installed at MCL HQs for conferencing to all the subsidiaries, CIL HQ and Ministry of Coal, New Delhi.
 12. Also initiatives have been taken for implementation of Video conferencing system to smart devices allotted to dignitaries of MCL along with video conferencing facilities for inter Area, including MCL Office, Bhubaneswar.
 13. Initiatives have been taken for implementation of Aadhar enabled Biometric system for MCL HQs in first phase. The same shall be followed for all areas/units of MCL.

14. Work for the sliding door for gates of corporate building of MCL HQs is under tendering process.

24. DEVELOPMENT OF ANCILLARY INDUSTRIES

MCL is committed to provide self employment opportunities to the local budding entrepreneurs through the process of ancillarisation 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 endeavors to explore and develop the potentialities of the 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 S.S.I. Units of this state to reach the new dynamics of achieving the GLOBALCOMPETITIVE STANDARD.

The Ancillary Development Cell of MCL is committed to the overall development of Small Scale Industries (SSI) of the state of Odisha located within the operational jurisdiction of MCL, with a sole aim to provide increased scope of self employment opportunities to the skilled and un-skilled unemployed youth of the locality and thus self-dependence and prosperity of the general masses in the state.

Since inception of the Company, MCL has helped and developed SSI units of Odisha. SSI 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 these ancillary units, MCL has been giving sustainable business to those ancillary units who are committed to quality supply of 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 date, approximately 28 SSI units (ancillary units) have got extension of validity of ancillary status based on merit and actively participating in the procurement process of MCL and supplying various quality ancillarised spares to the user areas. Status of remaining 25 are expired and are at various stages of Revalidation for further period of 5 (five) years.

MCL has been continuously keeping track with the ancillary units and trying to redress their

grievances from time to time by conducting interactive session / meeting.

In the year 2014-15, MCL had actively participated in the following two Mega Events :

(i) Odisha MSME INTERNATIONAL TRADE FAIR – 2015 from 8th to 14th January 2015 at Bhubaneswar organized by MSME Department, Government of Odisha in association with Directorate of Export Promotion and Marketing, Directorate of Industries and Odisha Small Industries Corporation Ltd.

(ii) National Level Vendor Development Program cum Industrial Exhibition & Buyer Seller meet “MSME EXPO ODISHA - 2014” at Baliyatra, Killa Maidan, Cuttack from 11th to 14th December, 2014, organized by MSME–Development Institute, Govt. of India in association with MSME Department, Govt of Odisha, CTCC and Orissa Industries Association.

Spares of various equipments that have been identified were made open, for easier and simpler, understanding of the MSEs. MSEs were invited for strengthening MCLs production process and get strengthen themselves economically. MCL was awarded with Certificate of Excellence in both the events.

Besides this MCL participated in following other meets and seminars which helped in strengthening the entrepreneurship in the state of Odisha:

(i) MSME Summit cum Expo organized by Indian Chamber of Commerce held at Bhubaneswar on 28.10.2014,

(ii) 28th Annual State Level Convention and seminar organized by Orissa Assembly of Small and Medium Enterprises (OASME) held at Bhubaneswar from 11th –12th August, 2014,

(iii) 4th National Trade Fair organized by Dalit Indian Chamber of Commerce and Industry (DICCI) held at Hyderabad from 13th to 15th February, 2015.

MCL also organized Plant Level Advisory Committee (PLAC) meeting on 10.9.2014 at D(T) conference hall, MCL HQs.

Areas of Ancillarisation:

Consumable Stores, Furniture, Forest Products, Safety Items, Machinery Spare Parts, Castings, Services, Feeder Breaker / CHP Spares, Underground equipments spares, Pipe Fittings, Civil Items Electrical Items, Fire Fighting Equipments, Rolled steel Items, Printing Jobs, Cables, etc.

Purchase / Repair statistics of ancillary units (both proven and provisional) and SSI units inside and outside Odisha for the last three years is as below:

CCTVs for surveillance of Weighbridges & Railway sidings:-

(i) Video Surveillance cameras are being installed in our existing 22 nos of railway sidings and till date installation at 21 sidings have been completed.

(i) IP cameras are being installed at the in-motion and static road weighbridges which are capable of sending snapshots of the trucks coming over there for weightment and sending the picture along with weightment details to the central

server. As on date installation has already been completed at 82 weighbridges out of planned 96 locations.

SMS/Email Alert: As per the e-Initiatives to be taken by MCL, Bulk Transactional SMS service has been obtained from M/s IMImobile Pvt Ltd, Hyderabad for sending SMS alerts to Contractors/ Suppliers/ Vendors/ Customers. SMS alerts are being sent to Customers regarding details of Delivery Orders, Refund details of RDOs etc.

Future Plan / Other Ongoing Activities:

- **Wi-Fi Network at Corporate Office:** Tendering was done for setting up Wi-Fi connectivity at Corporate Office of MCL, and Residential Complex at Jagriti Vihar, and same has been cancelled. Re-tendering has been done with revised commercial and technical terms & conditions in order to attract more bidders. Price bid has been opened.
- **Replacement of 349 PCs:** Work order has been placed for supply of 349 nos. of PCs and 328 nos. of Mono Laser Printers against survey-off of old PCs / Printers. Materials have been delivered at Central Stores. Installation will be done shortly.
- **Migration of Legacy Software to Coalnet System:** The Payroll & Financial Information System are being migrated from legacy system to COALNET for all the locations.
- **Additional 300 GPS Units** are to be fitted to trucks / tippers engaged for production / internal transportation of Coal. Supply order amendment has been issued for the same.

23. TELECOMMUNICATION

1. Mobile CUG facility has been provided to all the executives of MCL serving at different units of the organization all over the state of Odisha. This has enabled 24X7 unlimited communications among about 1900 executives at minimum cost engaged in mining, Despatch, Engineering and other activities and thereby substantially reinforcing the communication infrastructure of MCL. Action has also been initiated to rope in other MCL executives posted outside Odisha, (a small fraction) and 140 JCC members under the CUG. Out of 140 JCC member, 80 JCC members have been provided with the CUG SIM. Also CUG SIM have been issued to the employees posted at Railway Sidings of MCL for smooth functioning of the same.
2. The IP based Wide Area Network (WAN) or Coal Net installed covering almost all the units of MCL, is being widely and successfully used for different activities like finance, Sales, System, coal weightment data transmission to server etc. for online data communication, facilitating management for various activities of the organization. Efforts have been taken for increasing the use of the network for more sophisticated purpose like ERP, various online activities etc.
3. WiMax Internet facility has been provided to all the road weighbridges of MCL being used for road sale to enable generation of e-transit pass for the truck to be dispatched.
4. For enhancing the internal communication facilities, 05 numbers EPBAX Exchanges for Lajkura, Nandira, Bhubhaneswari,

- Bhubaneswar office and Anand Vihar MCL HQ have been commissioned.
5. CCTV Camera Surveillance System has been successfully installed in the office Campus of MCL HQ, Jagruti Vihar to enhance the security of the Corporate Office.
 6. Works for installation of CCTV Surveillances system at Central Workshops, Central stores & Regional stores of all Area of MCL are in final stages of approvals.
 7. Work for installation of CCTV Surveillances system at magazines of all areas of MCL is under survey and requirement assessment.
 8. Being an obscured place, for recreation of the employee at MCL HQs., on cable TV service with about 650 connections at the residence of staff and executives of MCL HQ, Covering both Jagruti Vihar and Anand Vihar has been arranged and maintained by the Deptt.
 9. Procurement of 30 line underground communication system is also under process for mine no. 4 of Orient Area and Nandira Colliery by replacing the existing system.
 10. Work order has been placed for procurement of VHF communication system for Jagruti Vihar and Anand Vihar, MCL HQs for use of Security Department.
 11. Video conferencing system has successfully installed at MCL HQs for conferencing to all the subsidiaries, CIL HQ and Ministry of Coal, New Delhi.
 12. Also initiatives have been taken for implementation of Video conferencing system to smart devices allotted to dignitaries of MCL along with video conferencing facilities for inter Area, including MCL Office, Bhubaneswar.
 13. Initiatives have been taken for implementation of Aadhar enabled Biometric system for MCL HQs in first phase. The same shall be followed for all areas/units of MCL.
 14. Work for the sliding door for gates of corporate building of MCL HQs is under tendering process.
- 24. DEVELOPMENT OF ANCILLARY INDUSTRIES**
- MCL is committed to provide self employment opportunities to the local budding entrepreneurs through the process of ancillarisation 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 endeavors to explore and develop the potentialities of the 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 S.S.I. Units of this state to reach the new dynamics of achieving the GLOBAL COMPETITIVE STANDARD.

The Ancillary Development Cell of MCL is committed to the overall development of Small Scale Industries (SSI) of the state of Odisha located within the operational jurisdiction of MCL, with a sole aim to provide increased scope of self employment opportunities to the skilled and un-skilled unemployed youth of the locality and thus self-dependence and prosperity of the general masses in the state.

Since inception of the Company, MCL has helped and developed SSI units of Odisha. SSI 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 these ancillary units, MCL has been giving sustainable business to those ancillary units who are committed to quality supply of 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 date, approximately 28 SSI units (ancillary units) have got extension of validity of ancillary status based on merit and actively participating

in the procurement process of MCL and supplying various quality ancillarised spares to the user areas. Status of remaining 25 are expired and are at various stages of Revalidation for further period of 5 (five) years.

MCL has been continuously keeping track with the ancillary units and trying to redress their grievances from time to time by conducting interactive session / meeting.

In the year 2014-15, MCL had actively participated in the following two Mega Events :

- (i) Odisha MSME INTERNATIONAL TRADE FAIR – 2015 from 8th to 14th January 2015 at Bhubaneswar organized by MSME Department, Government of Odisha in association with Directorate of Export Promotion and Marketing, Directorate of Industries and Odisha Small Industries Corporation Ltd.
- (ii) National Level Vendor Development Program cum Industrial Exhibition & Buyer Seller meet “MSME EXPO ODISHA - 2014” at Baliyatra, Killa Maidan, Cuttack from 11th to 14th December, 2014, organized by MSME–Development Institute, Govt. of India in association with MSME Department, Govt of Odisha, CTCC and Orissa Industries Association.

Spares of various equipments that have been identified were made open, for easier and simpler, understanding of the MSEs. MSEs were invited for strengthening MCLs production process and get strengthen themselves economically. MCL was awarded with Certificate of Excellence in both the events.

Besides this MCL participated in following other meets and seminars which helped in strengthening the entrepreneurship in the state of Odisha :

- (i) MSME Summit cum Expo organized by Indian Chamber of Commerce held at Bhubaneswar on 28.10.2014,
- (ii) 28th Annual State Level Convention and seminar organized by Orissa Assembly of Small and Medium Enterprises (OASME) held at Bhubaneswar from 11th –12th August, 2014,
- (iii) 4th National Trade Fair organized by Dalit Indian Chamber of Commerce and Industry (DICCI) held at Hyderabad from 13th to 15th February, 2015.

MCL also organized Plant Level Advisory Committee (PLAC) meeting on 10.9.2014 at D(T) conference hall, MCL HQs.

Areas of Ancillarisation:

Consumable Stores, Furniture, Forest Products, Safety Items, Machinery Spare Parts, Castings, Services, Feeder Breaker / CHP Spares, Underground equipments spares, Pipe Fittings, Civil Items Electrical Items, Fire Fighting Equipments, Rolled steel Items, Printing Jobs, Cables, etc.

Purchase / Repair statistics of ancillary units (both proven and provisional) and SSI units inside and outside Odisha for the last three years is as below:

Si.No.	Financial Year	Purchases/Repair statistics (Fig in Crores)		
		Ancillary	SSI Inside & Outside Odisha	Total
01	2012-13	4.36	19.36	23.72
02	2013-14	2.82	19.72	22.54
03	2014-15	1.81	20.56	22.37

A new policy for Micro and Small Enterprises (MSEs), MSEs Order 2012 issued by Secretary to Government of India, Ministry of Micro, Small and Medium Enterprises (MSME) vide DO 21(1)/2011-M.A dated April 25, 2012 has been received. Implementation of this 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.

Policy entails about achieving 20% of the total annual purchases of the products or services produced or rendered by MSEs. Target for year 2014-15 was 21.37 Crores and MCL has achieved the target.

It may be mentioned that MCL as a policy, going for e-tendering above 2.00 lakhs and is open to all including SSI units provided they meet eligibility criteria.

25. HUMAN RESOURCES MANAGEMENT (HRM)

Your company strongly believes that its success is not attributable solely to its strong market position but to its Human Capital, who are the most valuable assets playing an equal important role for success of the organization and managing them effectively and efficiently to face the new challenges on the fronts of Knowledge, Technology and Changing Trends in global business scenario is given highest importance for achieving organizational excellence and sustainability. With a lowest Manpower Contingent among the subsidiaries of Coal India Limited, your

company through constant motivation, enthusiasm and competence has made a mark in the elite 100+ million club of coal producing companies for the 6th consecutive year. The commitment and dedication shown by the workforce all through the year working against all odds of natural calamities has resulted in highest ever record productivity of 121.379 Million Tonnes of Coal Production and 89.222 M.Cum of OB Removal in the financial year 2014-15.

Human Resource Management of your company is strategically aligned with its long term goals and objectives, which culminates in attracting, nurturing, developing and retaining talents. Out of the total Manpower of 22,259 the strength of Executives is 1884 and Non-Executives is 20,375. During the period, 1046 persons joined by way of fresh recruitment, transfer, reinstatement, etc. and 1065 persons were separated by way of retirement, transfer, ESS, resignation, death, etc. The reason behind difference in manpower with respect to last year is on account of providing employment to the Project Affected Families as per the R & R policies in vogue, Recruitment of Statutory Manpower in supervisory and skilled categories, Recruitment through campus selection and open recruitment of Management Trainees by CIL. The total manpower strength of the company stands at 22,259 as on 31.03.2015 against 22,278 as on 31.03.2014.

The HRM Performance under MoU 2014-15 is enumerated in the Report of the Auditor on MoU Performance 2014-15.

- a) % actualisation of Training Days per employee per year :
- Total Trg. Days for Executives Target : 2664 Acheivement : 7156
- Total Trg. Days for Sup/Clrk/Tech: Target: 2160 Acheivement : 4135
- Total Trg. Days Per Worker : Target : 21560 Acheivement : 32780
- b) Developing critical mass of leaders through a system of career planning & development
- Against target 10, Achievement 10 Leaders Developed
- c) Training budget as % of employee cost:
- Training Expenses in Crore : Target 9.50 Cr. Achievement : 11.03 Cr.
- a) % fulfillment of training plan for Multi-skilling / Skill Upgradation of non-executive
- Training Plans Target : 14 Acheivement: 14
- Employees' Skill to be Up-graded Target : 80 Acheivement : 400
- Tarining Man-Days Target : 13560 Acheivement : 64464
- b) Inventions towards Industry - Academia Interface
- Interface-I Target : 6 Acheivement : 6
- Interface-II Target : 130 Acheivement : 1337
- c) Recruitment :
- Thru Open Advertisement / Internal Selection : Target : 20 Acheivement : 235
- Land Oustee Appointment : Target : 300 Acheivement : 330

- d) Attrition as % of total employees: Target
Less than: 219 Achievement : 58
- e) Presence of Mentorship Development Programme –
Mentors Target : 12 Achievement : 50
Mentees Target : 36 Achievement : 62
- f) Formulation / Implementation of systems for management of Talent such as - job rotation system, reward system, sponsorship Sr. executives for Advanced Management Programme, growth opportunities etc.
a-Job Rotation : Target : 100
Achievement: 157
b-Reward System : Target : 55
Achievement : 103
c-Sr. Exe. For AMPs: Target : 02
Achievement : 13
- g) Nos. of Nominations/entries submitted for National Awards (PM Shram Awards, Vishwakarma Rashtriya Puraskar)
Total Nominations : Target : 04
Achievement : 07
- h) Number of suggestions generated per employee per year
Total Suggestions : Target : 200
Achievement : 207
- i) Effectiveness of Grievance Redressal system - % of grievances settled vis-à-vis received during the year
%settlement : Target : 60% Achievement : 90.98%
- j) Pension, medicare, Yoga classes to reduce stress where the job is stressful, setting up of wellness centre such as Gym. etc.
Pension & Medicare as per CIL Policies : Implemented
Yoga Classes : Target : 05 Achievement : 05
Gym : Target : 01 Achievement : 01
- k) Formulation & Implementation of social security scheme : Social Security Scheme of CIL is implemented
- l) Number of structured meetings with employees' representatives
Target : 300 Achievement : 755

25.1 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 from 6th to 7th January, 2015 by Four Central Trade Unions of Coal India on the issue of denationalization of the coal industries & other demands, Industrial Relation remained peaceful. Apart from this, there were no strikes during the year 2014-15 reflecting the strong relationship between the Management and Trade Unions.

The rate of grievance settlement i.e % of grievance settlement with respect to the nos. of grievances received during the year in MCL is 91% as against MOU target of 60%.

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

25.2 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. Inter-Directorate cricket tournament was conducted in the 2nd & 3rd week of March, 2015 which not only helped to relieve the monotony and stress of daily work by rejuvenating the employees but also helped in developing and recognizing leaders and the importance of team work.

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.

More than 750 structured meetings related to IR, Welfare, Safety, JCC etc. were held at Company level / Area level / Project level in 2014 – 15 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.

MCL also encourages its employees to suggest new and innovative ideas for enhancement and betterment of processes and organization as a whole. 207 Nos. of suggestions have been received from individual employees in the financial year 2014-15 against the MOU target of 200.

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

Training & Development is an integral part of our company's corporate policy to deal with the development of existing Human Resources as well as to look ahead with clear perspective with special reference

to technological advances and growth of manpower to full fill the demand of production vis-à-vis technology.

To cope up with the task emerging from strategic plan, Annual HRD plan is worked out every year to integrate HRD efforts in all the three in-house training centres i.e (Management Training Institute, (MTI) Burla, Belpahar Training Institute (BTI) at Belpahar Lakhanpur Area, Mining Engineering & Excavation Training Institute (MEETI), Talcher & 5 Vocational Training Centre (VTC) located in different areas in following three segments.

I. Technical Training:

It is to provide necessary technical training to the employees working in mines directly or indirectly and also to update them with latest technology if any to be used in mining operation in near future so that capital and technology input to the project through capacity and new equipment or enrichment in the production process through particular systems in technology could provide appropriate return to the investment. In order to implement the above, employees are exposed through

Basic Course : Appropriate to technology, equipment and system

Refresher Course: Once in three years to those who have already gone through basic course or are already working in specific skill area. Refresher training is also conducted either on the site or in the training centres.

Specialized Course: In case of change in technology in equipment, configuration, capacity and improvement in the system of production.

II. Management Training:

Executives at each level are provided need based training as per the companies requirement from time to time i.e. entry to the higher level, In house training on various subject of companies interest is imparted at the Management Training Institute, Burla .Besides this the executive are sent to various external organisation like IICM, Ranchi, IIM,IITs, NIT and other renowned training centres in India and Abroad for acquiring new skill & knowledge.

III. Transformation Training:

Company on a regular basis besides imparting the regular statutory training courses takes interest in providing some specialized training to the employees with an outlook to the company's future need and requirement as per the company's corporate plans to make the employees skilled enough to take on the future challenges and take the company towards a new horizon of success.

Training Curriculum:

A) Executives Program:-

General Management Program: For enhancing the Managerial Skill & performance of executives

Functional Program : For developing Functional Skills.

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

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

B) Supervisors program:-

Supervisory Development Program : For knowledge & skill up gradation.

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

Coaching classes for carrier growth like for Overman and Mining sirdars.

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

C) Workers Program:

Workers Development Program: For Skill up gradation of workers.

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

Safety Awareness' program: to create safety awareness among workers regarding safety in mines.

Computer Awareness Program: To handle computer efficiently.

Training Details for the year 2013-14 & 2014-15

In House Training details
(MTI, BTI, MEETI, VTC)

Sl No.	Employees	Year 2013-14	Year 2014-15
01	Executive	1543	1040
02	Supervisor	941	676
03	Worker	4472	4211
	Total	6956	5927

External Training details :

SI No.	Employees	Year 2013-14	Year 2014-15
01	Executive	832	801
02	Supervisor	158	116
03	Worker	92	49
	Total	1082	966

Internship Training to Students of various Educational Institutes:

SI No.	Employees	Year 2013-14	Year 2014-15
01	Mining Engineering	50	200
02	Mining Diploma	63	812
03	BTech	52	190
04	MBA	45	46
05	Others	-	71
	Total	210	1319

Post Diploma Practical Training (PDPT):

SI No.	Institute	Year 2013-14	Year 2014-15
01	OSME,Keonjhar	10	33
02	KIMET, Chhendipada	10	10
03	PCIET,Angul	24	30
05	PMIT,Angul	-	11
06	KSE, Keonjhar	-	5
	Total	44	89

Training Imparted to MCL Board members:

Year	No. of Training	Within India	Foreign
2013-14	7	6	1
2014-15	2	4	--

Training Man day's Achieved in the year 2013-14

SI No.	Employees	Year 2013-14	Year 2014-15
01	Executive	7612	7156
02	Supervisor	5830	4135
03	Worker	39158	32780
	Total	52600	44071

Specialised Training programs as per MOU Year 2014-15:

SI No.	Type	Target	Executives Trained
1	Project Management	60	60
2	Contract Management	5	15
3	Risk Management	5	6
4	Environment, Forest Management & Land Acquisition	5	9
5	AMP	2	13
6	Simulator Training	10	27

25.4 Management Development Institute at Bhubaneswar (MINREM).

MCL has taken up such a large initiative to cater to the growing and emerging developmental needs of the executive population, within the coal sector. The upcoming facility at Tomando, Bhubaneswar aims at multifarious activities like Training and Development, R&D, consultancy, and General educational 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 to come out as a world class Institute in the capital city of Bhubaneswar has been registered by the Inspector General (Registration), Odisha as a Society on 16.01.2015 under the Societies Registration Act, 1860.

Civil construction of the project under the Project Management Consultancy of M/s

NBCC is in full swing with completion of its structural part and other parts to follow as per time lines.

As we all know MINREM is responsible for building MCL's talent, it will adapt a thorough and well-thought-out talent development plan that will help instilling the right values in the organization's emerging leaders; keeping them open-minded and curious; building the necessary muscles to steer the Company through competitive storms.

25.5 Recreational Activities

Keeping in view to induce team spirit and to develop sense of fellow feeling amongst the employees different recreational activities are being organised in the Company.

Different tournaments have been organised at the Area level and the selected players were deputed to participate in the CIL Inter Company tournaments.

Run for Excellence was organised on the occasion of Coal India Foundation as well as Foundation Day of MCL. For social and economic development of down trodden people of our society, MCL Mahila Mandal undertook lot of philanthropic works in and around MCL peripheral. Financial assistance has been extended to different organizations for undertaking recreational and social activities in their Area.

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 19 nos of privately managed schools including NK Mahavidyalaya,

Talcher. In order to have better educational facilities for children, 09 DAV Public Schools are functioning in MCL. This includes a DAV Girls High School exclusively for Girl students. During the year 2014-15, ₹22,46,54,028/- (Revenue) was sanctioned for DAV Public Schools towards recurring expenditure and ₹20,42,760/- has been provided to Privately Managed Schools. In addition to above 40% seats were reserved for Wage Board employee's 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 ₹ 18,78,300/- was provided on this head during 2014-15 to 1266 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 ₹17,61,418/- was disbursed under this head during 2014-15 to 73 Nos of employee wards.

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 being performed as per the calendar.

During the year 2014-15 following programmes/activities were organised in MCL:

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

Official Language Implementation Committee meetings were held on 30.06.2014, 15.09.2014, 19.12.2014 and 28.03.2015, presided over by CMD, MCL 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 organised at MCL HQs and Areas as under:

Total 11 Rajbhasha Workshops were organised in MCL wherein the participants were made conversant with the Rules and Regulations of Official Language Policy of Govt. of India during the workshop. The participants were also practiced Noting & Drafting in Hindi. Total 412 Officers /Staff took part in the 11 programmes.

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

During the year two half yearly meetings of Town Official Language Implementation Committee (TOLIC), Sambalpur were organised on 30.06.2014 and 28.11.2014 at MCL HQ. Both meetings were chaired by CMD, MCL & Chairman of Town Official Language Implementation Committee (TOLIC), Sambalpur. Dy. Director (Implementation), Rajbhasha Department, Govt. of India, Kolkata was also present in the meeting held on 28.11.2014.

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

Training of Official Language (Hindi) and Examinations were conducted under the Hindi Teaching Scheme, Govt. of India.

Total 349 (May, 2014 session-170 and November, 2014 session-179) employees have passed the examinations under Hindi Teaching Scheme as detailed below:-

Session	Prabodh	Praveen	Pragya	Total
May, 2014	99	38	33	170
November, 2014	45	87	47	179
Total	144	125	80	349

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

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

Programmes for Unicode supported Hindi Typing Training on computer were organised at Management Training Institute (MTI), Anand Vihar MCL held on 12.05.2014 to 17.05.2014 and 23.02.2015 to 28.02.2015 wherein total 95 employees of MCL were trained.

2. **All India Kavi Sammelan :**

All India Kavi Sammelan was organised on 07.10.2014 at MCL HQs. on the concluding day function of Rajbhasha Fortnight -2014.

3. **Rajbhasha Awards/Honours :**

Executives and Staffs of MCL were participated in the various Rajbhasha Seminars organised by NGOs:-

Following awards were received by MCL officials from Rajbhasha Vikash Sansthan, Derahadun in a Seminar held at Khajuraho from 29-31 October, 2014. The details are as under:-

- "Rajbhasha Shree" to Shri A.N. Sahay, CMD, MCL
- "Vishesh Rajbhasha Shree" to Shri P.C. Panigrahi, D(P), MCL
- "Rajbhasha Kirti" to Shri N.K.Ojha, Dy.GM (Rajbhasha)
- "Vishesh Rajbhasha Kirti" & "Rajbhasha Vishistata" to Shri O.P.Mishra, Chief Manager, e-Procurement.
- "Vishesh Rajbhasha Vishistata" to Shri Mohan Kumar, Chief Manager, (System)
- "Vishesh Rajbhasha Silpi" to Shri Ajay Kumar Ram, Sr.PA.(OL)

Following award was also received from Bhartiya Rajbhasha Parishad, New Delhi in the Seminar held at Sai Dham Sridi from 20 to 22 November, 2014.

- "Rajbhasha Gourav Samman" to Shri P.C. Panigrahi, D(P), MCL

4. Hindi Diwas / Hindi Pakhwara :

On 14.9.2014 Hindi Day was celebrated at MCL HQs. and Areas. At HQs. the programme was inaugurated by Shri Jitendra Kumar Singh, CGM (Env.) MCL Hq.

Rajbhasha Fortnight was celebrated at MCL HQs. and Areas from 14th to 30th September, 2014. During the Fortnight various competitions like Hindi Essay writing, Debate, Noting & Drafting, and Hindi Typing on Computer were organised for the employees of MCL in which participants was in large number.

In addition to the above, Quiz and Slogan writing competitions were also organised

for house wives and prizes were distributed on 07.10.2014 at MCL Auditorium.

5. Vishwa Hindi Diwas :

Vishwa Hindi Diwas was celebrated at MCL HQs. on 10.01.2015 the programme was inaugurated by Shri A.N. Sahay CMD, MCL. A Rajbhasha seminar was also organised on the occasion. Shri A.K.Tiwari, Director(Tech/Operation), Shri P.C. Panigrahi, Director(Personnel), Shri G Dehuri, GM(HRD/MTI & Rajbhasha), Prof. K.P. Gupta, Ex-HOD(Hindi), G.M. College, Sambalpur, Shri Pouhari Saran Sinha, Ex-Sr. Manager(Rajbhasha) SAIL, Durgapur and Shri Raghaw Parshad Pandey, Ex-Sr. Manager(Rajbhasha), ECL, Asansol, Dr. Harish Chandra Sharma, Hindi Pradhyapak, Hindi Teaching Scheme, Sambalpur were participated and addressed the gathering.

6. Purchase of Books :

As per Official Language Policy of Govt. of India, books and periodicals were purchased for ₹93,167-. Out of which ₹73,377/- was spent for procurement of Hindi books which is 78.76% of total amount spent.

7. Website of MCL :

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

8. Rajbhasha Magazine:

Two Rajbhasha magazines "Rajbhasha Jhalakiyan" & "Sambalprabha" have been published during the year 2014-15.

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 411 employments during 2014-15 as compared to 580 employments during 2013-14 and total number of 11856 employments 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 2014-15, MCL has taken physical possession of 314.035 hectares of land.

28. CORPORATE SOCIAL RESPONSIBILITY

Large population of India are deprived of basic amenities giving ample scope to create lasting impacts and abundance of areas to improve the society. As a good corporate entity MCL is taking up different

Socio-Economic Development works through its well defined CSR Policy introduced from the year 2010-11 to cover maximum nos. of beneficiaries of the poorest section of society. Since its inception the Company has taken up various activities extending financial assistance for Water Supply Schemes, construction/repair of public utility roads, construction of community centre, check dams etc. through infrastructure development, social empowerment through Girls education, imparting training to weaker section and vocational training to un-employed youth/PAPS, render preventive health programme, village health programme, family welfare programme and medical facility to peripheral villages through mobile medical van on regular basis.

The need assessment is the main criteria for taking up CSR activities. State Govt. / District Administration bring out the need of society for which MCL reacts positively.

During report period, under Swachh Vidyalay Abhiyan, MCL took up the dream project of Hon'ble Prime Minister of India by undertaking the construction of School toilets in the State of Odisha. MCL took up construction of 8654 nos. of School toilets in various districts of Odisha.

MCL emphasised on sensitisation capacity building and advocacy issues within the organisation, especially those involved in the day to day operations of the core business, through conducting regular training programme, Discussions, Seminars etc.

MCL has allocated ₹113.97 Crore for the year 2014-15 @ 2% of the Net Profit based on the average last three years towards CSR activities as per CIL and MCL's CSR policy.

MCL has taken ambitious steps to widen and broaden the CSR activities. The expenditure in the financial year 2014-15 is ₹ 61.30 Crore and the major activities are in progress.

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.

Performance on MOU 2014-15:

1. 149 numbers of Health Check up and Medical Camps & mobile blood checking were Conducted in 2014-15.
3. Construction of 2nd floor of Ladies Hostel, VSSUT, Burla was completed & handed over to VSSUT, Burla on 01.12.2014

28.1 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. 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 redress complaints lodged by woman employees in an appropriate & timely manner.
- Construction of Three (3) numbers of "Tribal Girls" Hostels as a CSR initiative.
- Construction of 150 seated Ladies Hostel for Sambalpur University under CSR of MCL.
- Special Award Scheme for recognizing Women for outstanding contribution in the field of CSR on May Day every year.
- Granting Child Care Leaves (CCL) to eligible Women Executives as per CIL rules.
- Relaxation of age bar for employment for female spouses of employees dying in mine accidents.
- Providing training to underprivileged women from surrounding communities on Tailoring/ Embroidery, Computer Literacy, Retailing of Grocery items etc. by "Mahila Mandal", operating both at Headquarters and Coalfield Areas for enhancing earning capacity and employability. The social outfit is constituted of spouses of MCL's Executives and Staff.

- Encouraging women employees to participate in the Industrial Relations meetings held between Management and Trade Unions for proper representation and addressing 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 Harassment Policy in line with the requirements of the Sexual Harassment 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 : Nil

No. of complaints disposed off : Nil

28.2 Public Relations

Your company has a very proactive Public Relations to keep the stakeholders well-informed and updated about the happenings in the organisation and its stand on various issues.

We have laid special emphasis on strengthening our reach to the internal as well as external publics by strategically planning mode of communication. We maintain a very healthy professional relationship with the print and electronic media by updating them about various developments/happenings in the company. We consider media as a force multiplier for various business-related, social and developmental initiatives the

company is taking to fulfill the energy requirements of the country vis-à-vis contributing towards socio-economic upliftment of underprivileged society, particularly the peripheral population living in and around our Command Area in Odisha.

Arranging exclusive interactions of senior journalists with the top management and involving representatives of the Fourth Estate in the official functions/celebrations are the key of having cordial professional relations with media. Increased number of press notes and regular interaction with media representatives has provided widespread publicity to the company's initiatives and successes.

Crisis management through communication remained the highlight for the FY 2014-15 where PR successfully mobilised turbulent winds due to unrest in coalfields in favour of Company and minimised its impact on consumers, particularly the power generation plants. The PR strategy adopted by the Company during the crisis hours was acknowledged by the professional bodies like Public Relations Society of India (PRSI) conferring on MCL the coveted PRSI National Award for Crisis Communication and Public Relations Council of India (PRCI) presenting Gold Award to this PR Case Study.

Besides this, your company participated in various exhibitions held at Cuttack, Bhubaneswar and New Delhi by setting-up of exhibits to showcase its operations and achievements. Furthermore, at all the

exhibitions, the exhibits of your company were selected for awards.

Your company has started publishing a bi-lingual quarterly news magazine titled "The Mahanadi" for internal circulation and also completed a documentary film "Mining Coal with Green Thoughts", an environment part of total 45 minutes documentary film projecting company's eco-friendly mining operations, CSR & R&R initiatives, etc.

Your company's presence in social media through facebook page News at Mananadi Coalfields (first in Coal India) is increasingly being popular among the general public as well as veterans and current employees of the company.

To generate positive public opinion and goodwill for the company, corporate advertisements are released to media on various occasions and also we sponsor events of cultural, educational/training importance. Branding during the international sports events, FIH Champions Trophy (Mens) Hockey tournament and Hockey India League organised by Hockey India brought to the eyes of people the reputation of your company as promoter of national sport.

29. CAPITAL INVESTMENT ON SOCIAL AMENITIES

Details of Capital Investment on Social Amenities as on 31.03.2015 vis-à-vis 31.03.2014 is briefed here under :

Sl. No.	Particulars	Gross Value of fixed Assets	
		As at 31.3.2015	As at 31.3.2014
1	Buildings	363.38	333.11
2	Plant and Machineries	72.58	70.49
3	Furniture, fittings and equipment	8.69	8.18
4	Vehicle	7.15	5.86
5	Development	9.24	9.24
	Total	461.04	426.88

30. VIGILANCE ACTIVITIES AND ACHIEVEMENTS

The mainstay of the Vigilance Department of the MCL has been on preventive Vigilance through the use of leveraging technology. Systemic improvements are being suggested 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 inter-alia includes newly inducted Management Trainees, Vendors, Students and common citizens through interactions/Seminar.

30.1 Preventive Vigilance:

(a) Inspections:

During the financial year 2014-15, 38 surprise inspections and 02 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. Surprise Check of various field operations like coal quality, security deployment, coal transportation, local purchase/ emergency purchase, contractual OB removal had been done leading to various systemic improvements in the form of issue of circular instructions, guidelines and recommendations of punitive action wherever found necessary.

(b) **Systemic Improvement:**

On the directives of CVC, New Delhi issued from time to time, preventive, predictive and pre-emptive vigilance has been the mainstay of the functioning of the Vigilance Department.

1. The use of SURPAC Software for daily survey measurement on trial basis was introduced in the Company in June 2014. The following suggestions were made by Vigilance Department for System Improvement vide this Secretariat's Ref. No.990 dated 28.06.2014:

"The Software system is required to be made in such a manner that the raw survey data collected by Total Station could be preserved by the system in order to eliminate the scope of manual editing of the data. Unless this is done, the system will always remain susceptible to edit/ modification by the officials even after the uploading of the data in the Software. Moreover, for the effective and transparent use of SURPAC Software, the raw survey data as well as the different reports, plans & sections prepared need to be made accessible to the authorized person at any point of time as and when required."

The CEO of the Company was further advised to consider modernizing the raw

survey data collection process by introducing system like 3D Laser.

2. The Vigilance Secretariat has been monitoring the installation of GPS/CCTV/ RFID/VTS/IP Cameras. At present, it is being apprehended that there might be a kind of resentment amongst the owners of the private coal washeries as well as transporters as also some of the officials at the lower hierarchy level against the above systemic improvement measures which may lead to damaging of GPS/VTS/ CCTV/RFID/IP Cameras.

In this regard, the CEO of the Company was advised to issue circular instructions to the Projects/Areas in order to ensure that IT enabled preventive vigilance measure functions in an uninterrupted and accountable manner vide vigilance Secretariat's ref. No.1152 dated 21.07.2014.

3. During the observance of Vigilance Awareness Week-2014, the bidders meet was organized which was attended by a number of contractors, suppliers, coal transporters, whose contracts are covered under the Integrity Pact. Both the IEMs of the MCL alongwith the Director(Finance) and the CVO were present in the said session. The entire session was very lively wherein the bidders actively participated and put forth their problems faced at various levels while dealing with their files.

The issues raised by the bidders had been apprised to the CEO of the Company through a detailed note along with the views of the Vigilance Secretariat vide ref. No. 1979 dated 21.11.2014 for streamlining the functioning of the Company.

4. Regarding engagement of hiring of vehicles in different Areas, it came to the notice of Vigilance Secretariat's that the same vehicle was being engaged against two different running work orders. To avoid this duplicacy, a Module on the "Coalnet" has been designed to upload all the details of contractual vehicles so that before issuing any work order, the Tendering Authority can verify whether the particular vehicle was already been engaged or not. Also, an undertaking in the affidavit form has been insisted from the bidder/travel agents to the extent that the vehicles have not been engaged anywhere-else and for any deviation found in this regard the bidder/travel agents shall be black listed.

30.2 Punitive Vigilance:

During the year, 01 major and 04 minor penalty proceedings have been initiated against 89 employees. Enquiries in respect of 03 Major cases are in progress.

Particulars	Pending as on 31 st March, 2014	New additions during 2014-15	Disposal during 2014-15	Pending as on 31 st March 2015
Vigilance cases	12	09	18	03
Major penalty proceedings	07	02	02	07
Minor penalty proceedings	04	05	06	03

30.3 Rotation of Employees:

Company has a policy for rotating the employees, who are working in sensitive posts/departments. During the year, 153 employees had been rotated. This includes those Officers whose names were figuring in the "Agreed List" and "List of Officers of Doubtful Integrity" for the year 2014.

30.4 CVC Matters:

During the year, 04 cases were sent to CVC for seeking 1st stage advice.

30.5 Parliament Questions:

07 Parliament Questions were replied during the year.

30.6 Right to Information Act:

15 RTI queries had been replied within the prescribed time limit.

30.7 Submission of Reports:

Monthly, Quarterly, Annual Reports had been sent to the Central Vigilance Commission, Ministry of Coal and Coal India Limited timely.

30.8 Vigilance Clearance:

During the year, vigilance clearance status in respect of 9762 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.

30.9 Transparency:

Tenders and contracts, awarded were hoisted on MCL's website as per the Office Order circulated by Central Vigilance Commission, New Delhi vide No.13.03.2005 dated 16.03.2005. A dedicated portal ([https:// mcltenders. gov.in](https://mcltenders.gov.in)) for e-tendering has been functioning in the MCL since 2009 in which tenders are made online.

30.10 Vigilance Awareness Week:

As per the directives received from the Central Vigilance Commission, New Delhi, the Mahanadi Coalfields Limited observed Vigilance Awareness Week-2014 from

- 27th October to 1st November in all its Areas and Establishments. The following major activities during the above period is as under:
- In consonance with the theme for this year's Vigilance Awareness Week, i.e. **"Combating Corruption – Technology as an enabler"** a Seminar was conducted on 27.11.2014 at MCL HQ. The seminar was attended by the Officers and employees of Project Areas and from the MCL HQ, besides the JCC (Joint Consultative Committee) Members of various Trade Unions.
 - On the same day, 10th Edition of Vigilance Bulletin-2014 of the MCL was released.
 - Further, as a part of the Vigilance Awareness Week-2014, the bidders' meet (contractors/suppliers/vendors) was organized on 28.10.2014 in which Shri A.K. Mohapatra, Retired IAS, Independent External Monitor (IEM) and Shri S.K. Mohanty, IRS, IEM for the MCL participated. During the vendors meet the bidders expressed their views/grievances/suggestions on various problems being faced by them w.r.t. Civil, Transport and other contracts. The meet was also attended by Area Chief General Managers, General Managers, Staff Officers of various disciplines, General Managers/HODs and employees/officers of the Company HQ. The Interactive Session of the Workshop was instrumental in knowing the grass root level problems being faced by the contractors/ suppliers/vendors. The IEM/ Functional Directors/ CVO assured the stake holders for redressal of their grievances.
 - A Debate Competition was organized on 29.10.2014 for students from 06 Schools of Sambalpur District. Also, on the same day, a Debate Competition was organized for the employees of the MCL.
 - On 30.10.2014, another seminar on **"e-Governance – Data Security"** was conducted in which Shri Gopal Chandra Nanda, IPS, Ex-DGP, Odisha, and Dr. Sandeep Tripathy, IFS, Chief Executive, Oridisha Space Application Centre (ORSAC), Odisha were the chief speakers. Dr. Sandeep Tripathy, IFS, CE, ORSAC, Odisha made presentation on **"e-Governance – data Security" with impetus on the use of GPS mapping in combating corrupt practices**. A power point presentation was also made by Shri S.K. Bhanja, Dy. General Manager, e-Procurement Cell, MCL highlighting the concept features of **"Data Security"** in the **e-Procurement system of the MCL**.
 - During the Vigilance Awareness Week-2014, two interactive sessions were also held with the field executives and employees of both the coalfields of the MCL i.e. Ib Valley coalfields on 29.10.2014 and Talcher coalfields on 31.10.2014 in which the undersigned alongwith his vigilance team interacted with the employees, executives and the JCC members of various Trade Unions keeping in mind the theme of **"Combating Corruption - Technology as an enabler"**.
- 30.11 Vigilance Bulletin:**
- On the occasion of Vigilance Awareness Week, 10th edition of Vigilance Bulletin-

2014 of MCL was released keeping in view the need for enhancing the knowledge and awareness of employees on various circulars/guidelines/instructions of CVC, New Delhi. Copies of the Bulletin have been widely circulated within and outside the Company.

30.12 Major Achievements:

- e-Procurement
- On-line auto-refund of EMDs to unsuccessful bidders.
- Introduction of In-motion Road Weighbridges with RFID and its connectivity to Coalnet.
- Installation of GPS based Vehicle Tracking System(VTS) & Geo-fencing of Mining Areas to prevent Pilferage of Coal.
- Electronic Surveillance by CCTV.
- e-initiatives for monitoring HEMMs engaged for Over Burden(OB) removal by full fledged running of OITDS(Operator Independent Truck Despatch System) in 03 Projects.
- Stabilization of Coalnet & implementation of PIS Module for 22,109 number MCL employees and (approx) 12,000 contractual workers/Security Guards by uploading details including photographs.

31. e-PROCUREMENT

The e-Procurement System of MCL which was started on 15.08.2009 has been running successfully and till date more than 7650 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 there has been better transparency and convenience in tender evaluation process. The portal software has recently been audited by STQC as per guidelines of CVC. The goodwill of the organization is enhanced due to better transparency and convenience to bidders. There are constant improvements in the system and efforts are being made to add new features. An automated process of refund of EMD has been implemented w.e.f 15.10.2013. After implementation of this process once a bidder is rejected, the EMD is being refunded next day automatically. This system of receipt and refund of EMD is further augmented so that the invalid EMD transactions are immediately rejected by the system and refunded back to the source account. At present 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.

Special Features of the MCL e-Procurement System

1. The evaluation of Technical part of the Tenders is done automatically by the portal software and human intervention in evaluation of Bid is minimised.
2. The evaluation is performed by the portal software based on the data provided by the Bidder in a structured and objective format. Bidders are required to upload minimal documents for participation in Tender.

3. Bidders are not required to submit any document off-line for evaluation of their Bid except in case of Bank Guarantees.
4. 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.
5. The Bidders while submitting the Bid, get feedback at each stage, as to whether the bid complies to the requirement of the Tender.
6. Only Lowest Bidder has to upload scanned copy of documents, in support of the information furnished by them (Bidder) online .
7. In order to automate the system of receipt and refund of EMD, an online system had been implemented through Electronic Fund Transfer/NEFT/RTGS mode for all the Tenders floated in MCL. For better automation in EMD management, the offline modes of receipt of EMD has been restricted to Bank Guarantees only and for an EMD amount of Rs 5 lakhs or more
8. A facility has been created in the portal software so that the Bidders can upload all confirmatory documents in support of the Bid information furnished by them in online mode.
9. After submission of Bid the Bidder gets a feedback regarding their compliance with respect to the requirements of Tender.
10. Thus the Bidders are not required to visit MCL premises for securing any contract through any tender.

32. Integrated Management System(IMS)

In the year 2012-13, company-wide Integrated Management System(IMS) of

MCL is 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 as follows.

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

ISO 14001 EMS - for managing environmental concerns of the organization

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

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

Purpose of the IMS

- A) 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.
- B) 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.
- C) 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.

- D) 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.
- E) To pursue comprehensive professional competence of personnel for obtaining effectiveness of operations under both the systems.
- F) To apply a unified approach to meet the expectations of both customers (towards concerned product/service) and the society (towards minimizing adverse environmental impacts from own operations).
- G) To enable to provide following confidence to all its interested Parties
 - i) Mining & Supply of Coal that can consistently meet the requirement of customer, regulatory bodies and society.
 - ii) Committed to its responsibilities towards environmental, Occupational health and safety, social and energy concern.
 - iii) Systematic approach for achieving continual improvement
 - iv) Compliance of all legal and other requirements
 - v) Thrust is on sustained and continual improvement, rather than on some short-term achievements.

FUTURE PLAN in 2015-16 :

In the year 2015-16, MCL is going to apply for accreditation for IMS with SA 8001:2008-Social Accountability Management System & ISO 50001:2011-Energy Management System for MCL as a whole which conforms to all the

applicable international standards as follows :

SA 8000 SAMS - for managing social accountability concerns of the organization

ISO 50001 EMS - for managing rationalized consumption of all energy inputs in the Organization

ACTIVITIES CARRIED OUT BY IMS CELL IN 2014-15

Sl. No.	Descriptions	Action Taken by IMS Cell
A)	Management Objectives Targets and Program of IMS for the Year 2014-15	Approved by Competent Authority and Circulated to all Area/Unit
B)	For Improvement in Office Efficiency	
a)	Use of official email IO [NIC] as per guideline Circulated by Director(Tech/P&P)	Action Taken by IMS Cell
b)	Identification and repealing 5 rules or process by every office as per guideline Circulated by Director(Tech/P&P)	Included in Management Target & Objectives in 2014-15
c)	Restriction of Decision Making Layers to maximum 4(Four) as per guideline Circulated by Director(Tech/P&P)	Included in Management Target & Objectives in 2014-15
d)	Computerized File Tracking System	Action Taken by IMS Cell
e)	Colour Coding System to dispose all proposal, notes, letters & information as per priority	Included in Management Target & Objectives in 2014-15
f)	Unique identification of Office Files, Register, Diary etc.	Circulated to all Area/Unit
g)	To established IMS/Statistical Cell in every Unit for data analysis keeping uniform records	Included in Management Target & Objectives in 2014-15
C)	Internal Audit of IMS & Surveillance Audit by Certification Agency	
a)	Internal Audit Conducted from 02.09.14 to 13.09.14	Audit Report Submitted and action for corrective & preventive Measure Taken
b)	Surveillance Audit by Certification Agency Conducted from 22.09.14 to 26.09.14 at Talcher Coalfields	Audit Report Submitted and action for corrective & preventive Measure Taken
c)	Inducted 360 Degree Feedback System on effectiveness & implementation of IMS, in MCL	The 360 Degree Score are circulated to Unit/Area for further improvement
D)	OTHER ACTIVITIES & MONITORING	
a)	Nomination of Worker's Representatives	Action are being Taken by concerned Department
b)	Actions to be taken for implementation of SA8000	
c)	Emergency Preparedness & Response Plan	
d)	Uploading of Management Policy at MCL Website	
e)	Periodic Water Treatment at Water Supply System	
f)	Inclusion of Requirement of SA 8000 & ISO 50001 in Tender Document	
g)	Conducted Regular Awareness class at MTI, MCL HQ in training program	As per invitation by MTI, MCL HQ
h)	Conducted awareness and motivational program in the month of Dec.'14 for achieving 250 M. Te Target in 2018-19 by MCL	Conducted in 20 Units of MCL and covered about 500 Nos. of Executives of MCL.
i)	Separate Financial Code for Environmental issues	Separate Financial Code are not in use and request has been sent for the same

33. AWARDS AND RECOGNITION

33.1 In recognition of notable contribution/ achievement in various fields of its activities, your Company has been conferred upon the following awards during 2014-15.

- "HR Best Practices Award 2014" - Awarded by India's top HR body – National Institute of Personnel Management. Mr P A Sangma, Hon'ble MP and former Speaker (Loksabha), presented the award.
- Odisha Inc Best CSR of the Year Award - Hon'ble Union Minister for Tribal Affairs, Mr Jual Oram, presented the award trophy to MCL's Director (Personnel)
- IPE Vigilance Excellence Award 2013-14 - Mr Deepak Srivastava, IFS, CVO, received the award for the preventive, proactive and punitive vigilance activities along with systemic improvements in the company.
- Coal India Award for Quality Assurance 1st November, 2014
- elets Awards 2014 - e-initiatives in vigilance to CVO, MCL and e-initiatives in business for GM (IED), MCL
- Odisha MSME Trade Fair 2015 - "Best Mother Plant for Display" Award
- 5th Coal Summit & Expo 2014 - Award for 'Concept & Design' of company exhibit
- MSME Expo Odisha-2014 - Mr A K Tiwari, Director(Tech/Op) received BEST DISPLAY Award from Hon'ble Minister for Industries, School & Mass Education, Govt. of Odisha.
- Public Relations Society of India conferred National Award 2014 in the category Crisis Communication to MCL.
- Public Relations Council of India conferred National Gold Award for Public Relations Case Study to MCL.
- Shri J.P. Singh, Director (Tech/P&P), received Greentech Foundation Environment Gold Award for 4 mines of MCL i.e. Samleswari, Lajkura, Bhubaneswari and Kaniha OCP's.
- MCL won the Indian Society for Training & Development Innovative Training Practices 2014 Commendation Award.
- Shri A.N. Sahay, CMD, MCL was conferred with ISTD, New Delhi, "Lifetime Achievement Award 2015" for his exemplary Leadership and contribution towards Training & People Development at 44th ISTD National Convention.
- Shri P.C. Panigrahi, Director (Personnel), MCL was conferred with Leadership Excellence Award 2015 in Training & Development by Indian Society for Training & Development, New Delhi at 44th ISTD National Convention.
- MCL won the Training Excellence Gold Award 2014 Instituted by Greentech Foundation, New Delhi.
- Shri A.N. Sahay, CMD, MCL was conferred with "HR Oriented CEO of the year 2014 Platinum Award" by Greentech Foundation, New Delhi.
- Shri P.C. Panigrahi, Director (Personnel), MCL was conferred with "HR Leader 2014 Gold Award" by Greentech Foundation, New Delhi.

- Shri P.C. Panigrahi, Director (Personnel), MCL was conferred with "Human Relations Leadership Excellence Award 2015" by Department of Human Resource of Management, Andhra University, Visakhapatnam.
- Corporate Vigilance Excellence Award" organized by the Institute of Public Enterprises, Hyderabad on 13.03.2015. Award received by Sri Deepak Srivastava, CVO, MCL who was also awarded the "Individual Excellence Award" for positive contribution in Vigilance.

34. AUDITORS

34.1 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 2014-15.

Statutory Auditors

M/s PAMS & Associates.
Puri Ghat, Tala Telenga Bazaar,
Cuttack, Odisha-753009

Branch Auditors

M/s SCM Associates
98, Kharvel Nagar,
Keshari Talkies Complex,
1st Floor, Bhubaneswar, Odisha-751001

34.2 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 Niran & Co., Cost Accountants, Bhubaneswar, Odisha as the Principal Cost Auditor of the Company to audit Cost records of the Company, Headquarters and its Units, IB Field Areas, and Basundhara Area for the financial year 2014-15 at a total Audit fee of ₹2,12,500.00 and Out of Pocket Expenses of ₹1,06,250.00 and
- (ii) M/s Mou Banerjee & Co., Asansol, West Bengal, as the Branch Cost Auditor of the Company for the year 2014-15, to audit Cost records of Talcher Coalfields Areas at a total Audit fee of ₹ 1,40,625.00 and Out of Pocket Expenses of ₹ 70,312.00 and applicable Service Tax on audit fee."

The Audit for the year 2014-15 is under progress and Cost Audit Report for the year 2013-14 is enclosed as Annexure-II.

34.3 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 Lokesh A. Gohil & Associates, Company Secretaries, Sambalpur, Odisha to undertake the Secretarial Audit of the Company for the year 2014-15. Copy of Report submitted by the Secretarial Auditor is enclosed as Annexure III.

35. SUBSIDIARY/JV COMPANIES

1. MJSJ Coal Ltd.

MJSJ Coal Ltd was incorporated on 13th August, 2008 as a Joint Venture Company of MCL. MJSJ Coal Ltd has been formed

for Gopalprasad OCP where MCL is having 60% shares, JSW Steel Limited and JSW Energy Limited having 11% share each and Shyam Metalics and Energy Ltd (formerly known as Shyam DRI Power Limited) and Jindal Stainless Limited having 9% shares each. The paid up Share Capital of MJSJ Coal Ltd. as on 31-03-2015 was Rs. 95.10 Crore. 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.

2. **MNH Shakti Ltd.**

MNH Shakti Ltd was incorporated on 16th July, 2008 as a Joint Venture Company of MCL. MNH Shakti Ltd has been formed for Talabaria OCP where MCL is having 70% share, Neyveli Lignite corporation Ltd having 15% share and Hindalco Industries Ltd. having 15% share. The Share Capital of MNH Shakti Ltd. as on 31-03-2015 was Rs. 85.10 Crore. 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. **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% shares held by Mahanadi Coalfields Ltd and it's nominees with power generation capacity

of 2x800 MW through Pit Head Power plant at Basundhara Coalfields. It is a wholly owned subsidiary of Mahanadi Coalfields Ltd (MCL) having its Registered Office at Plot No: D/6 BJB Nagar, Bhubaneswar-751014. The Share Capital of Mahanadi Basin Power Limited as on 31.03.2015 was Rs. 5 lakh, subscribed by MCL.

4. **Neelanchal Power Transmission Company Private Limited**

Apart from above, MCL further ventured into Power Transmission Business in the State of Odisha for better utilisation of surplus funds along with development of infrastructure in the State of Odisha. Accordingly, on 8th January, 2013 another joint Venture Company namely, Neelanchal Power Transmission Company Private Limited (NPTCPL) was incorporated in partnership with Odisha Power Transmission Company Ltd (OPTCL) having 50:50 equity participation by virtue of a Joint Venture Agreement between the MCL and OPTCL with an objective of carrying out power transmission business) in Odisha.

36. **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.

37. **PARTICULARS OF INFORMATION U/S 143(3)(m) OF THE COMPANIES ACT, 2013.**

The information in accordance with the provisions of Section 143(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.

38. BOARD OF DIRECTORS

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

1. Shri A.N. Sahay - CMD
2. Shri A.K. Tiwari - Director
(Technical/ Op.)
3. Shri J.P.Singh - Director
(Technical/ P&P)
4. Shri P. C. Panigrahi - Director (Personnel)
5. Shri B. K. Saxena - Director
6. Shri S. K. Singh - Director

38.2 The following person was appointed as Director during the year under report.

1. Shri K. K. Parida - Director (Finance)
(w.e.f 30.9.2014)

38.3 No person ceased to be Director during the year under report.

39. 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, 2015, 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, 2015 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.

40. CORPORATE GOVERNANCE

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

41. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "**Annexure VI**".

42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

"Management Discussion and Analysis Report" is attached to this Report as **Annexure –VII**.

43. C & A G COMMENTS

Comments of the Comptroller & Auditor General of India on the Accounts of the Company for the year ended 31st March, 2015 are placed at **Annexure-VIII** to this report.

44. AUDIT COMMITTEE

The Committee has been reconstituted from 25th June, 2014 with the following members.

- | | |
|-----------------------------------|-----------------------------------|
| 1. Shri S. K. Singh, JS, MoC | - Director, MCL
Board-Chairman |
| 2. Shri B. K. Saxena, D(M), CIL | - Director, MCL
Board-Member |
| 3. Director (Tech/Operation), MCL | - Director, MCL
Board-Member |
| 4. Director (Tech/P&P), MCL | - Director, MCL
Board-Invitèe |

44.1 The scope of work

1. Review of financial statement.
2. Periodical review of internal control system.
3. Review of Govt. Audit and Statutory Auditor's Report.
4. Review of operational performance vis-à-vis standard parameters.
5. Review of projects and other capital scheme.

6. Review of internal audit findings / observations.

7. Development of a commensurate and effective internal audit functions in MCL.

8. Special studies, investigation of any matter including issue referred to by the Board.

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.

45. 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.

46. PERFORMANCE AGAINST MoU PARAMETERS

46.1 The performance of MCL against MoU for 2014-15 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 and audited by the Statutory Auditors of the Company. The overall MoU rating of your Company for the year 2014-15 based on physical and financial performance is "Excellent"

The Audit Report submitted by the Auditors is attached as **Annexure-IX**.

47. 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.

48. RELATED PARTY TRANSACTION

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

49. PARTICULARS OF LOANS GURANTEES OR INVESTMENTS

Pursuant to the clarification dated February 13, 2015 issued by Ministry of Corporate Affairs and Section 186 (4) & (11) and of the Companies Act, 2013 requiring disclosure in the financial statements of full particulars of the investment made, loan given or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee is disclosed.

50. ACKNOWLEDGEMENTS

50.1 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.

50.2 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.

50.3 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.

50.4 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.

50.5 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.

51. ADDENDA

The following papers are annexed.

1. Information as required to be given in the Directors' Report under Section 143(3)(m) of the Companies Act, 2013.
2. Cost Audit Report pursuant to Section 148 of the Companies Act, 2013 read with The

- Companies (Cost Records and Audit) Amendment Rules, 2014.
3. 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.
4. Addendum to the Directors' Report under Section 143(3)(m) of the Companies Act, 2013.
5. Report on Corporate Governance submitted by Auditors.
6. Extract of the Annual Return in form MGT 9.
7. Management Discussion and Analysis Report.
8. Comments of the Comptroller & Auditor General of India under Section 143(6) of the Companies Act, 2013.
9. Pursuant to CIL directive, parameter-wise details of performance as per MoU for the year 2014-15.

Place: Sambalpur
Date: 12.06.2016

Sd/-
(A.N. Sahay)
Chairman-cum-Managing Director

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.

Place: Sambalpur
Date: 12.06.2016

Sd/-
(A.N. Sahay)
Chairman-cum-Managing Director

Corporate Social Responsibility (CSR)

[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]

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

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 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 is to be spent within the radius of 25 Km of the projects/ mines and 20% of the budget is to be spent on CSR activities of Odisha in which MCL's Mining Areas are operating.

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 Company Act 2013.

The complete CSR policy of MCL has been displayed on Company's Website.

Web link to the CSR Policy : <http://www.mcl.gov.in/About/csrapolicy.php>

2. The Composition of the CSR Committee.

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

CGSRMSD&CSR (Corporate Governance, Strategic Risk Management, Sustainable Development and Corporate Social Responsibility) Sub Committee of MCL Board is a committee at Board level.

The members are as under:

- Shri. B.K. Saxena (Independent Director) – Chairman of the committee.
- Shri. S.K. Singh (Independent Director) – Till 20.05.2015.
- Shri. A.K. Tiwary Director (Tech/Operations), MCL

- Shri. J.P.Singh Director (Tech/P&P), MCL
- Shri. P.C.Panigrahi Director (Personnel), MCL
- Shri. K.K.Parida Director (Finance), MCL

3. Average net profit of the company for last three financial years

Average net profit (Profit before Tax) of last three financial years is Rs. 5698.42 Crore.

4. 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.113.97 Crore.

5. 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.113.97 Cr.**

b. Amount unspent, if any;

The unspent amount before audit is (Rs.113.97 Cr. – Rs 104.70 Cr.) **Rs. 9.27 Crore.**

The unspent amount after audit is (Rs.113.97 Cr. – Rs 61.30 Cr.) **Rs.52.67 Crore.**

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-A**

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

We have earmarked the budget for the detailed activities to be undertaken in CSR as per the Scope & Objective outlines in the MCL CSR Policy.

An amount of Rs.175 Cr. has been earmarked under Swachh Vidyalay Abhiyan. In this regard, fund has been sought from CIL as an additional budget.

Tenders were floated for construction of toilets, however, due to non participation of bidders, retendering was processed which has consumed a sizable time.

As such, the budget allocated for Swachh Vidyalay Abhiyan could not be utilized during the financial year 2014-15 which resulted in unspent of the CSR budget.

Some of the major Road works in BG Area under sundargarh District which were previously considered under rural development projects under CSR amounting to Rs 43.4 Crore were not considered by CAG Audit, stating that these work do not qualify under CSR activities as such company expenditure became less.

However the unspent amount along with the earmarked CSR budget for the financial year 2015-16 would be fully utilized in the financial year 2015-16.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

A responsibility statement of the CSR Committee as required in Company's Act 2013, is attached separately as **Annexure-B.**

MAHANADI COALFIELDS LIMITED, CSR DEPARTMENT

Figure in Lakh

1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity identified for the financial year 2014-15	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 outley (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 31.03.2015	Amount Spent: Direct or through implementing agency
1	Eradicating hunger, poverty end 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, Puri, Nabarangapur	18561.82	960.28	960.28	Direct by MCL
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, Khurda, Puri, Nabarangapur	319.05	270.18	270.18	Direct by MCL
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, Sundergarh, Sambalpur, Khurda, Puri, Nabarangapur	175.34	135.97	135.97	Direct by MCL
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, Khurda, Puri, Nabarangapur	29.22	26.40	26.40	Direct by MCL
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 arts. And handicrafts;	All Mining District & Other District of Odisha	Puri	554.86	554.86	554.86	State Govt.
6	Measures for the benefits of armed forces veterans, war widows and their dependents.						
7	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, Khurda	4354.54	734.39	734.39	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;	All Mining District & Other District of Odisha					
9	Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.	All Mining District & Other District of Odisha					
10	Rural development projects.	All Mining District & Other District of Odisha	Angul, Jharsuguda, Sundergarh, Sambalpur, Khurda, Puri, Nabarangapur	7311.32	3448.11	3448.11	MCL & State Govt.
Total				31306.15	6130.20	6130.20	

Note :- For Swachh Vidyalay Abhiyan CSR Budget to the tune of Rs 175.00Crore has been provided but very less expenditure occurred due to late award of work.

CERTIFICATE

This is to certify that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
General Manager (CSR), MCL

Sd/-
Director (Personnel), MCL

Sd/-
Chairman-Cum-Managing Director, MCL

Sd/-
Chairman, CGSRMSD & CSR Sub-committee

COST AUDIT REPORT

We, **Niran & Co, Cost Accountants** having been appointed as Cost Auditors under Section 233(B) of the Companies Act, 1956 (1 of 1956) of **Mahanadi Coalfields Limited** having its registered office at Jagruti Vihar, Burla, Sambalpur, Odisha-768020, have audited the books of accounts prescribed under clause (d) of sub section (1) of Section 209 of the said Act, and other relevant records for the financial year 2013-14 (from 1st April, 2013 to 31st March, 2014) relating to “**Mineral Fuels (other than Petroleum) i.e. Coal**” maintained by the Company and report, in addition to our observations and suggestions in para-2.

- I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
- II. In our opinion, Proper cost accounting records, as per Companies (Cost Audit Report), Rules 2011 prescribed under clause (d) of sub- section (1) of Section 209 of the Companies Act, 1956 have been maintained by the Company so as to give a true and fair view of the Cost of operation, Cost of Sales and Margin of the Product/activity groups under reference.
- III. In our opinion proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branched not visited by us];
- IV. The Branch Auditor's Reports for six Areas and one Central Workshop of Talcher Coalfields forwarded to us have been appropriately dealt with while preparing our report;
- V. In our opinion and to the best of our information said books and records give the information required by the Companies Act, 1956 in the manner so required.
- VI. In our opinion, the said books and records are in conformity with the Cost Accounting Standards issued by the Institute of Cost Accountants of India; to the extent these are found to be relevant and applicable.
- VII. In our Opinion, the Company has adequate system of Internal Audit of Cost Records which in our opinion is commensurate to its nature and size of the business.
- VIII. Detailed unit-wise and product/activity-wise cost statements and schedules there to in respect of the Product groups/ activities under reference to the Company duly audited and certified by us are kept in the Company.
- IX. As required under the provisions of the Companies (Cost Audit Report) rules, 2011, we have furnished performance Appraisal report, to the Company, on the prescribed form.
Contd...2

2. Observation and suggestions, if any, relevant to the Cost Audit.

- a. Integration of Cost Accounting System with financial Accounting Computerized system in order to identifying the direct allocable costs.
- b. MIS and Cost centre wise Cost statements as per the prescribed formats should be generated on half yearly basis followed by half yearly cost review meeting as the same will facilitate in comparison and decision making on variances.
- c. Installation of meters for measuring power consumption in Cost centers to analyze the data for possibility of minimizing the power cost.
- d. The reason wise analysis of idle Capacity, segregating such capacity to controllable and non controllable and financial impact of controllable costs may be determined by the management.
- e. Follow up action on report of Energy audit should be taken up by the management to improve upon the system.
- f. Inventory Management and Control system needs further improvement w.r.t Reconciliation of Stores Price Ledger & Financial ledger.
- g. Derive the actual fixed cost and variable cost of the company for determining contribution, BEP in quantity and sales.
- h. Proper codification needed to compare the actual cost.

for NIRAN & CO.
COST ACCOUNTANTS
FRN-000113

Sd/-
(Niranjan Mishra)
Partner –M/13060

Place: New Delhi
Date: 16.09.2014

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
The Members,
M/s Mahanadi Coalfields Limited
Jyoti Vihar, Burla-768020
Sambalpur, odissa, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Mahanadi Coalfields Limited** (Reg No. 003038) (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2015, (Audit Period) 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:
 - (i) The Companies Act 2013 (the "Act") and the rules made thereunder and other applicable provisions of the Companies Act, 1956 which are still in force;
 - (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not Applicable to the company during the Audit Report)**;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed under the Act **(Not Applicable to the company during the Audit Report)**;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Direct Investment, Overseas Direct Investment And External Commercial Borrowings **(Not Applicable to the company during the Audit Report)**;

- (v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (vi) The following regulation and guidelines prescribed under the security and Exchange Board of Indian Act, 1992 ("SEBI Act") **(Not applicable to the Company during the Audit Period)**
 - (A) The Security Exchange Board of India (Substantial acquisition of share and takeovers) Regulation, 2011
 - (B) The Security Exchange Board of India (Issue of Capital & Disclosure requirements) Regulation, 2009
 - (C) The Security Exchange Board of India (Employee stock option scheme and employee stock purchase scheme) guidelines, 1999
 - (D) The Security Exchange Board of India (Issue and listing of Debt securities) Regulation, 2008
 - (E) The Security Exchange Board of India (Registrars to an issue and share transfer agent) Regulation, 1993 regarding the Companies Act and dealing with the client.
 - (F) The Security Exchange Board of India (Delisting of Equity shares) Regulation, 2009
 - (G) The Security Exchange Board of India (Buyback of Securities) Regulation, 1998.
2. We have relied on the representations made by the Company and its Officers for systems and mechanism adopted by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above.

I further report that:

The Board of Directors of the Company have been duly constituted as required under the provisions of the Act. *The company has represented to Ministry Of Coal, Government of India, For Nominating Independent Director(s) and Woman Director(s) on board of MCL so that the mandatory 'Nomination and Remuneration Committee and Audit Committee' can be constituted as per the Act and the guidelines prescribed by the government for PSU.* 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, Subject to observation give above.

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

All decisions are carried out unanimously while the dissenting member's views, if any are captured and recorded as parts of the minutes.

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

I further report that during the audit period, there was no instance of;

- (i) Public / Right / Preferential issue of shares / Debenture / Sweat Equity.
- (ii) Redemption / Buy Back of Securities
- (iii) Major Decision taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger/ amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

**For LOKESH A. GOHIL &
ASSOCIATES**
Company Secretaries

Sd/-
Lokesh Gohil
Membership Number: 28908
C P Number: 10415

Date-17-05-2015
Place:- Sambalpur

To,

The Members,
M/s Mahanadi Coalfields Limited
Jyoti Vihar, Burla-768020
Sambalpur, odissa, India

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

- (i) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on this secretarial record based on our audit
- (ii) We have followed the audit practices and processes as where appropriate to obtained 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.
- (iii) We have not verified the correctness and appropriateness of financial records and book of account of the Company.
- (iv) Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) The Compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- (vi) 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 LOKESH A. GOHIL &
ASSOCIATES**
Company Secretaries

Sd/-

Lokesh Gohil
Membership Number: 28908
C P Number: 10415

Date-17-05-2015
Place:- Sambalpur

ANNEXURE-I to the Secretarial Audit Report

LIST OF LAWS SPECIFICALLY APPLICABLE TO THE COMPANY, UNDER THE MAJOR HEAD/ GROUPS:

1. Factories Act, 1948;
2. Industrial Disputes Act, 1947;
3. The Water Act, 1974
4. Income Tax Act, 1961
5. Mines Act, 1952
6. Land Acquisition Act, 1894
7. Indian Explosive Act, 1884
8. Indian Electricity Act, 1910
9. Industrial Law relating to Trade Unions, Apprentices, Industrial Employment, Motor Transport Workers, Contract Labour, Equal Remuneration Act etc.;
10. Act prescribed related to Mining Activities;
11. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, bonus, gratuity, provident fund, ESIC, Maternity benefits, labour welfare & compensation, Person with disability act etc.;
12. Acts prescribed under prevention and control of pollution;
13. Acts prescribed under Environmental protection and conservation;
14. Business Laws relating to Contracts, Stamps, Compensation, Competition Act, Consumer Protection Act etc.

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. A. CONSERVATION OF ENERGY

Electrical Energy Conservation Measures Taken

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

- i) Specific consumption of power (for Coal) during 2014-15 is 2.52 kWh/T in comparison to 2.65 kWh/T for 2013-14 i.e. reduction of 4.91 %.
- ii) Specific consumption of power (for Composite Production) (i.e. Coal + O.B Removal) during 2014-15 is 1.88 as against 1.80 kWh/Cu.M during 2014-15.
- iii) As per the revised power tariff effective from 01.04.2013, power factor incentive for maintaining average power factor above 0.95 have been discontinued .

1. B. Special Achievement.

- i) Commissioning of 2.016 MW peak solar power plant at Anand Vihar complex of MCL HQs.

A 2.016 MW peak solar power plant at Anand Vihar complex was commissioned on 13/10/2014 (SCADA commissioned on 06/11/2014). The plant has generated 8,35,260 units till 31/03/2015 which has also resulted in reduction of Carbon Foot prints by 7,73,388 Kg.

- ii) Installation of LED lamps.

Replacement of 5904 numbers of 40 watt florescent tube by 19 W LED and 500 numbers of 20 watt florescent tube by 10 watt LED at MCL HQs, Jagannath Area, Orient Area and MCL Office, Bhubaneswar. Due to this activity, a total saving of Rs.25.9 Lacs was achieved during the year 2014-15 on account of power saving of 4.48 Lakh units.

1. C. Special Initiatives.

- i) **Action for installation of Roof Top solar**

Action for installation of Solar Roof Top plant over service building, workshop, hospital etc. of all areas of MCL has been initiated. Possible locations have been identified. The total roof top area available is 65,225.14 square meters where generation capacity of 4659 KWH is possible. CMPDIL, Ranchi has been requested for conducting Feasibility study and preparation of Feasibility report.

ii) Replacement of florescent tube light.

Action for replacement of 13,908 numbers of 40 watt florescent tube lights with equivalent numbers of 19 watt LED lamps and 2008 numbers of 20 watt florescent tube by equivalent number of 10 watt LED lamps in the service buildings of MCL at HQs and areas have been initiated . These LED lamps are proposed for installation during 2015-16.

ii) Performance of MOU parameters for the year 2014-15 is as under:

Award of work for Benchmarking of energy efficiency in electricity had been done in Bharatpur Opencast mine vide letter no MCL/HQRS/GM(CP&P)/15/1411(A) dated 01.02.2015 and award of work for Benchmarking of energy efficiency in diesel has been done in 12 opencast mines of MCL vide letter no MCL/HQRS./GM(CP&P)/14/373 dated 18.06.2014.

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

- i. 600 KVAR of (2 X 300 KVAR) power capacitors for a total value of Rs.16.47 lakhs have been installed at Kali Nagar Sub-station of Orient Area.
- ii. Procurement of four numbers 55 KW and three numbers of 90 KW Variable Frequency Drive for installation in the motors of Balram OCP CHP for a total value of Rs.31.64 lakhs released. Procurement action for one number of 110 KW and two numbers of 160 KW Variable Frequency Drive for the same CHP is under finalization.
- iii. To contain peak demand of power at a reduced level 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.
- iv. To reduce energy consumption by industrial pumps, steps have been taken, such as, maintenance effectiveness, optimization of delivery and suction sizes, use of pontoons, use of V.T pumps through bore-holes, deliveries and cables through bore-holes etc.
- v. Use of electronic regulators for fans instead of conventional chokes and regulators.
- vi. Use of Air conditioners of higher star rating, regular cleaning of filters of air conditioners, switching-off of air conditioners when not required etc.
- vii. Avoiding lose connections and using proper size of fuses.
- viii. Ensuring minimum cable losses with proper size of cables, i.e., of rated capacity.
- ix. Maximum voltage near the load – In underground mine 3.3 kV / 550 V TSUs (Transwitch Units) have been placed so that sufficient voltage is made available to the loads / machineries for achieving better efficiency and rated output as well as prescribed life of the machineries.

- x. Optimum usage of transformer capacity thereby reducing transformer losses.
- xi. Power factor close to 98% has been maintained by using power capacitors thereby reducing energy loss.
- xii. Minimum transmission loss has been ensured by using proper sizes of overhead conductors.
- xiii. Stage pumping / Intermediate pumping has been reduced to minimize energy loss.
- xiv. Ensuring exact size of electric motors in pumps.
- xv. Use of higher sizes / recommended sizes of delivery lines and suction in pumps and avoiding throttling.
- xvi. Ensuring no leakages in pipelines thereby improving pumping efficiency.
- xvii. Ensuring proper condition of bearings etc.
- xviii. 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 .
- xix. Arial bunch cable is being used in a phased manner for overhead distribution lines where incidence of unauthorized hooking was noticed.

2. A. Fuel & Lubricants:

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

- a. Periodical overhauling of Engines, Transmission & hydraulic operated systems is being carried out.
- b. Periodical checking of hoses and their routing is being carried out to minimize leakage of hydraulic oil of equipments.
- c. Proper inflation of tyres is being carried out regularly.
- d. Regular checking of Self-starters, Alternators and Batteries.
- e. Specific Diesel Consumption is regularly monitored to keep within the norms fixed by CMPDI.
- f. Guidelines issued by IED to minimize HSD Consumption has been implemented.

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

DESCRIPTION	2014-15	2013-14	% Inc(+) / Dec(-) over previous year
Electrical Energyz			
(i) Specific Consumption of power (for Coal), in kWh/Tonnes	2.52	2.65	(-) 4.91(F)
(ii) Specific Consumption of power (for Composite Production) (i.e. Coal+O.B removal), in KWh/Cu.M.	1.88	1.80	(+) 4.44 (A)
Fuel and Lubricants			
(i) Consumption of HSD, in ltrs/Cum of composite Production.	0.398	0.420	-5.198
(ii) Consumption of lubricants, in Ltrs./Cum of composite Production.	0.016	0.0172	-5.028
(iii) Consumption of HSD, in ltrs/ Tonne of Coal Production	0.369	0.4074	-9.487
(iv) Consumption of lubricants, in Ltrs./Tonne of Coal Production.	0.015	0.0167	-9.324
(v) Specific cost of POL, in ' / Tonne	24.320	29.320	-17.053

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 export activities
- (ii) Foreign Exchange used and earned

Description	Current Year	Previous Year
(a) Foreign Exchange used :		
(i) CIF value of imports		
a) Components, Stores and Spare parts	Nil	2.89
b) Capital goods	Nil	8.76
(ii) Travelling	0.04	0.02
(iii) Interest	0.08	1.25
(iv) Others	—	—
(b) Foreign Exchange earned	Nil	Nil

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 07 (Seven) Directors as on 31.03.2015 categorized as below.

- a) 05 (five) Functional Directors including Chairman-cum-Managing Director.
- b) 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 Ten (10) times during the year 2014-15 on 07.05.2014, 26.05.2014, 25.06.2014, 06.08.2014, 16.09.2014, 05.11.2014, 06.12.2014, 03.02.2015, 19.02.2015 and 26.03.2015 with attendance of Directors exceeding 95% on average and gap between two meetings remaining less than three months.

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

Name and Designation	Category	Board meetings		Directorships in other Companies	Membership in other Committee	
		Held during the tenure	Attended		Audit Committee	Other Committee
Shri A. N. Sahay Chairman	Functional	10	10	(i) NPTCPL	Nil	02
Shri A. K. Tiwari Director (Tech./Op)	Functional	10	10	(i) MJSJ Coal Limited (ii) NPTCPL	01	04
Shri J. P. Singh Director (Tech./P&P)	Functional	10	9	(i) MNH Shakti Limited (ii) Mahanadi Basin Power Limited	Nil	04
Shri P. C. Panigrahi Director (Personnel)	Functional	10	9	(i) Mahanadi Basin Power Limited (ii) MNH Shakti Limited	Nil	03
Shri K. K. Parida Director (Finance)	Functional	5	5	(i) Mahanadi Basin Power Limited (ii) MJSJ Coal Limited	Nil	03
Shri B. K. Saxena Director	Official part time	10	9	(i) Coal India Limited (ii) Northern Coalfields Ltd	01	02
Shri S. K. Singh Director	Govt. Nominee	10	10	(i) Central Coalfields Ltd.	01	01

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 2014-15
			All elements of remuneration package i.e. Salary, Performance linked incentive Scheme, PF contribution, Pension etc. (Rs.)
Shri A. N. Sahay	Nil	CMD	2904489.00
Shri A. K. Tiwari	Nil	Director(Tech/ OP.)	2970132.00
Shri J. P. Singh	Nil	Director(Tech/P&P)	2311692.00
Shri P. C. Panigrahi	Nil	Director(Personnel)	2304894.00
Shri K. K. Parida	Nil	Director(Finance)	1509115.00

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

- a) Review of financial statement.
- b) Periodical review of internal control system.
- c) Review of Govt. Audit and Statutory Auditor's Report.
- d) Review of operational performance vis-à-vis standard parameters.
- e) Review of projects and other capital scheme.
- f) Review of internal audit findings/observations.
- g) Development of a commensurate and effective internal audit functions in MCL.
- h) Special studies, investigation of any matter including issue referred to by the Board.

Composition and meeting details of the Audit Committee:

The Audit Committee met for seven times on 26.05.2014, 25.06.2014, 06.08.2014, 16.09.2014, 05.11.2014, 29.01.2015, 19.02.2015 and 26.03.2015 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.	Shri S. K. Singh	Chairman	8	7
2.	Shri B. K. Saxena	Member	8	7
3.	Shri A. K. Tiwari	Member	8	8

In each Audit Committee meeting Director (Finance), Chief of Internal Audit, and Statutory Auditors, if requisitioned by the Chairman, Audit Committee, 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 five times during the year, i.e. on 22.04.2014, 26.05.2014, 24.06.2014, 16.09.2014, 05.12.2014 and 03.02.2015 with attendance of members as under:

SL No	Name	Status	No of meetings held during tenure	Attendance
1	Shri A. N. Sahay,	Chairman	6	6
2	Shri A. K. Tiwari	Member	6	6
3	Shri B. K. Saxena	Member	6	5
4	Shri J. P. Singh	Member	6	5
5	Shri K. K. Parida	Member	2	2

iii) Corporate Governance, Strategic & Risk Management, Sustainable Development and CSR Sub-committee (CGSRMSDCSR):

Scope of work:

As regards to Corporate Governance:

- a. Regular monitoring of Governance structure, principles and practices and recommending to the Board with regard to any change therein.
- b. Review of charters, composition, annual calendar for meeting and performance of all the Sub-committees of the Board including this Sub-committee.
- c. Reviewing the ethical performance of the Company and recommending measures for improvement.

As regards to Strategic Management:

- a. Facilitating to the Board in the formulation of strategic vision/mission/goal and objectives for the future of the Company and operationalising them into actionable details.

- b. Recommending to the Board with the Management, the strategic priorities to be fixed for the Company.
- c. Recommending to the Board with the Management, the annual action plans of the Company in all the major areas of the business in measurable details and in consistent with strategic priorities.
- d. Reviewing the progress in the achievement of the strategic goals of the Company

As regards to Risk Management:

- a. To review the Company's risk management strategy, policy, procedures if any, in existence and recommend to the Board changes required thereto.
- b. To define 'risk appetite' and 'risk tolerance' of the Company and monitor the Company's risk exposures.
- c. To review the Management's actions with regard to identifying, assessing, managing and monitoring of Company's material risks.
- d. To review the adequacy of risk management programs of the Company and recommend to the Board required changes, if any.

As regards to Corporate Social Responsibility:

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

Composition and meeting details of the Sub-committee:

The CGSRMSDCSR Sub-committee met seven times during the year on 22.04.2014, 25.06.2014, 16.09.2014, 05.11.2014, 06.12.2014, 29.01.2015 and 26.03.2015 with attendance of members as under:

SL No	Name	Status	No of meetings held during tenure	Attendance
1	Shri B. K. Saxena	Chairman	5	5
2	Shri A. K. Tiwari	Member	7	7
3	Shri S. K. Singh	Member	7	5
4	Shri J. P. Singh	Member	7	6
5	Shri P. C. Panigrahi	Member	7	7
6	Shri K. K. Parida	Member	4	4

iv) Nomination and remuneration committee and stakeholders relationship committee

The Directors in MCL being a PSU are appointed by Govt. of India and their remuneration are also fixed as per policy of Govt. of India. Board of Directors of MCL are not involved in the process of selection of Directors (Whether wholetime or Independent Directors). As such Company at present does not require to constitute committee under Section-178 of the Companies Act, 2013. The Company does not have any policy as required under section 178(3) for Director, Key Managerial Personnel and other employee. The Company has HRMR Sub-committee as per DPE Guidelines which is being dealt separately.

v) Human Resource Management and Remuneration (HRMR) Sub-committee:

Scope of work:

As regards to Human Resource Management:

- a) Recommending with the Management, to the Board strategic initiatives focused to address the HR issues.
- b) Periodic reviewing with the management, of the existing Policies/Rules/ Regulations/ Manuals/Guidelines related to recruitment, transfer, promotion, training and development, retention, deputation, succession, performance, reward system and recommending to the Board regarding change if any, required therein.
- c) Recommending to the Board with the management any new HR focused policy.
- d) Recommending to the Board on undergoing foreign training by the Board level and below Board level Executives and Supervisors if so, required.
- e) Recommending with the management to the Board on the annual financial budgetary allocations towards training and development, employee welfare, public relations along with annual forecast and budget of manpower for the Company.

As regards to Remuneration:

- a. Deciding on PRP in the line with directives to be received from CIL and the concerned Ministry.
- b. Reviewing the incentive schemes if any, in vogue and recommending to the Board any change thereto.
- c. Reviewing the Production Improvement Schemes if any, in vogue and recommending to the Board any change thereto.

Any other significant pecuniary benefit payable to employees or Board level Executives that require Committee's deliberation, decision and recommendation.

Composition and meeting details of the Sub-committee:

The HRMR Sub-committee met two times during this year on 24.06.2014 and 16.09.2014, with attendance of members as under:

SL No	Name	Status	No of meetings held during tenure	Attendance
1	Shri A.K. Tiwari	Chairman	2	2
2	Shri J. P. Singh	Member	2	1
3	Shri P. C. Panigrahi	Member	2	2
4	Shri K. K. Parida	Member	-	-

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 nine times during this year with attendance of members as under:

SL No	Name	Status	No of meetings held during tenure	Attendance
1	Shri A.N. Sahay	Chairman	9	9
2	Shri A.K. Tiwari	Member	9	9
3	Shri J. P. Singh	Member	9	9
4	Shri P. C. Panigrahi	Member	9	8
5	Shri K. K. Parida	Member	6	6

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013, the following Audit Firms were appointed as Statutory/Branch Auditors for the year 2014-15.

Statutory Auditors

M/s PAMS & Associates.
Puri Ghat, Tala Telenga Bazaar,
Cuttack, Odisha-753009

Branch Auditors

M/s SCM Associates
98, Kharvel Nagar,
Keshari Talkies Complex,
1st Floor, Bhubaneswar
Odisha-751001

Type of Audit	Remuneration (Rs.)	Remarks
Statutory Audit for the year 2014-15	Rs. 7,06,250/- (Rs. 4,25,000/- for Principal Auditors and Rs.281250/- for Branch Auditors)	Out of Pocket Expenses(OPE) is Rs. 2,82,500/- (Rs.1,70,000/- for Principal Auditors and Rs.1,12,500/- for Branch Auditors) in addition to reimbursement/payment of travelling expenses on actual basis and applicable Service Tax payable thereon.
Tax Audit for the year 2014-15	Rs. 1,42,000/-	Out of Pocket Expenses(OPE) Rs. 56,500/- and applicable Service Tax payable thereon.
Audit for consolidation	Rs. 62,500/-	Out of Pocket Expenses(OPE) Rs. 20000/- and applicable Service Tax payable thereon.
Compliance with the conditions of Corporate Governance	Rs. 50,000/-	Including Out of Pocket Expenses(OPE) and applicable Service Tax payable thereon.
Performance on MoU Parameters	Rs. 2,12,500/-	Out of Pocket Expenses(OPE) at actual subject to Rs. 106250/- and applicable Service Tax payable thereon.

General Meetings of Shareholders:

Details of the General Meetings of the Shareholders held during last 3 years are as under :

Annual General Meeting :

Year	Date	Time	Location	Special Resolution, if any
2011-12	24.05.2012	11.00 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	Nil
2012-13	17.05.2013	11.00 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	Nil
2013-14	06.09.2014	11.00 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	Nil

Extraordinary General Meeting :

Year	Date	Time	Location	Special Resolution, if any
2012-13	Nil	Nil	Nil	Nil
2013-14	Nil	Nil	Nil	Nil
2014-15	25.03.2015	11.00 AM	Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur	One

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.mcl.gov.in .

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.

Details of Vigil Mechanism/Whistle Blower Policy:

Being a Govt. Company, the activities of the Company are open for audit by C&AG, Vigilance, CBI etc. CIL's Whistle Blower Policy has been adopted by MCL.

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The Company has designed an internal controlled system.

Grievance Redressal Cell(GRC) is functioning at MCL HQs for effective redressal of grievances of employees as well as other stakeholders of the Company. The committee meets periodically and complaints received are examined within stipulated time and reply is sent to the complainant.

The employees are also free to send the grievances to Chairman, Audit Committee as stipulated in Section 177(9) of the Companies Act, 2013.

No Grievances has been received during the year 2014-15.

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, 2015 are furnished as an Annexure to Directors' Report. Comments of the Comptroller & Auditor General of India under Section 143(6) of the Companies Act, 2013 on the Accounts of MCL for the year ended 31st March, 2015 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. But 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 85.55% in Corporate Governance for the year 2014-15 which entails Excellent grading.

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of
Mahanadi Coalfields Limited.

We have examined the compliance of conditions of Corporate Governance by Mahanadi Coalfields Limited (hereinafter referred as "the Company") for the year ended on 31st March, 2015, as stipulated in Department of Public Enterprises, Government of India (DPE) 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE Guidelines.

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For PAMS & Associates.
Chartered Accountants
Firm Registration No. 316079E(ICAI)

Place : Camp Burla
Date : 18.05.2015

Sd/-
(CA Satyjit Mishra)
Partner
Membership No. 057293

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2015 of MAHANADI COALFIELDS LIMITED

*[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: **U10102OR1992GOI003038**
- ii) Registration Date: **03.04.1992**
- iii) Company Name: **MAHANADI COALFIELDS LIMITED**
- iv) Category of the Company: 1 Public Company (✓)
2 Private company ()
- v) Sub Category of the Company:- [Please tick whichever are applicable]
- | | |
|------------------------------------|-----|
| Government Company | (✓) |
| Small Company | () |
| One Person Company | () |
| Subsidiary of Foreign Company | () |
| NBFC | () |
| Guarantee Company | () |
| Limited by shares | (✓) |
| Unlimited Company | () |
| Company having share capital | (✓) |
| Company not having share capital | () |
| Company Registered under Section 8 | () |
- vi) Address : **At/Po - Jagruti Vihar, Burla**
Town / City : **Sambalpur**
State : **Odisha**
Country Name : **India**
Pin Code: **768020**
Fax Number : **0663-2542977**
Email Address : **cosecymcl@gmail.com**
Website : **www. mcl.gov.in**
- vii) Whether shares listed on recognized Stock Exchange(s) - Yes / No"
- vii) Name, Address and Contact details of Registerer and Transfer agent, if any **NII**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Coal	1000	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
1	Coal India Limited 10, N.S. Road, Coal Bhawan Kolkata - 700001. West Bangal	L23109WB1973 GOI028844	Holding	100	Sec - 2 (87)
2	MNH Shakti Limited At - Anand Vihar, Po- Jajnti Vihar, Burla, Sambalpur - 768020. Odisha	U10100OR2008 GOI010171	Subsidiary	70	Sec - 2 (87)
3	MJSJ Coal Limited House No - 42, 1st Floor, Hakimpara, Po. - Angul, Angul - 759153 Odisha	U10200OR2008 GOI010250	Subsidiary	60	Sec - 2 (87)
4	Mahanadi Basin Power Limited House No - D-6 , BJB Nagar, Bhubaneswar - 751014	U40102OR2011 GOI014589	Subsidiary	100	Sec - 2 (87)
5	Neelanchal Power Transmission Company Pvt. Limited C/O - Odisha Power Transmission Corporation Limited Janpath, Bhoi Nagar Bhubaneswar-751022 Odisha	U40102OR2013 PTC016434	Associate	50	Sec - 2 (6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	1864009	1864009	100	0	1864009	1864009	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	0	1864009	1864009	100	0	1864009	1864009	100	0

B. Public Shareholding**1. Institutions**

a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

2. Non-Institutions

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year			% of Total Shares	% Change during the year
	Demat	Physical	Total		Demat	Physical	Total		
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	1864009	1864009	100	0	1864009	1864009	100	0

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	COAL INDIA LIMITED	1864009	100	0	1864009	100	0	0

iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1864009	100	1864009	100
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
3	At the End of the year	1864009	100	1864009	100

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1864009	100	1864009	100
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
3	At the End of the year (or on the date of separation, if separated during the year)	1864009	100	1864009	100

v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1	0.0000001	1	0.000001
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
3	At the End of the year	1	0.0000001	1	0.000001

V. INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	9,75,000,00	0	9,75,000,00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	9,75,000,00	0	9,75,000,00
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	2,35,000,00	0	2,35,000,00
Net Change	0	2,35,000,00	0	2,35,000,00
Indebtedness at the end of the financial year				
i) Principal Amount	0	7,40,000,00	0	7,40,000,00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	7,40,000,00	0	7,40,000,00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:** (Rs in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Shri A.N. Sahay. (CMD)	Shri A.K. Tiwari. (WTD)	Shri J. P. Singh. (WTD)	Shri P. C. Panigrahi. (WTD)	Shri K.K. Parida.(WTD)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.04	29.70	23.12	23.05	15.09	120.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0	0
2	Stock Option	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0
4	Commission- as % of profit-others, specify...	0	0	0	0	0	0
5	Others, please specify	0	0	0	0	0	0
	Total (A)	29.04	29.70	23.12	23.05	15.09	120.00
	Ceiling as per the Act	-	-	-	-	-	N.A.

B. Remuneration to other directors:

(Rs in Lakh)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	0	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD.

(Rs in Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20.82	20.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission- as % of profit Others, specify...	0	0
5	Others, please specify	0	0
	Total	20.82	20.82

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

(Rs in Lakh)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

MAHANADI COALFIELDS LTD. 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 306.595 Billion Tonne (BT) upto 1200 meter depth in 69 different coalfields as on 01.04.2015, details are as below:

SL NO	STATE	NO. OF CF	COAL RESERVE (BT)	% OF INDIA
1	JHARKHAND	12	81.049	26.44%
2	ODISHA	2	75.799	24.72%
3	CHHATTISGARH	13	54.912	17.91%
4	WEST BENGAL	4	31.435	10.25%
5	M.P.	8	26.536	8.65%
6	TELENGANA	1	21.211	6.92%
7	MAHARASHTRA	5	11.253	3.67%
8	NE STATE	21	1.598	0.52%
9	A.P.	1	1.581	0.52%
10	U.P.	1	1.062	0.35%
11	BIHAR	1	0.160	0.05%
	TOTAL	69	306.596	100.00%

Odisha stands 2nd to Jharkhand in the reserve position in India. Total coal reserve of Odisha as on 1st April 2015 is estimated to be 75.799 Billion Tonnes which is around 24.72 % of the total National coal reserve. The two coalfields of Odisha, namely Talcher and Ib-valley coalfield are under its command area of MCL, Talcher being the largest coalfield (50.969 BT) and Ib-valley being the 3rd largest (24.831 BT) coalfield of India. Out of 75.799 Billion Tonnes of coal reserve, the proved coal reserve is 30.747 BT (40.56%).

Talcher and Ib-valley coalfields of Odisha are the store house of huge thermal grade non-coking coal having most favorable quariability prospects. Demand of coal for thermal plants of existing and proposed ones of southern and western India is in a growing trend.

Coal Demand:

The Working Group for Coal & Lignite for formulation of XII Plan has assessed a coal demand of 980.50 at a Compounded Annualized Growth Rate (CAGR) of 7.09 in terminal year of XII Plan i.e. 2016-17. Demand for 2015-16 is 800 Mt. The detail is as given below:

Sector	2015-16	2016-17
Steel (Coking)		67.20
Power (U)		682.08
Power (Captive)		56.36
Cement		47.31
Steel DRI		50.33
Others		77.22
Total Non Coking		913.30
Total	800.00	980.50

Coal off-take and Dispatch:

Off-take programme for CIL the year 2015-16 has been planned for 550.00 Mt out of which share of MCL is 150.00 Mt (27.27 %).

Sector-wise actual coal off-take of MCL for XI Plan and 1st, 2nd & 3rd year of XII Plan & Projection for 4th year of XII Plan: (Fig. in Million Tonne)

	2007-08 Actual	XI Plan					XII Plan		
		2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 BE
Power	68.09	70.47	70.88	74.73	77.11	88.16	78.223	87.717	127.735
Cement	0.19	0.17	0.26	0.27	0.23	0.348	0.340	0.432	0.68
Fertilizer	-	-	-	0.02	0.026	0.060	0.0367	0.024	0.06
Others	15.35	20.06	27.01	27.07	25.16	23.396	35.742	34.828	21.525
Total	83.63	91.30	98.15	102.09	102.52	111.964	114.342	123.001	150.00

Mode-wise actual coal movement of MCL for XI Plan and 1st, 2nd & 3rd year of XII Plan & Projection for 4th year of XII Plan: (Fig. in Million Tonne)

	2007-08 Actual	XI Plan				XII Plan			
		2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 BE
Rail	51.68	54.18	55.84	59.24	60.310	68.727	72.2246	81.260	105.13
Road	12.16	18.68	23.35	25.12	25.623	25.219	24.506	25.152	27.00
MGR	18.59	17.08	17.37	16.11	14.797	16.191	15.745	15.166	16.00
Others	1.20	1.36	1.59	1.62	1.791	1.819	1.866	1.423	1.87
Total	83.63	91.30	98.15	102.09	102.521	111.959	114.342	123.001	150.00

Coal Availability:

The actual coal production in the 1st, 2nd & 3rd year of XII th plan period.i.e 2012-13, 2013-14, 2014-15 and production projection during the 4th year of XII th Plan i.e 2015-16 from existing mines,completed projects and on-going projects in MCL, is given below.

	XI Plan				XII Plan			
	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 BE
Existing Mines	1.32	1.35	1.32	1.333	0.967	0.778	1.127	1.16
Completed Projects	64.85	71.19	73.27	66.645	67.344	59.988	70.906	80.74
On-Going & New Projects	30.17	31.54	25.69	35.140	39.584	49.674	49.346	68.10
Total	96.34	104.08	100.28	103.118	107.895	110.440	121.379	150.00

Productivity:

In MCL, the major share of coal production from OCPs is done contractually and OBR is done 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 BE
UG	1.25	1.29	1.25	1.24	0.97	0.84	0.77	0.73
OC	23.05	18.89	20.50	20.38	21.34	22.16	22.11	25.93
OVERALL	16.59	14.66	15.37	15.36	16.07	16.69	17.10	19.89

A. OPPORTUNITIES AND THREATS**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 - 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.
- MOEF stipulation for use of 34% ash content coal (mostly available in MCL) by Power Houses beyond 1000 Kms.
- 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.

B. PERFORMANCE:

Covered in the main report

C. OUT LOOK

Members may be aware that at present, there are 34 completed projects in MCL with rated capacity of 96.48 Mt(*Excluding 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 19 On-going projects under implementation (as on March 2015) with rated capacity of 161.33 Million tonne . Production from these On-going projects during 2014-15 is 49.346 Million tonne.

Basundhara Area (known as Gopalpur Tract) of Ib-valley Coalfields has enough potentiality, but the only bottle neck is coal evacuation arrangement. Your company has planned and approved a 52 Km long railway line from Basundhara Area to Jharsuguda Rly station at capital investment of Rs 469.68 crores. Two MOUs have been signed between MCL and SE Rly for land acquisition and construction of the railway line. Land acquisition work is in progress and construction work has been started. The scheduled date of completion of the railway line is 36 months to be reckoned from 09.03.09. Now the project is delayed due to acquisition of forest land which is pending for want of NOC under FRA- 2006, and also construction of one major bridge over Ib river is under execution. An amount of Rs.452.524 Crore has been paid to S.E.Rly, out of which Rs. 396.53 Crore has been utilised so far.

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.

To further increase the coal dispatch system, Rapid loading system (SILO) will be constructed in 10 projects including two JV projects. The details are as follows:

Sl.No	Name of the related OC Project	Capacity	Sl.No	Name of the related OC Project	Capacity
1.	Ananta OCP	15 Mty	6.	Kaniha OCP	10 Mty
2.	Lingaraj OCP	16 Mty	7.	Balaram OCP	8 Mty
3.	Bharatpur OCP	15 Mty	8.	Kulda OCP	10 Mty
4.	Bhubaneswari OCP	20 Mty	9.	MJSJ (Gopalprasad)	15 Mty
5.	Hingula OCP	15 Mty	10.	MNH Sakti (Talabira)	20 Mty

MCL is also planning to set up 04 no. of washeries of its own, 10.0 Mty capacity each, to cope up with the MoEF stipulation to dispatch coal below 34% ash at distant power houses. Out of these, two washeries will come up in Taicher coalfield, one in Ib Valley Coalfields and one in Basundhara Sector of Ib valley Coalfield. The Techno-economic feasibility Report of all these Washerries on BOM (Built-Operated-maintained) basis have been approved by MCL Board. Two work orders has already been given in respect of Basundhara and Hingula Washery of 10 Mty capacity each, which is being delayed due to environment clearance.

A. 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.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Covered in the main report.

C. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Covered in the main report.

D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

E. ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION.

Covered in the main report.

F. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

ANNEXURE-VIII

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 142(6)(B) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF MAHANADI COALFIELDS LTD. FOR THE
YEAR ENDED 31st MARCH, 2015**

The preparation of financial statements of Mahanadi Coalfields Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 08.06.2015.

I, on the behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Mahanadi Coalfields Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the Accounting Records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors report.

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

Sd/-

(Yashodhara Ray Chaudhri)

Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board-II

Kolkata

Place: Kolkata

Dated : 12.06.2015

AUDITOR'S REPORT ON MOU

We have audited actual performance of financial and dynamic parameters vis-à-vis target in Memorandum of Understanding (MOU) for the year 2014-15 in respect of "Mahanadi Coalfields Limited" as per the information and explanation produced before us by the Company, we report that:-

1. The achievement stated in attached performance Evaluation Sheet with respect to Financial and Dynamic Parameters are calculated in terms of guidelines for MOU for the year 2014-15 issued by the Ministry of Heavy Industries & Public Enterprises (MOU Division), Government of India.
2. The achievement stated against Financial and Dynamic Parameters are ratified from the documentary evidence, records maintained and produced before us for our verification, stated in respective parameters are correct to the best of our knowledge.

For PAMS & Associates.
Chartered Accountants

Sd/-
(CA Satyajit Mishra)
Partner
Membership No.057293

Place : Bhubaneswar
Date : 13.06.2015

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED
ANNEXURE - II

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
1 Static / Financial Parameters										
(i) Growth/Size/Activity(Two)										
(a) Sales Turn over(Net sales)	Rs Crs	10	10261.17	10242.01	9729.91	9243.41	8781.24	11024.42	1.00	0.1000
(b) Gross operating Margin Rate	%	10	0.3694	0.3673	0.3489	0.3315	0.3149	0.4568	1.00	0.1000
(ii) Profitability										
(a) PAT/Networth	Ratio	5	0.3890	0.3867	0.3674	0.3490	0.3315	0.7938	1.00	0.0500
(b) EBITDA/Net Block	Ratio	7	1.3688	1.3601	1.2921	1.2275	1.1661	1.8146	1.00	0.0700
(iii) Cost and output efficiency										
(a) Sales Turn over/Net Block	Ratio	10	3.5986	3.5919	3.4123	3.2417	3.0796	3.5707	2.12	0.2118
(iv) Liquidity/Leverage										
(a) Debtor Turnover ratio (No of days) (Average Collection period)		8	12.4295	12.5203	13.1463	13.8036	14.4938	9.0792	1	0.0800
Sub Total		50.0								0.6118

Sd/-
 (A.N Sahay)
 Chairman-Cum-Managing Director
 Mahanadi Coalfields Limited

Sd/-
 (K.K Parida)
 Director (Finance)
 Mahanadi Coalfields Limited

Sd/-
 CA Satyajit Mishra
 Partner
 Membership no.057293
 Mahanadi Coalfields Limited

For PAMS Associates
 Chartered Accountant

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED**

ANNEXURE - II

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
2	Dynamic/ Non Financial Parameters		1	2	3	4	5			
(i)	Corporate Social Responsibility (CSR) & Sustainability									
	Repairing and Strengthening of black topped coal transportation road from Duduka Chowk to Kanika Railway siding approach junction under B-G Area in Sundargarh District(Backward district)	0.4	15-Mar-15	31-Mar-15	-	-	-	Work completed on 31.01.2015 as per the agreement.	1	0.004
(b)	Conducting Health Check up and Medical Camps & mobile blood checking	0.3	10	9	8	7	6	Conducting Health Check up and Medical Camps & mobile blood checking for the year 2014-15 is 149.	1	0.003
(c)	Construction of 2nd floor of Ladies Hostel,VSSUT,Burla.	0.3	15-Mar-15	31-Mar-15	-	-	-	Work completed & handed over to VSSUT, Burla on 01.12.2014	1	0.003
	Sub Total	1.00								0.010

For PAMS Associates
Chartered Accountant

Sd/-

CA Satyajit Mishra
Partner

Membership no.057293
Mahanadi Coalfields Limited

Sd/-

(K.K Parida)
Director (Finance)

Mahanadi Coalfields Limited

Sd/-

(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED**

ANNEXURE - II

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
2										
(ii)										
Dynamic/ Non Financial Parameters										
Adoption of Innovative Practices										
(a) Geo fencing of Kaniha Mines	Month	0.10	15-Feb-15	28-Feb-15	15-Mar-15	31-Mar-15	-	Geo fencing of Kaniha mines completed for vehicle having GPS on 16.12.14.	1	0.001
(b) Auto refund of EMD in e-procurement system of MCL	Month	0.50	15-Feb-15	28-Feb-15	15-Mar-15	31-Mar-15	-	Auto Refund of EMD in e-procurement of MCL system started on 07/04/2014.	1	0.005
(c) Digital repository for licence (Explosive, Mine opening, Mine Closure Plan)	No. of Mines	0.30	10	9	8	7	6	Completed for all the 23 mines of MCL.	1	0.003
(d) On line project monitoring at Area level.	No. of Area	0.10	5	4	3	2	1	On line project monitoring at area level is being done in all the 10 areas of MCL.	1	0.001
Sub Total		1.00								0.010

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner

Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)

Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director

Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED**

Evaluation Criteria		Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
				Excellent	Very Good	Good	Fair	Poor			
				1	2	3	4	5			
2	Dynamic/ Non Financial Parameters										
(iii)	Initiatives for Growth										
(a)	Approval of project by MCL Board (2 Nos)	Nos	0.5	15.02.15	28.02.15	15.03.15	31.03.15	--	1	0.005	
During 2014-15 five projects were approved by the MCL Board: 1) Basundhara (W) Extension OCP approved in 157 th Board meet held on 07.05.2014. 2) Jagamath Re-organisation OCP approved in 158th Board meet held on 26.05.2014. 3) Kuida Expansion OCP approved in 159th Board meet held on 25.06.2014. 4) Gerjanahal OCP approved in 161 st Board meet held on 16.09.2014. 5) Integrated Lakhanpur-Belpahar-Lijari OCP approved in 164th Board meet held on 03.02.2015.											
(b)	Notification u/s Sec 9(1) of CBA	Ha	1.0	500	490	466	442	420	5	0.05	
(c)	Notification u/s Sec 4(1) of CBA for Gopalji OCP	Month	0.5	Feb'15	15th Mar'15	31st Mar'15			1	0.005	
(d)	Possession of Land	Ha	2.0	250	245	233	221	210	1	0.020	
Sub total			4.0							0.080	

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - II
MAHANADI COALFIELDS LIMITED**

Evaluation Criteria	Unit	Weight (in %)	MoJ Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
2 (iv) Dynamic/ Non Financial Parameters Project Management & Implementation										
(a) CAPEX for year 2014-15	Cr.	2.0	700	670	637	605	574	Capex during 14-15 is Rs 836.50 Crs.	1	0.020
(b) Kulda: possession of 20 Ha. Of forest land.	Month	0.1	Feb'15	15th Mar'15	31st Mar'15	-	-	Not achieved.	5	0.005
(c) Hingula OCP: Stage-I Forestry Clearance for 440.53 Ha.	Month	0.1	Feb'15	15th Mar'15	31st Mar'15	-	-	Stage -I Forestry clearance obtained on 06.01,2015.	1	0.001
(d) Bhubaneswari: Coal production of 20 Mty	%	2.0	100.00	95.00	90.00	85.00	80.00	Coal production form Bhubaneswari OCP for the year 14-15 is 25.00MT, which is 125% of 20 MT.	1	0.020
(e) Kanifa: Despatch of 4 Mty through MGR.	%	2.0	100.00	95.00	90.00	85.00	80.00	Despatch through MGR from Kanifa OCP during 14-15 is 6.1936 Mt.	1	0.020
(f) Gopalprasad OCP: EC for 15 Mty.	Month	0.1	Feb'15	15th Mar'15	31st Mar'15	-	-	Not achieved.	5	0.005
(g) Samaleswar OC : Compliance of Stage-I forestry clearance.	Month	0.2	Feb'15	15th Mar'15	31st Mar'15	-	-	Compliance submitted to MoEFCC, New Delhi on 20.09.14.	1	0.002
(h) Lingaraj OC: Award of work for construction of SILO for Lingaraj OCP.	Month	0.1	Feb'15	15th Mar'15	31st Mar'15	-	-	Work awarded vide LOA no. MCL/SAMB/ E&M/Lingaraj SILO /2014-15/LOA-76 dated 12.06.14.	1	0.001

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED
ANNEXURE -II

Evaluation Criteria	Unit	Weight (in %)	MoJ Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
2										
Dynamic/ Non Financial Parameters										
(i) Bharatpur OC: Commissioning of SILO	Month	0.5	Feb'15	15th Mar'15	31st Mar'15	-	-	Not achieved.	5	0.025
(j) Balaram OC: Notification u/s Sec 7(1) for 841.26 Acre for Balaram Expansion	Month	0.5	Feb'15	15th Mar'15	31st Mar'15	-	-	Not achieved.	5	0.025
(k) Design & Engineering, supply, Erection, installation, testing & Commissioning of one no. 33KV power transformer bay, one no. 33 KV lighting transformer bay and one no.33 KV potential transformer bay for augmentation of 33KV/11 KV Kallinagar sub-station in Orient sub-Area, MCL.	Month	0.4	Feb'15	15th Mar'15	31st Mar'15	-	-	Not achieved.	5	0.020
Sub total		8.0								0.144

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED**

ANNEXURE - II

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
2										
(v) Dynamic/ Non Financial Parameters										
(a) Productivity and Internal Processes										
(a) System Capacity Utilisation	%	0.5	79.82	78.22	74.31	70.60	67.07	5	0.025	
(b) Customer satisfaction										
(b1) Despatch covered under agreed sampling to power sector	(%)	1.0	99.00	98.00	97.00	96.00	95.00	1	0.010	
(b2) Sized coal Despatch to power sector by Rail	(%)	0.5	99.00	98.00	97.00	96.00	95.00	1	0.005	
(b3) Despatch of coal to power sector by rail weighed on electronic weighbridge	(%)	1.0	99.00	98.00	97.00	96.00	95.00	1.13	0.011	
(b4) Despatch under FSA for Power Utilities covered under 3rd Party Sampling through a jointly agreed mechanism	(%)	1.0	95.00	90.00	85.00	80.00	75.00	1	0.010	
Sub total		4.0							0.061	

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - II
MAHANADI COALFIELDS LIMITED**

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score	
			Excellent		Good		Fair				Poor
			1	2	3	4					
2 Dynamic/ Non Financial Parameters											
(vi) New Technologies/Improving existing ones/other in novative practices											
(a1)	Implementation of online Material Management system on central Server at MCL HQ.	Month	0.5	Feb'15	15th Mar'15	31st Mar'15	Implementation of online Material Management system on central Server at MCL HQ. has been done by February, 2015.	1	0.005		
(a2)	CCTV based surveillance system in Railway siding	Nos of Railway siding	0.5	4	3	2	CCTV based surveillance system in Railway siding completed in 21 railway sidings.	1	0.005		
(a3)	Installation of camera in weighbridges	Nos of weighbridges	0.5	50	45	40	Installation of camera in weighbridges completed in 82 weighbridges.	1	0.005		
(a4)	Award of work for Benchmarking of energy efficiency in diesel and electricity through external agency like Bureau of Energy Efficiency etc.	Month	0.5	Feb'15	15th Mar'15	31st Mar'15	Award of work for Benchmarking of energy efficiency in electricity had been done in Bharatpur Opencast mine vide letter no MCL/HQRS/GM(CP&P)/15/1411 (A) dated 01.02.2015 and award of work for Benchmarking of energy efficiency in diesel had been done in 12 opencast mines of MCL vide letter no MCL/HQRS/GM(CP&P)/14/73 dated 18.06.2014.	1	0.005		

Sd/- (A.N Sahay) Chairman-Cum-Managing Director Mahanadi Coalfields Limited	Sd/- (K.K Parida) Director (Finance) Mahanadi Coalfields Limited
For PAMS Associates Chartered Accountant	
Sd/- CA Satyajit Mishra Partner Membership no.057293 Mahanadi Coalfields Limited	

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - II
MAHANADI COALFIELDS LIMITED**

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
2 (b) Dynamic/ Non Financial Parameters Safety management										
(b1) Preparation of Safety Management Plan	Nos	1.0	4	3	2	1		Safety Management Plan of 9 mines of MCL prepared during 14-15.	1	0.010
(b2) Implementation of Environmental Telemonitoring system at Hirakhand Bundia Mine (UG)	Month	1.0	Feb'15	15th Mar'15	31st Mar'15			Environmental Telemonitoring system at Hirakhand Bundia Mine (UG) had been implemented in April 2014.	1	0.010
(b3) Reduction in fatality per Million Tonne of Coal w.r.t to Previous year	(%)	0.5	4	3	2	1		Fatality per Million Tonne of Coal during 13-14 : 0.009 Fatality per Million Tonne of Coal during 14-15 : 0.008 Reduction in fatality rate w.r.t previous year 11.11%	1	0.005
(b4) Reduction in Serious injury per Million Tonne of Coal w.r.t to Previous year	(%)	0.5	4	3	2	1		Serious injury per Million Tonne of Coal during 13-14 : 0.100 Serious injury per Million Tonne of Coal during 14-15: 0.082 Reduction in serious injury rate w.r.t previous year :18.0 %	1	0.005
Sub total		5.0								0.050

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner

Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED
ANNEXURE - II

Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
			Excellent	Very Good	Good	Fair	Poor			
			1	2	3	4	5			
2	Dynamic/ Non Financial Parameters									
(vii)	Human Resource Management-HRM									
(a)	Training in Project Management	1.0	60	50	40	30	20	Total no. of executives trained in Project Management for the year 2014-15 are 60.	1	0.01
(b)	Training in Contract Management	1.0	5	4	3	2	1	Total no. of executives trained in Contract Management for the year 2014-15 are 15.	1	0.01
(c)	Training programme in environment, forest management & land acquisition from reputed institute.	1.0	5	4	3	2	1	Total no. of executives trained in environment, forest management & land acquisition from reputed institute for the year 2014-15 are 9.	1	0.01
(d)	Training in Risk Management	1.0	5	4	3	2	1	Total no. of executives trained in Risk Management for the year 2014-15 are 6.	1	0.01
(e)	Training through simulator	1.0	10	9	8	7	6	Total no. of operators trained for the year 2014-15 is 27.	1	0.01
(f)	Human Resource Management-HRM	3.0								
	Sub Total	8.0						Please refer Annexure-B		0.03

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - B
MAHANADI COALFIELDS LIMITED

Template for HRM Performance Evaluation												
Sl.	HRM - PERFORMANCE INDICATORS	Measurement Unit	Narration	Weightage	Target value					Actual Performance 14-15	Rank	Score
					Excellent	Very Good	Good	Fair	Poor			
					1	2	3	4	5			
A	Competency & Leadership Development, A1 Compulsory Executive				100%	95%	90%	85%	80%			
1	% actualisation of Training Days per employee per year	% fulfillment & Days/per employee per year	Trg. Days Per Exe Total Trg. Days Trg. Day per Sup/Clrk/Tech Total Trg. Days Trg. Days Per Worker Total Trg. Days % of Fulfillment	2	1.44	1.37	1.30	1.22	1.15	7156	1	0.02
2	Developing critical mass of leaders through a system of career planning & development	% fulfillment of planned leadership development programmes	Leaders to be Developed	5	2664	2531	2398	2264	2131	4135	1	0.01
3	Training budget as % of employee cost	% of employees cost	% of Employee Cost	5	0.45	0.43	0.41	0.38	0.36	32780	1	0.02
4	% fulfillment of training plan for Multi-skilling / Skill Upgradation of non-executive	%	Trg. Exp. in Rs. Cr. Training Plans Employees' Skill to be Up-graded Training Man-Days	5	2160	2052	1944	1836	1728	11.03	1	0.05
				2	1.40	1.33	1.26	1.19	1.12	14	1	0.01
				2	21560	20482	19404	18326	17248	400	1	0.02
				2	100%	95%	90%	85%	80%	64464	1	0.02

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - B
MAHANADI COALFIELDS LIMITED

Template for HRM Performance Evaluation															
Sl.	HRM - PERFORMANCE INDICATORS	Measure-ment Unit	Narration	Weigh-tage	Target value					Actual Performance 14-15	Rank	Score			
					Excellent	Very Good	Good	Fair	Poor						
					1	2	3	4	5						
A2 Optional (Out of below five, one is to be taken in the MOU)															
5	% of executives covered in 360 degree feedback system against plan	%													
6	% of Senior level executives (HODs & GMs and above) covered in Assessment & Development Centre	%													
7	Training interventions in new/advanced technology - % fulfillment of training plan in new technology	%													
8	Inventions towards Industry - Academia interface	Yes/No: details	Yes Interface-I Interface-II	10	5	5	100%	95%	90%	85%	80%	6	1	0.05	
9	% fulfillment of Plan for carrying out Competency Mapping of employees	%										1337	1	0.05	
Total (A1 to A9)					30										0.30

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED
ANNEXURE - B

Template for HRM Performance Evaluation

Sl	HRM - PERFORMANCE INDICATORS	Measure-ment Unit	Narration	Weight- tage	Target value					Actual Performance 14-15	Rank	Score
					Excellent	Very Good	Good	Fair	Poor			
					1	2	3	4	5			
B	Recruitment, Retention & Talent Management Manpower Rationalization through - Voluntary retirements - Redeployment											
13	- Any other (Recruitment)	% to Employee Strength	Thru Open Advertisement / Internal Selection Last Outstee Appointment	3 5	0.49% 20	0.47% 18	0.44% 16	0.42% 14	0.39% 12	235	1	0.03
14	Attrition as % of total employees	%	Less Than :-	20	1.48% 300	1.40% 285	1.33% 270	1.26% 255	1.18% 240	330	1	0.02
15	Presence of Mentorship Development Programmes - Nos. of Mentors & Mentees	Yes / No : Numbers	Mentors Mentees	5	1.00% 219	1.50% 329	2.00% 438	2.50% 548	3.00% 657	58	1	0.20
16	Formulation / Implementation of systems for management of Talent such as - job relation system, reward system, sponsorship SL executives for <u>Advanced Management Programme</u> , growth opportunities etc.	Schemes / Initiatives & their details	a-Job Rotation b-Reward System c-St. Exe. For AMP's	2 2 1 35	12 36	11 33	10 30	9 27	8 24	50 62	1	0.05
	Total (B13 to B16)				100	90	85	80	75	157	1	0.02
					55	50	47	44	41	103	1	0.02
					2	1	X	X	X	13	1	0.01

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
ANNEXURE - B
MAHANADI COALFIELDS LIMITED

Template for HRM Performance Evaluation

Sl.	HRM - PERFORMANCE INDICATORS	Measure-ment Unit	Narration	Weight-age	Target value					Actual Performance 14-15	Rank	Score
					Excellent 1	Very Good 2	Good 3	Fair 4	Poor 5			
C	Enabling Creativity & Innovation											
17	Nos. of Nominations/entries submitted for National Awards (PM Shriam Awards, Vishwakarma Rashtriya Puraskar)	Nos. of nominations/entries submitted for national awards	Total Nominations	7.5	4	3	2	1	0	7	1	0.075
18	Number of suggestions generated per employee per year	Nos. per employee	Suggestions per Employee Total Suggestions	7.5	0.009 200	0.008 175	0.007 150	0.006 125	0.005 100	207	1	0.075
	Total (C17 to C19)			15								0.15
	Total (A, B & C)			80								0.80
D	Employee Relations & Welfare											
19	Effectiveness of Grievance Redressal system - % of grievances settled vis-à-vis received during the year	% settlement		5	60%	50%	45%	40%	35%	90.98	1	0.05
20	Pension, medicare, Yoga classes to reduce stress where the job is stressful, setting up of wellness centre such as Gym, etc.	Number of programs/date of implementation of scheme	Pension & Medicare as per CIL Policies Yoga Classes Gym. Social Security Scheme of CIL will be implemented	1 3 1	5 4 1	4 0 0	3 0 0	2 0 0	1 0 0	Yes 5 1	1 1 1	0.01 0.03 0.01
21	Formulation & Implementation of social security scheme	Yes / No		5			Yes			Yes	1	0.05
22	Number of structured meetings with employees' representatives	Number of meetings		5	300	280	260	240	220	755	1	0.05
	Total (D20 to D24)			20								0.20
	Grand Total (A,B,C, & D)			100								1.00

NB: Total score out of 100 awarded on HRM to CPSE will be converted into score out of 3 in MoU on pro-rata basis

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

**PERFORMANCE EVALUATION OF MEMORANDUM OF UNDERSTANDING : 2014 – 15 WITH FORCE MAJEURE
MAHANADI COALFIELDS LIMITED**

ANNEXURE - II

2 (3)	Evaluation Criteria	Unit	Weight (in %)	MoU Target					Performance between April -14 to March-15	Rank	Score
				Excellent	Very Good	Good	Fair	Poor			
Dynamic/ Non Financial Parameters											
Enterprise - Specific Parameters											
(a)	Off-take	MtL	9.0	123.00	122.00	115.90	110.11	104.60	123.001	1.00	0.09
(b)	Coal Production	MtL	9.0	121.38	120.38	114.36	108.64	103.21	121.38	1.00	0.09
(c)	Man productivity (Output /Manshift)	Te/Manshift	1.0	16.65	16.51	15.68	14.90	14.16	OMS during 14-15 is 17.10	1	0.01
	Sub Total		19.0								0.19
	Sub Total (Dynamic parameter)		50.00								0.625
	Grand Total		100.00								1.2371

For PAMS Associates
Chartered Accountant

Sd/-
CA Satyajit Mishra
Partner
Membership no.057293
Mahanadi Coalfields Limited

Sd/-
(K.K Parida)
Director (Finance)
Mahanadi Coalfields Limited

Sd/-
(A.N Sahay)
Chairman-Cum-Managing Director
Mahanadi Coalfields Limited

INDEPENDENT AUDITORS' REPORT

To

THE MEMBERS OF

MAHANADI COALFIELDS LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of MAHANADI COALFIELDS LIMITED which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements include figures in respect of six mine areas and one central workshop of Talcher Field audited by Branch Auditors.

2. Management's Responsibility for the 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 financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. The Board of Directors of the company is responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. **Opinion**

Subject to our separate report given in the annexure, we report that:

- (a) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Accounting Policies (Note No.33), and the Additional Notes on Accounts (Note No.34) 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:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
 - ii. in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

We have placed reliance on:

- (a) The technical data submitted by the Management in respect of 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 Central Mine Planning & 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.

5. Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 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 purpose of our audit of the aforesaid financial statements.;
 - b. In our opinion proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branched not visited by us] and the report of the branch auditors.
 - c. The Branch Auditor's Report on the accounts of the branch offices, viz., six mine areas and one central workshop of Talcher Field, audited under section 143 by a person other than the company's auditor has been forwarded to us as required by sub-section (8) of section 143 and have been dealt with in preparing our report in the manner considered necessary by us;
 - d. The Balance Sheet, Statement of Profit and Loss and 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 financial statements [and with the audited returns received from branches not visited by us];
 - e. In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the financial transactions effected by the company does not have any adverse effect on the functioning of the company;

- g. On the basis of the written representations received from the directors of the Company as on 31st March, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Company, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act, which is not applicable to the company.
- h. In our opinion and to the best of our information and according to the explanations given to us, there is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
- i. In our opinion and to the best of our information and according to the explanations given to us, the company has adequate internal financial controls system in place and has the operating effectiveness of such controls.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2004, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The financial statements disclose the impact of pending litigations on the financial position of the company - Refer Note 34 to the financial statements.
 - ii. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer additional Note - 34 to the financial statements in respect of such items as it relates to the company.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and protection Fund by the Company.

For PAMS & Associates
Chartered Accountants
Firm's registration number: 316079E.

Sd/-
M P Mahapatra
Partner
Membership number: 055113

Place: Bhubaneswar
Date: 20.05.2015

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph (5.1) of our report of even date to the members of MAHANADI COALFIELDS LIMITED for the year ended 31st March, 2015. We report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) We are informed that the fixed assets of the Company have been physically verified by the Management during the year. As per information and explanations available, no material discrepancies have been observed on such verification.
- (ii) (a) 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.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory. The discrepancies between physical stocks and book records, arising out of physical verification, have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us:
 - On the basis of the examination of record we notice that short term interest bearing loan are given to Coal India Limited, the holding company.
 - (a) On the basis of the examination of record we notice that the receipt of the principal amount and interest are regular on short term loan, including interest given to Coal India Limited, the holding company.
 - (b) In our opinion and according to the information and explanations given to us, there is no overdue amount of more than rupees one lakh.
 - (iv) According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services and we have not observed any continuing failure to correct major weaknesses in internal control system.

- (v) According to the information and explanations given to us, the Company has not accepted deposits from the public.
- (vi) Since an independent cost audit is being carried out by the company 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, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added 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 payable.
- (b) According to the records of the Company and the information and explanations given to us, details of disputed dues in respect of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as at 31st March, 2015, are given below:

	Total Amount (Rs.in Crore)	Name of the Forum where dispute is pending
Sales Tax,	105.15	High Court, Tribunal and Commissionerate
Income Tax	1953.34	High Court, Tribunal and Commissionerate
Central Excise Duty	466.61	High Court, Tribunal and Commissionerate

Out of the above an amount of Rs. 27.47 crores has been deposited against Sales Tax under protest, an amount of Rs. 1,953.34 crores has been deposited against Income Tax under protest, an amount of Rs. 142.80 crores has been deposited against Central Excise Duty under protest,

- (c) According to the records of the Company and the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- (ix) Based on our audit procedures and the information and explanations given by the Management, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued debentures.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 3(x) of the Order is not applicable to the Company.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
 - i. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For PAMS & Associates
Chartered Accountants
Firm's registration number: 316079E.

Sd/-
M P Mahapatra
Partner
Membership number: 055113

Place: Bhubaneswar
Date: 20.05.2015

**MANAGEMENT REPLY TO AUDITORS' REPORT
ADDENDUM TO DIRECTORS' REPORT
(UNDER SECTION 143(2) AND 134(3) OF THE COMPANIES ACT, 2013)**

SL. AUDITORS' REPORT

MANAGEMENT'S REPLY

To,
The Members of
Mahanadi Coalfield Limited,
Jagruati Vihar, Burla,
Sambalpur.

1. We have audited the accompanying financial statements of MAHANADI COALFIELDS LIMITED which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements include figures in respect of six mine areas and one central workshop of Talcher Field audited by Branch Auditors.
2. 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 financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. The Board of

This is a statement of fact.

This is a statement of fact.

Directors of the company is responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

3. Our responsibility is to-express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

No Comments.

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

No Comments.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

No Comments.

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 financial statements.

No Comments.

4. Subject to our separate report given in the annexure, we report that:-
 - (a) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Accounting Policies (Note No.33), and the Additional Notes on Accounts (Note No.34) give the information

No Comments.

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

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
 - ii. in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii. in the case of the cash flow statement, of the cash flows for the year ended on that date. We have placed reliance on:
 - (a) The technical data submitted by the Management in respect of 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; No Comments.
 - (b) The mine closure plan prepared by Central Mine Planning & Design Institute Limited (CMPDIL) and approved by the Management of the Company for the purpose of making provision towards Mine Closure expenses. No Comments.
 - (c) The Management's evaluation / estimates, whether technical or otherwise for making the provision towards impairment of fixed assets. No Comments.
5. 1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement No Comments.

on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purpose of our audit of the aforesaid financial statements.; No Comments.
 - b. In our opinion proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branched not visited by us] and the report of the branch auditors. No Comments.
 - c. The Branch Auditor's Report on the accounts of the branch offices, viz., six mine areas and one central workshop of Talcher Field, audited under section 143 by a person other than the company's auditor has been forwarded to us as required by sub-section (8) of section 143 and have been dealt with in preparing our report in the manner considered necessary by us; No Comments.
 - d. The Balance Sheet, Statement of Profit and Loss and 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 financial statements [and with the audited returns received from branches not visited by us]; No Comments.

- | | | |
|----|---|--------------|
| e. | In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. | No Comments. |
| f. | In our opinion and to the best of our information and according to the explanations given to us, the financial transactions effected by the company does not have any adverse effect on the functioning of the company; | No Comments. |
| g. | On the basis of the written representations received from the directors of the Company as on 31 st March, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Company, is disqualified as on 31 st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act, which is not applicable to the company. | No Comments. |
| h. | In our opinion and to the best of our information and according to the explanations given to us, there is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith; | No Comments. |
| i. | In our opinion and to the best of our information and according to the explanations given to us, the company has adequate internal financial controls system in place and has the operating effectiveness of such controls. | No Comments. |

- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2004, in our opinion and to the best of our information and according to the explanations given to us: This is a statement of fact.
- i. The financial statements disclose the impact of pending litigations on the financial position of the company - Refer Note 34 to the financial statements. This is a statement of fact.
- ii. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer additional Note - 34 to the financial statements in respect of such items as it relates to the company. This is a statement of fact.
- iii. There were no amounts which were required to be transferred, to the Investor Education and protection Fund by the Company. This is a statement of fact.

For PAMS & Associates
Chartered Accountants

-Sd-

(M P Mahapatra)

Partner

Membership number: 055113

Firm's registration number: 316079E.

Place: Bhubaneswar

Date: 20.05.2015

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph (5.1) of our report of even date to the members of
MAHANADI COALFIELDS LIMITED for the year ended 31st March, 2015.

- | | |
|--|------------------------------|
| (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. | This is a statement of fact. |
| (b) We are informed that the fixed assets of the Company have been physically verified by the Management during the year. As per information and explanations available, no material discrepancies have been observed on such verification. | This is a statement of fact. |
| (ii) (a) 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. | This is a statement of fact. |
| (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business. | This is a statement of fact. |
| (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory. The discrepancies between physical stocks and book records, arising out of physical verification, have been properly dealt with in the books of account. | This is a statement of fact. |

- (iii) According to the information and explanations given to us: This is a statement of fact.
- On the basis of the examination of record we notice that short term interest bearing loan are given to Coal India Limited, the holding company.
- (a) On the basis of the examination of record we notice that the receipt of the principal amount and interest are regular on short term loan, including interest given to Coal India Limited, the holding company. This is a statement of fact.
- (b) In our opinion and according to the information and explanations given to us, there is no overdue amount of more than rupees one lakh. This is a statement of fact.
- (iv) According to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services and we have not observed any continuing failure to correct major weaknesses in internal control system. This is a statement of fact.
- (v) According to the information and explanations given to us, the Company has not accepted deposits from the public. This is a statement of fact.
- (vi) Since an independent cost audit is being carried out by the company 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. This is a statement of fact.
- (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 This is a statement of fact.

including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added 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 payable.

- (b) According to the records of the Company and the information and explanations given to us, details of disputed dues in respect of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as at 31st March, 2015, are given below:

This is a statement of fact.

	Total Amount (Rs.in Crore)	Name of the Forum where dispute is pending
Sales Tax	105.15	High Court, Tribunal and Commissionerate
Income Tax	1953.34	High Court, Tribunal and Commissionerate
Central Excise Duty	466.61	High Court, Tribunal and Commissionerate

Out of the above an amount of Rs. 27.47 crores has been deposited against Sales Tax under protest, an amount of Rs. 1,953.34 crores has been deposited against Income Tax under protest, an amount of Rs. 142.80 crores has been deposited against Central Excise Duty under protest,

This is a statement of fact.

- (c) According to the records of the Company and the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

This is a statement of fact.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year and in the immediately preceding financial year. This is a statement of fact.
- (ix) Based on our audit procedures and the information and explanations given by the Management, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued debentures. This is a statement of fact.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 3(x) of the Order is not applicable to the Company. This is a statement of fact.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, paragraph 3(xi) of the Order is not applicable. This is a statement of fact.
- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management. This is a statement of fact.

For PAMS & Associates
Chartered Accountants

-Sd-

(M P Mahapatra)

Partner

Membership number: 055113

Firm's registration number: 316079E.

Place: Bhubaneswar

Date: 20.05.2015

AOC – 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/Joint ventures.

(Pursuant to proviso to sub-section (3) of section 129 read with Rule-5 of the Companies (Accounts) Rules, 2014).

(₹. In Lakh except % of Share holding)

Sl. No.	Particulars	Name of the subsidiary/Associate Company/Joint Venture			
		MNH Shakti Ltd	MJSJ Coal Ltd	Mahanadi Basin Power Ltd	Neelanchal Power Transmission Company Pvt. Ltd
1.	Reporting period for the subsidiary / associate / joint venture concerned, if different from the holding company's reporting period.	NA	NA	NA	NA
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries, associate companies and joint ventures.	NA	NA	NA	NA
3.	Share capital	8510.00	9510.00	5.00	0.00
4.	Reserves & surplus	(52.15)	(101.32)	(0.18)	0.00
5.	Total assets	8524.11	10031.69	1362.83	0.00
6.	Total Liabilities	8524.11	10031.69	1362.83	0.00
7.	Investments	3368.94	2388.72	0.00	0.00
8.	Turnover	-	-	-	-
10.	Profit before taxation	-	-	-	-
11.	Provision for taxation	-	-	-	-
12.	Profit after taxation	-	-	-	-
13.	Proposed Dividend	-	-	-	-
14.	% of shareholding	70	60	100	50

Note:-

1. During the year 2014-15, Neelanchal Power Transmission Company Pvt. Ltd. associate company / Joint Venture is yet to commence operations.
2. During the year 2014-15, no subsidiaries/associate companies/Joint Ventures liquidated or sold.

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

Sd/-
(K. K. Parida)
Director (Finance)

Sd/-
(A. N. Sahay)
Chairman-cum-Managing Director

ANNUAL ACCOUNTS
(STAND ALONE)
OF MCL
FOR THE YEAR
2014-15



INITIATIVES OF MCL FOR ENVIRONMENT PROTECTION



1,29,735 sapling have been planted & distributed by MCL during 2014-15 totaling 49,19,290 saplings planted & distributed till date.



MCL has installed a 2 MW Photovoltaic Solar Power Plant at Anand Vihar, MCL, Sambalpur to mark its presence in renewable Energy sector & planned to increase set-up 500 MW capacity Solar Power Plant in future.



Ripper Dozer Deployed at Belpahar OCP for Blastless OB removal



Surface Miner deployed for selective mining at Lingaraj OCP, Talcher Coalfield



Fixed Water Sprinkler installed at Mines Area to suppress dust generated due to mining activities.



Mobile Water Sprinkler to suppress dust in Mine Areas and Coal Transportation Roads.



Heavy duty truck-mounted road sweepers for sweeping & collection of coal spillage and dust over pucca coal transportation roads.

BALANCE SHEET
As at 31st March, 2015

(₹ in Crores)

I EQUITY AND LIABILITIES	Notes	As at 31-03-2015	As at 31-03-2014
(1) Shareholders' Funds			
a) Share Capital	1	186.40	186.40
b) Reserves and Surplus	2	<u>4,291.17</u>	<u>5377.02</u>
		4,477.57	5,563.42
(2) Non-Current Liabilities			
a) Long Term Borrowings	3	6.90	9.14
b) Deferred Tax Liability (Net)		122.90	28.08
c) Other Long Term Liabilities	4	53.58	54.34
d) Long Term Provisions	5	<u>12,899.71</u>	<u>10,607.11</u>
		13,083.09	10,698.67
(3) Minority Interest		-	-
(4) Current Liabilities			
a) Short Term Borrowings	6	-	-
b) Trade Payables	7	275.26	280.29
c) Other Current Liabilities	8	3,166.33	2,647.23
d) Short Term Provisions	9	<u>372.35</u>	<u>318.12</u>
		3,813.94	3,245.64
Total		<u>21,374.60</u>	<u>19,507.73</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets - Gross Block	10A	5,754.79	5,161.98
Less : Depreciation, Impairment & Provisions		<u>2,748.79</u>	<u>2,455.22</u>
Net Carrying Value		3,006.00	2,706.76
ii) Intangible Assets - Gross Block	10A	288.09	284.89
Less : Depreciation, Impairment & Provisions		<u>206.61</u>	<u>194.40</u>
Net Carrying Value		81.48	90.49
iii) Capital Work-in-Progress	10B	454.00	322.27
iv) Intangible Assets under Development	10C	270.11	209.49
(b) Non-Current Investments	11	1,075.38	1,098.07
(c) Deferred Tax Asset (Net)		-	-
(d) Long Term Loans & Advances	12	552.62	375.55
(e) Other Non-Current Assets	13	-	-

Balance Sheet Contd.

(2) Current Assets	Notes	As at <u>31-03-2015</u>	As at <u>31-03-2014</u>
(a) Current Investments	14	247.70	675.71
(b) Inventories	15	476.41	522.52
(c) Trade Receivables	16	447.30	298.39
(d) Cash & Cash equivalents	17	10,882.37	10,367.57
(e) Short Term Loans & Advances	18	3,055.49	2,174.55
(f) Other Current Assets	19	<u>825.74</u>	<u>666.36</u>
		15935.01	14705.10
Total		21,374.60	19,507.73

Significant Accounting Policies 33

Additional Notes on Accounts 34

The Notes referred to above form an integral part of Balance Sheet

Sd/-
A. K. Singh
Company Secretary

Sd/-
B.P.Ghosh
General Manager (Finance)

As per our report of even date
For **PAMS & ASSOCIATES**
Chartered Accountants

Sd/-
K.K. Parida
Director (Finance)

Sd/-
CA M P MAHAPATRA
Partner
(Membership No. 055113)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

Date: 20.05.2015
Place: Bhubaneswar

PROFIT & LOSS STATEMENT

For the Year ended 31st March, 2015

<u>INCOME</u>	Notes	For the Year ended 31.03.2015	(₹ in Crores) For the Year ended 31.03.2014
(I) <u>Revenue from Operations</u>			
A Sale of Coal	20	14,989.05	13,114.20
Less: Excise Duty		679.56	617.16
Other Levies		<u>3,285.07</u>	<u>2,507.37</u>
Net Sales		11,024.42	9,989.67
B Other Operating Revenue	20	704.66	583.90
Less: Excise Duty		39.71	33.12
Other Levies		<u>20.89</u>	<u>18.33</u>
Net Operating Revenue		644.06	532.45
Revenue from Operations (A+B)		11,668.48	10,522.12
(II) Other Income	21	1,375.14	1,510.88
(III) Total Revenue		<u>13,043.62</u>	<u>12,033.00</u>
<u>EXPENSE</u>			
Cost of Materials Consumed	22	604.56	626.35
Change in inventories of finished goods, work in progress and Stock- in- trade	23	33.62	36.54
Employee benefit expenses	24	1,997.10	1,841.29
Power & Fuel		122.59	119.37
Corporate Social Responsibility Expenses	25	61.30	111.48
Repairs	26	107.63	93.58
Contractual Expenses	27	1,787.27	1,638.48
Finance Costs	28	1.44	14.89
Depreciation/Amortization/Impairment		297.11	269.18
Provisions	29	123.56	85.27
Write off	30	-	-
Overburden Removal Adjustment		2,123.53	1,410.33
Other Expenses	31	<u>479.89</u>	<u>355.34</u>
Total Expenses		<u>7,739.60</u>	<u>6,602.10</u>
Profit/(Loss) before extraordinary items , exceptional items and tax		<u>5,304.02</u>	<u>5,430.90</u>
Prior Period Adjustment [Charges / (Incomes)]	32	(10.22)	1.82
Exceptional Items		-	-

Profit/(Loss) before extraordinary items and tax	<u>5,314.24</u>	<u>5,429.08</u>
Extraordinary Items [Charges/(Incomes)]	-	-
Profit/(Loss) before Tax	<u>5,314.24</u>	<u>5,429.08</u>
Less : Tax Expense		
- Current year	1697.56	1837.38
- Deferred Tax	94.82	(32.60)
- Earlier years	(32.24)	-
Profit/(Loss) after Tax	<u>3,554.10</u>	<u>3,624.30</u>
Basic and Diluted Earnings per Share (in Rs.) (Face Value of Rs. 1000/- per share)	19,066.97	19,443.58
Significant Accounting Policies	33	
Additional Notes on Accounts	34	

Sd/-
A. K. Singh
Company Secretary

As per our report of even date
For **PAMS & ASSOCIATES**
Chartered Accountants

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
K.K. Parida
Director (Finance)

Sd/-
CA M P MAHAPATRA
Partner
(Membership No. 055113)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

Date: 20.05.2015
Place: Bhubaneswar

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 1

SHARE CAPITAL

	As at 31.03.2016	(₹ in Crores) As at 31.03.2014
<u>AUTHORISED</u>		
(i) 2958200 Equity Shares of ₹1000/- each	295.82	295.82
(ii) 2041800 10% Cumulative Redemable Preference shares of ₹1000/- each (Redeemed on as per terms of earliest redemption)	204.18	204.18
	500.00	500.00
<u>ISSUED, SUBSCRIBED AND PAID - UP</u>		
1864009 Equity shares of ₹1000/- each fully paid-up in cash	186.40	186.40
	186.40	186.40

NOTE - 1 : Shares in the Company held by each shareholder holding more than 5% Shares.

Name of Shareholder	No. of shares Held (Face Value of ₹1000 each)	% of total Shares
Coal India Limited (Holding company) and its Nominees	1864009	100%

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 2

RESERVES & SURPLUS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
RESERVES :		
Capital Reserve :		
As per last Balance Sheet	-	-
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>-</u>	<u>-</u>
Capital Redemption Reserve		
As per last Balance Sheet	204.18	204.18
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>204.18</u>	<u>204.18</u>
Reserve for Foreign Exchange Transactions		
As per last Balance Sheet	-	-
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>-</u>	<u>-</u>
C.S.R. Reserve		
As per last Balance Sheet	21.93	79.46
Add : Addition during the period	-	53.95
Less : Transfer to General Reserve	21.93	111.48
	<u>-</u>	<u>21.93</u>
Sustainable Development Reserve		
As per last Balance Sheet	8.34	3.84
Add : Addition during the period	-	4.61
Less : Transfer to General Reserve	8.34	0.11
	<u>-</u>	<u>8.34</u>
General Reserve		
As per last Balance Sheet	2875.40	2401.38
Add : Transfer from Profit & Loss Statement	355.41	362.43
Add/Less : Adjustment during the period	30.27	111.59
	<u>3261.08</u>	<u>2875.40</u>
Surplus in Profit & Loss Statement		
As per last Balance Sheet	2267.17	6063.86
Less adjustment for Earlier depreciation	53.99	-
Profit/(Loss) after Tax during the period	3,554.10	3624.30
Profit/(Loss) available for appropriation	<u>5767.28</u>	<u>9688.16</u>
Appropriation		
Reserve for Foreign Exchange Transaction	-	-
Transfer to General Reserve	355.41	362.43
Transfer to CSR Reserve	-	53.95
Interim Dividend	3,841.82	5,983.16
Proposed Dividend on Equity Shares	-	-
Corporate Dividend Tax	744.14	1,016.84
Transfer to Sustainable development reserve	-	4.61
	<u>825.91</u>	<u>2267.17</u>
Miscellaneous Expenditure (to the extent not written off)		
Preliminary expenses	-	-
Pre-Operational Expenses	-	-
TOTAL	<u>4291.17</u>	<u>5377.02</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 3

LONG TERM BORROWINGS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
Loan from Coal India Limited .		
- for IBRD	-	-
- for JBIC	-	-
Export Development Corp., Canada	-	-
Liebherr France S.A. France	6.90	9.14
Loan from Coal India Limited	-	-
Total	<u>6.90</u>	<u>9.14</u>
CLASSIFICATION - 1		
Secured	-	-
Unsecured	6.90	9.14

CLASSIFICATION - 2

1. Loan Guaranteed by Directors & others

Particulars of Loan	₹ in Crore	Nature of Guarantee
Nil	Nil	Nil

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 4

OTHER LONG TERM LIABILITIES

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
Shifting & Rehabilitation Fund	-	-
Opening Balance	-	-
Add : Interest from Investment of the fund	-	-
Add : Contribution Received	-	-
Less : Amount utilised	-	-
	<u>-</u>	<u>-</u>
Trade Payable	-	-
Security Deposits	26.09	27.86
Refund of Cess on Coal	27.49	26.48
	<u>-</u>	<u>-</u>
TOTAL	<u>53.58</u>	<u>54.34</u>

Note - 5

LONG TERM PROVISIONS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
For Employee Benefits		
- Gratuity	-	-
- Leave Encashment	213.53	185.90
- Other Employee Benefits	218.88	193.27
For Foreign Exchange Transactions (Marked to Market)	-	-
OBR Adjustment Account	12,036.04	9,912.51
Mine Closure Expenses	431.26	315.43
For Others	-	-
	<u>-</u>	<u>-</u>
TOTAL	<u>12,899.71</u>	<u>10,607.11</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 6

SHORT TERM BORROWINGS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
LOAN FROM BANK	-	-
Loans Repayable on Demand	-	-
Balance with Coal India Limited & other Subsidiaries of Coal India Limited	-	-
Overdraft against Pledge of Term Deposit	-	-
Other Loans and Advances	-	-
Deferred Credits	-	-
Total	-	-
CLASSIFICATION - 1		
Secured	-	-
Unsecured	-	-

CLASSIFICATION - 2

Loan Guaranteed by Directors & others

Particulars of Loan	₹ in Crore	Nature of Guarantee
NIL	NIL	NIL

Note - 7

TRADE PAYABLE

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
Sundry Creditors for Supplies		
For Revenue	275.26	280.29
TOTAL	275.26	280.29

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 8

OTHER CURRENT LIABILITIES

	As at 31.03.2015	As at 31.03.2014
Current Maturities of Long Term Borrowings		
Term Loan from IBRD from CIL	-	-
Term Loan from JBIC from CIL	-	-
Term Loan from Liebherr France S.A., France	0.50	0.61
Loan from Coal India Limited	-	-
Surplus Fund from Coal India Limited	-	-
Current Account with Subsidiaries	-	-
	<u>0.50</u>	<u>0.61</u>
 Sundry Creditors for Capital (including stores)	 640.62	 550.45
 For Expenses		
Salary Wages & Allowances	152.35	153.84
Power & Fuel	17.51	17.20
Others	44.52	79.00
	<u>214.38</u>	<u>250.04</u>
 Statutory Dues		
Sales Tax	2.51	0.49
Sales Tax/VAT	-	2.50
Provident Fund & Pension Fund	8.99	7.33
Central Excise Duty	50.96	52.58
Royalty & Cess on Coal	37.48	52.04
Stowing Excise Duty	32.90	30.15
Clean Energy Cess	126.84	49.89
Other Statutory Levies	-	0.11
	<u>259.68</u>	<u>195.09</u>
 Income Tax Deducted at Source	 3.06	 5.92
Security Deposit	81.05	63.87
Earnest Money	17.95	15.42
Advance & Deposit from customers/others	1,837.92	1505.98
Interest Accrued and due on Borrowings	-	-
Interest Accrued but not due on Borrowings	-	-
Cess Equalisation Account	-	-
Current Account with IICM	-	-
Unpaid Dividend	-	-
Ex-Owner Account	-	-
Advance Deposit other Pre-Nationalisation	-	-
Gratuity	46.00	7.27
Other Liabilities	65.17	52.58
TOTAL	<u>3,166.33</u>	<u>2,647.23</u>
 Note :		
Loan repayment Liebherr France during 2015-16	74113.58	Euro ₹0.50 Crore

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 9

SHORT TERM PROVISIONS

	As at 31.03.2015	As at 31.03.2014
For Employee Benefits		
- Gratuity	-	-
- Leave Encashment	19.82	18.73
- PPLB	81.18	67.08
- PRP	271.24	232.19
For Proposed Dividend	-	-
For Corporate Dividend Tax	-	-
For Excise duty on Closing Stock of Coal	-	-
For Others (Wealth tax)	0.11	0.12
TOTAL	<u>375.35</u>	<u>318.12</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10A

PARTICULARS	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS/OTHER LOSS		Total Depreciation/ Impairment Loss/Other Loss	NET CARRYING VALUE	
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14
TANGIBLE ASSETS :									
LAND :									
(a) Freehold	2.49	27.67	-	-	-	-	-	30.16	2.49
(b) Others	1,778.15	449.83	(1.12)	71.61	(0.86)	447.59	-	1,779.27	1,401.31
Building/Water Supply/ Road & Culverts	489.74	21.72	(0.16)	10.22	15.83	195.29	0.34	315.67	320.16
Plant & Machinery	2,383.62	115.31	(43.23)	170.98	(53.33)	1758.00	14.84	682.86	728.41
Furniture & Fittings/ Office Tools & Equipments /Electrical Fittings/Fire Arms	69.40	7.23	(0.13)	6.75	0.91	57.26	0.01	19.23	19.79
Railway Sidings	163.88	0.63	-	82.73	9.17	106.62	0.10	57.79	81.05
Vehicle	28.12	4.63	(0.38)	19.38	(0.52)	19.06	0.01	13.28	8.73
Telecommunication	34.79	1.70	0.01	12.47	3.82	18.30	-	20.20	22.32
Development including Roads & Culverts in Mining Area	190.11	11.38	-	75.91	13.90	121.34	0.37	79.78	113.83
Surveyed off Assets	21.68	1.82	(4.10)	13.01	0.10	11.64	-	7.76	8.67
TOTAL	5181.98	641.92	(49.11)	2439.55	286.01	2733.12	15.67	3,006.00	2698.09
Previous Year Tangible Fixed Assets	4,388.80	813.54	(40.36)	2215.07	254.79	2439.55	4.73	2698.09	2,160.32
INTANGIBLE ASSETS									
Development	222.40	3.48	(0.28)	148.42	6.87	156.54	11.06	168.03	62.92
Software	2.87	-	-	2.67	-	2.67	-	2.67	-
Prospecting & Boring	59.82	-	-	32.23	1.83	35.89	0.02	23.91	25.57
TOTAL	284.88	3.48	(0.28)	183.32	8.70	195.10	11.08	206.61	80.49
G. TOTAL	5,446.87	645.40	(49.39)	2622.87	294.71	2928.22	26.75	3087.48	2788.58
Previous Year Intangible Fixed Assets	246.88	38.00	0.01	173.32	15.45	183.32	21.36	90.49	52.20

Note: Land - Others includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957, and Land Acquisition Act, 1894, Orissa Government Land settlement Act 1982

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10B

CAPITAL WORK-IN-PROGRESS

(₹ in Crores)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS/OTHER LOSS		Total Provision / Impairment Loss/Other Loss	NET CARRYING VALUE		
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14	
TANGIBLE ASSETS :										
Building/Water Supply/Road & Culverts	51.84	112.17	(17.00)	147.01	0.22	(0.13)	0.09	0.09	146.92	51.62
Plant & Machinery	244.76	138.75	(109.28)	274.23	11.60	0.70	12.30	12.30	261.93	233.16
Railway Sidings	35.84	5.49	(0.36)	40.97	-	-	-	-	40.97	35.84
Roads & Culverts in Mining Area	-	-	-	-	-	-	-	-	-	-
Others	1.65	2.82	(0.29)	4.18	-	-	-	-	4.18	1.65
TOTAL	334.09	259.23	(126.93)	466.39	11.82	(0.13)	12.39	12.39	454.00	322.27
Previous Year TOTAL	297.50	232.45	(195.86)	334.09	10.88	(0.02)	11.82	11.82	322.27	286.62

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10C

INTANGIBLE ASSETS UNDER DEVELOPMENT

(` in Crores)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS/OTHER LOSS		Total Provision / Impairment Loss/Other Loss	NET CARRYING VALUE	
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14
INTANGIBLE ASSETS :									
Development	109.25	54.30	(0.18)	183.37	-	-	-	163.37	108.25
Prospecting & Boring	100.24	6.50	-	106.74	-	-	-	106.74	100.24
TOTAL	209.49	60.80	(0.18)	270.11	-	-	-	270.11	209.49
Previous Year Intangible Assets	216.25	19.37	(28.13)	209.49	-	-	-	209.49	218.25

Note:

1. Development includes an amount ₹ 39.43 crore deposited to state authority for the work of widening of two lane road to four lane road from Bankibahal to Kanika railway siding at Basundhara Area which do not form part of Company Assets.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 11

NON-CURRENT INVESTMENTS - QUOTED / UNQUOTED AT COST

	Number of shares/bonds/ securities current year	Face Value per share/bond/ security current year (₹)	As at	As at	As at	As at
			31.03.2015 (₹ in crore)	31.03.2014	31.03.2014 (₹)	31.03.2014 (₹ in crore)
TRADE (UNQUOTED)						
8.5% Tax Free Special Bonds (Fully paid up)						
(on securitisation of Sundry Debtors)						
Major State-wise Break-up						
Up	-	-	-	-	-	-
Haryana	-	-	-	-	-	-
Maharashtra State Electricity Board	-	-	-	1,13,860.00	1,000.00	11.38
Madhya Pradesh	-	-	-	-	-	-
Gujarat	-	-	-	-	-	-
West Bengal State Electricity Board	-	-	-	1,13,160.00	1,000.00	11.31
Others	-	-	-	-	-	-
Equity Shares in Subsidiaries Companies						
MNH Shakti LTD	5,95,70,000	10.00	59.57	5,95,70,000	10.00	59.57
MJSJ Coal LTD	5,70,60,000	10.00	57.06	5,70,60,000	10.00	57.06
MBPL	50,000	10.00	0.05	50,000	10.00	0.05
NON - TRADE (QUOTED)						
7.55% Secured Non - Convertible IRFC Tax						
free 2021 series 79 bonds	20,000	1,00,000	200.00	20,000	1,00,000	200.00
8% Secured Non - Convertible IRFC bonds tax free	1087537	1,000	108.75	1087537	1,000	108.75
7.22% Secured Non convertible IRFC bond tax free	4999	10,00,100	499.95	4999	10,00,100	499.95
7.22% Secured Redeemable REC bond tax free	1500000	1,000	150.00	1500000	1,000	150.00
TOTAL			1,075.38			1,098.07
Aggregate of Quoted Investments			958.70			958.70
Aggregate of Unquoted Investments			116.68			139.37
Market Value of Quoted Investments			978.68			967.99

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 12

LONG TERM LOANS & ADVANCES

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
ADVANCES		
For Capital		
- Secured considered good	-	-
- Unsecured considered good	513.97	336.47
- Doubtful	0.55	0.61
	<u>514.52</u>	<u>337.08</u>
Less : Provision for Bad and doubtful advances	0.55	0.61
	<u>513.97</u>	<u>336.47</u>
For Revenue		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful advances	-	-
	<u>-</u>	<u>-</u>
Security Deposits		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful deposits	-	-
	<u>-</u>	<u>-</u>
Deposit for P & T, Electricity etc.		
- Secured considered good	-	-
- Unsecured considered good	36.48	36.47
- Doubtful	-	-
	<u>36.48</u>	<u>36.47</u>
Less : Provision for Bad and doubtful deposits	-	-
	<u>36.48</u>	<u>36.47</u>
LOAN TO EMPLOYEES & OTHERS		
For House Building		
- Secured considered good	2.11	2.55
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>2.11</u>	<u>2.55</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 12 (Continued....)

LONG TERM LOANS & ADVANCES

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
For Motor Car and other Conveyance		
-- Secured considered good	0.06	0.06
-- Unsecured considered good	-	-
-- Doubtful	-	-
	<u>0.06</u>	<u>0.06</u>
For Others		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful advances	-	-
	<u>2.17</u>	<u>2.61</u>
Loan to Subsidiaries		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
TOTAL	<u>552.62</u>	<u>375.55</u>

Note :

1.	Closing Balance		Maximum Amount due at any Time	
	Current year	Previous Year	Current Year	Previous Year
Due by the Companies under the same management (With name of the Companies)	Nil	Nil	Nil	Nil
Due by the parties in which Director(s) or Company is/are interested	Nil	Nil	Nil	Nil

2. Advance for capital includes amount ₹ 314.17 crore being the difference of total advance ₹ 447.07 crore paid to South Eastern Railway for construction of Railway line from Jharsuguda to Sardega (Basundhara area) less ₹ 132.90 crore for CCDA grant and other adjustment. An amount of ₹ 383.61 crore has been utilised by them till the balance sheet date as reported by railway authority.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 13

OTHER NON-CURRENT ASSETS

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
Long Term Trade Receivable		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful Trade Receivables	-	-
	<u>-</u>	<u>-</u>
Exploratory Drilling Work		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful drilling work	-	-
Receivables for mine closure expenses	-	-
Other Receivables		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	0.16	0.16
	<u>0.16</u>	<u>0.16</u>
Less : Provision for Bad and doubtful receivables	0.16	0.16
	<u>-</u>	<u>-</u>
TOTAL	<u>-</u>	<u>-</u>

Note :

	Closing Balance		Maximum Amount due at any Time	
	Current year	Previous Year	Current Year	Previous Year
Due by the Companies under the same management (With name of the Companies)	Nil	Nil	Nil	Nil
Due by the parties in which Director(s) or Company is/are interested	Nil	Nil	Nil	Nil

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 14

(₹ in Crores)

CURRENT INVESTMENTS - QUOTED / UNQUOTED AT COST

	Number of shares/bonds/ securities current year	Face Value per share/bond/ security current year (₹)	As at 31.03.2015 (₹ in crore)	Number of shares/bonds/sec urities as at 31.03.2014	Face Value per share/bond security as at 31.03.2014 (₹)	As at 31.03.2014 (₹ in crore)
NON-TRADE (QUOTED)						
Investment in Mutual Funds						
Canara Robeco Liquid Fund	2,48,632.521	1,005.50	25.00	29,835.903	1005.50	3.00
SBI Premier Liquid Fund	10,06,728.134	1,003.25	101.00	27,61,026.663	1003.25	277.00
UTI Money Market Fund	7,74,927.657	1,019.45	79.00	36,58,851.080	1019.45	373.00
Union KBC	1,99,869.965	1,000.65	20.00	-	-	-
LIC NOMURA MF Liquid Fund	-	-	-	-	-	-
TRADE (UNQUOTED)						
8.5% Tax Free Special Bonds (Fully Paid-up)						
(on securitisation of Sundry Debtors)						
Maharashtra State Electricity Board	1,13,860.00	1000.00	11.38	113860	1000.00	11.39
West Bengal State Electricity Board	1,13,160.00	1000.00	11.32	113160	1000.00	11.32
TOTAL			247.70			675.71
Aggregate of Quoted Investments			225.00			653.00
Aggregate of Unquoted Investments			22.70			22.71
Market Value of Quoted Investments			225.60			661.84

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 15

INVENTORIES

(Valuation as per Significant Accounting Policy No. 6)

(₹ in Crores)
As at
31.03.2014

	As at 31.03.2015	As at 31.03.2014
Stock of Coal	386.79	418.53
Coal Stock under Development	-	-
Less : Provision for deterioration	-	-
A. Stock of Coal (Net)	386.79	418.53
Stock of Stores & Spare Parts (at cost)	89.61	98.28
Stores-in-transit	0.85	2.28
Less : Provision for slow moving/obsolescence etc.	17.24	14.84
Loss of Assets	0.23	0.23
Less : Provision for Loss of Assets	0.23	0.23
B. Net Stock of Stores & Spare Parts (at cost)	73.22	85.72
Workshop Jobs		
Work-in-Progress and Finished Goods	10.80	12.68
Less : Provision for workshop jobs	-	-
C. Net stock of Workshop Jobs	10.80	12.68
D. Press		
Work-in-Progress and Finished Goods	-	-
E. Stock of Medicines at Central Hospital	0.69	0.68
F. Prospecting & Boring/Development Exp./ Coal Blocks meant for sale	4.91	4.91
Total (A to F)	476.41	522.52

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

ANNEXURE TO NOTE - 15

(Qty. in lakh Tonnes) (Value in ₹ Lakhs)

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 01.04.14	141.48	43,804.86	-	-	141.48	43,804.86
(B) Shortage beyond 5%	1.26	1,952.14	-	-	1.26	1,952.14
Stock adopted in Accounts Opening	140.22	41,852.72	-	-	140.22	41,852.72
2. Production for the year	1,213.79	10,99,310.91	-	-	1,213.79	10,99,310.91
3. Sub-Total (1A+2)	1,355.27	11,43,115.77	-	-	1,355.27	11,43,115.77
4. Off-Take for the year :						
(a) Outside Despatch	1,229.98	11,02,442.34	-	-	1,229.98	11,02,442.34
(b) Coal feed to Washeries	-	-	-	-	-	-
(c) Own Consumption	0.05	131.15	-	-	0.05	131.15
TOTAL (A)	1,230.03	11,02,573.49	-	-	1,230.03	11,02,573.49
5. Derived Stock	125.24	40,542.28	-	-	125.24	40,542.28
6. Measured Stock	123.91	38,623.62	-	-	123.91	38,623.62
7. Difference (5-6)	1.33	1,918.66	-	-	1.33	1,918.66
8. Break-up of Difference:						
(a) Excess within 5%	1.03	269.20	-	-	1.03	269.20
(b) Shortage within 5%	1.17	325.03	-	-	1.17	325.03
(c) Excess beyond 5%	-	-	-	-	-	-
(d) Shortage beyond 5%	1.19	1,862.83	-	-	1.19	1,862.83
9. Closing Stock adopted in A/c (6 - 8A + 8B)	124.05	38,679.45	-	-	124.05	38,679.45

Summary of Closing Stock of Coal

Table - B

	Raw Coal		Washed/Deshaled Coal				Other Products		Total	
			Coking		Non-Coking					
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
Opening Stock (Audited)	-	-	141.48	43,804.86	-	-	-	-	141.48	43,804.86
Shortage beyond 5%	-	-	1.26	1,952.14	-	-	-	-	1.26	1,952.14
Less : Non-vendable Coal	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	140.22	41,852.72	-	-	-	-	140.22	41,852.72
Production	-	-	1,213.79	10,99,310.91	-	-	-	-	1,213.79	10,99,310.91
Offtake										
(a) Outside Despatch	-	-	1,229.98	11,02,442.34	-	-	-	-	1,229.98	11,02,442.34
(b) Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-
(c) Own Consumption	-	-	0.05	131.15	-	-	-	-	0.05	131.15
Closing Stock Derived	-	-	125.24	40,542.28	-	-	-	-	125.24	40,542.28
Less : Shortage	-	-	1.19	1,862.83	-	-	-	-	1.19	1,862.83
Closing Stock	-	-	124.05	38,679.45	-	-	-	-	124.05	38,679.45

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 16

TRADE RECEIVABLES

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
Debts outstanding for a period exceeding six months from the due date		
- Secured considered good	-	-
- Unsecured considered good	143.18	30.27
- Doubtful	41.38	34.72
	<u>184.56</u>	<u>64.99</u>
Less : Provision for Bad and doubtful Debts	41.38	34.72
	<u>143.18</u>	<u>30.27</u>
Other Debts		
- Secured considered good	-	-
- Unsecured considered good	304.12	268.12
- Doubtful	-	-
	<u>304.12</u>	<u>268.12</u>
Less : Provision for Bad and doubtful Debts	-	-
	<u>304.12</u>	<u>268.12</u>
TOTAL	<u>447.30</u>	<u>298.39</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 17

CASH & BANK BALANCES

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
Cash & Cash Equivalents		
Balances with Scheduled Banks		
- SBI Dividend Account (unpaid/unclaimed dividend account)	-	-
- In Deposit Account with maturity upto 3 months	4,331.07	3,386.00
- In Current Accounts	175.43	203.08
- In Cash Credits Accounts	-	-
Balances with Non-Scheduled Banks	-	-
In Account with Banks outside India	-	-
Remittance - In transit	0.35	-
Cheques, Drafts and Stamps on hand	-	-
Cash in hand	0.04	0.05
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity upto 3 months	-	-
Other Bank Balances		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity more than 3 months	5,950.06	6,529.58
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity more than 3 months	-	-
Deposit in Escrow A/c with Scheduled Banks under Mine Closure Plan Scheme with maturity exceeding 3 months	425.42	248.86
Total	10,882.37	10,367.57
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	Nil	Nil
Additional Note :		
1. Balances with banks to the extent held as margin money or security against the borrowings/others	83.14	185.86
2. Bank deposits more than 3 months includes deposits held for the period exceeding 12 months	426.96	250.29

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 18

SHORT TERM LOANS & ADVANCES

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
ADVANCES		
(Recoverable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS & CONTRACTORS		
For Revenue		
- Secured considered good	-	-
- Unsecured considered good	195.36	273.28
- Doubtful	<u>2.10</u>	<u>2.28</u>
	197.46	275.56
Less : Provision for Bad and doubtful advances	<u>2.10</u>	<u>2.28</u>
	195.36	273.28
ADVANCE PAYMENT OF STATUTORY DUES		
Sales Tax		
- Secured considered good	-	-
- Unsecured considered good	0.29	-
- Doubtful	<u>0.29</u>	-
	-	-
Less : Provision for Bad and doubtful advances	<u>0.29</u>	-
	-	-
Advance Income Tax/Tax Deducted at Source	5,735.51	3,209.66
Less : Provision for Income Tax	<u>3,557.86</u>	<u>1,892.54</u>
	2,177.65	1,317.12
Others		
- Secured considered good	-	-
- Unsecured considered good	28.60	39.68
- Doubtful	<u>-</u>	<u>-</u>
	28.60	39.68
Less : Provision for Bad and doubtful advances	<u>28.60</u>	<u>39.68</u>
	<u>2,206.54</u>	<u>1,356.80</u>
ADVANCE TO EMPLOYEES		
-- Secured considered good	-	-
-- Unsecured considered good	65.39	70.10
-- Doubtful	<u>-</u>	<u>-</u>
	65.39	70.10
Less : Provision for Bad and doubtful advances	<u>65.39</u>	<u>70.10</u>
	-	-

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 18 (Continued....)

SHORT TERM LOANS & ADVANCES

(₹ in Crdres)

	As at 31.03.2015	As at 31.03.2014
Deposit with Coal India Limited	556.36	441.41
Current Account with Coal India Limited & other Subsidiaries of Coal India Limited and MCL's Subsidiaries	20.07	19.91
LOAN ACCOUNT WITH SUBSIDIARIES		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful Advances	-	-
	<u>-</u>	<u>-</u>
Claims Receivables		
- Secured considered good	-	-
- Unsecured considered good	0.03	0.03
- Doubtful	-	-
	<u>0.03</u>	<u>0.03</u>
Less : Provision for Bad and doubtful Claims	-	-
	<u>0.03</u>	<u>0.03</u>
Prepaid Expenses	11.74	13.02
	<u>653.59</u>	<u>544.47</u>
TOTAL	<u>3,055.49</u>	<u>2,174.55</u>

Note :

1.	Closing Balance		Maximum Amount due at any Time	
	Current year	Previous Year	Current Year	Previous Year
Due by the Companies under the same management				
- MJSJ Coal Limited	6.04	3.74	6.04	3.74
- MNH Shakti Limited	0.63	5.16	0.63	5.16
- Mahanadi Basin Power Limited	13.40	10.81	13.40	10.81
Due by the parties in which Director(s) or Company is/are interested	Nil	Nil	Nil	Nil

2. Deposit with Coal India Limited amounting ₹ 184.55 crore which was non-interest bearing upto 31.12.2014 has been converted to interest bearing w.e.f.01.01.2015. Hence, the full deposit with CIL for ₹ 558.36 crore has become interest bearing.
3. Advance for Revenue of ₹ 195.36 crore includes among others, loans and advance to Railways for maintenance of railways siding.(Revenue work) and upgradation of existing railway track and automatic signaling system etc which do not form part of company asset.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 19

OTHER CURRENT ASSETS

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
Interest Accrued on		
- Investment	33.29	42.43
- Deposit with Banks	557.85	441.91
- Others	2.59	2.68
Ex Owner's Account	-	-
Other Advances	-	-
Less : Provision for Bad and doubtful advances	-	-
DEPOSITS		
Deposit for Customs Duty, Port Charges etc.		
Deposit for Royalty, Cess & Sales Tax	230.88	156.66
Less : Provision for Bad and doubtful Deposits	-	-
	<u>230.88</u>	<u>156.66</u>
Others	-	-
Less : Provision for Bad and doubtful for others	-	-
	<u>-</u>	<u>-</u>
Amount Receivable from Govt. of India for transactions on behalf of Ex-Coal Board	-	-
Other Receivables	1.13	22.88
Less : Provision for bad and doubtful receivables	-	-
	<u>1.13</u>	<u>22.68</u>
TOTAL	<u><u>825.74</u></u>	<u><u>666.36</u></u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 20

REVENUE FROM OPERATIONS

	For the Year ended 31.03.2015	For the Year ended 31.03.2014
(₹ in Crores)		
A Sales of coal	14989.05	13114.20
Less : Excise Duty	679.56	617.16
Less : Other Levies		
Royalty	1395.72	1290.85
Cess on Coal	-	-
Stowing Excise Duty	123.00	114.38
Central Cess Tax	124.80	102.79
Clean Energy Cess	1179.14	571.91
State Sales Tax / VAT	404.16	368.02
Orissa Entry Tax	58.25	59.42
TOTAL LEVIES	3,964.63	3,124.53
Net sales (A)	11,024.42	9,989.67
B Facilitation Charges for coal import		
Subsidy for sand stowing and protective works	-	0.88
Loading and additional transportation charges	704.66	583.02
Less : Excise Duty	39.71	33.12
Less : Other Levies	20.89	18.33
Other Operating Revenue (B)	644.08	532.45
C Revenue From Operations (A+B)	11,668.48	10,522.12

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 21

OTHER INCOME

	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Income from Long Term Investments		
Dividend from Joint Ventures	--	--
Interest from :		
-- Government Securities (8.5% Tax Free Special Bonds)(Trade)	3.38	5.31
-- Non convertible IRFC/REC Tax Free Bonds 2021 series (Non-trade)	70.72	70.75
Income from Current Investments		
Dividend from Mutual Fund Investments	54.98	43.40
Interest from :		
-- Government Securities (8.5% Tax Free Special Bonds)(Trade)	--	--
-- 7.55% Non convertible IRFC/REC Tax Free Bonds 2021 series (Non-trade)	--	--
Income from Others		
Interest :		
-- From Deposits with Banks	1123.14	1190.35
-- From Loans and Advances to Employees	0.06	0.08
-- From Income Tax Refunds	--	--
-- From CIL on Parking of Fund	33.87	96.72
-- Others	8.06	3.70
Apex Charges	--	--
Profit on Sale of Assets	0.92	16.04
Gain on Foreign Exchange Transactions	--	--
Exchange Rate Variance	1.79	--
Lease Rent	1.27	4.05
Liability Write Backs	1.04	22.41
Guarantee Fees from Subsidiaries	--	--
Other Non-operating Income	75.91	58.07
Total	1,375.14	1,510.88

Note :

Other non operating income includes, among others, a penalty of ₹ 25.13 crore imposed for termination of contract of strengthening and widening of coal road- Talcher fields.

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 22

COST OF MATERIALS CONSUMED	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Explosives	113.64	122.40
Timber	0.22	0.21
POL	304.68	324.73
HEMM Spares	124.51	111.86
Others Consumables Stores & Spares	61.51	67.15
TOTAL	604.56	626.35

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 23

CHANGE IN INVENTORIES OF FINISHED GOODS,
WORK IN PROGRESS AND STOCK IN TRADE

	For the Year ended 31.03.2015	(₹ in Crores) For the Year ended 31.03.2014
Closing Stock of Coal	386.79	418.53
Less : Deterioration of Coal	-	-
Total (1)	<u>386.79</u>	<u>418.53</u>
Opening Stock of Coal	418.53	460.38
Less : Deterioration of Coal	-	-
Total (2)	<u>418.53</u>	<u>460.38</u>
(A) Change in Inventory of Closing Stock (2 - 1)	31.74	41.85
Closing Stock of Workshop made finished goods and WIP	10.80	12.68
Less : Provision	-	-
Total	<u>10.80</u>	<u>12.68</u>
Opening Stock of Workshop made finished goods and WIP	12.68	7.37
Less : Provision	-	-
Total	<u>12.68</u>	<u>7.37</u>
(B) Change in Inventory of Closing Stock of workshop	1.88	(5.31)
Press Closing job		
i. Finished Goods	-	-
ii. Work in Progress	-	-
Less : Press Opening Job		
i. Finished Goods	-	-
ii. Work in Progress	-	-
(C) Change in Inventory of Closing Stock of Press Jobs made finished goods and WIP	-	-
Closing Stock of Medicines (Central Hospital)	-	-
Less : Opening Stock of Medicines (Central Hospital)	-	-
(D) Change in Inventory of Stock of Medicines at Central Hospital	-	-
Total Change in Inventory of Stock (A + B + C + D)	<u>33.62</u>	<u>36.54</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 24

EMPLOYEE BENEFIT EXPENSES

	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Salary, Wages, Allowances, Bonus & Benefits	1410.53	1319.84
Ex-Gratia	90.63	73.95
PRP	38.93	48.41
Contribution to P.F. & Other Funds	186.30	176.09
Gratuity	48.03	23.39
Leave Encashment	71.56	52.51
VRS	0.01	0.79
Workmen Compensation	0.55	(2.35)
Medical expenses for existing employees	38.79	29.42
Medical expenses for retired employees	1.26	17.24
Grants to School & Institutions	21.85	28.18
Sports & Recreation	5.48	4.17
Canteen & Creche	0.91	0.78
Power - Township	60.19	53.81
Hire Charges of Bus, Ambulance etc.	3.37	2.66
Other Employee Benefits	18.71	12.40
TOTAL	<u>1,997.10</u>	<u>1,841.29</u>

Note - 25

CORPORATE SOCIAL RESPONSIBILITY EXPENSES

	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
CSR Expenses	61.30	111.48
TOTAL	<u>61.30</u>	<u>111.48</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 26

REPAIRS

(₹ in Crores)

	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Building	66.39	61.72
Plant & Machinery	38.07	29.16
Others	3.17	2.70
TOTAL	107.63	93.58

Note - 27

CONTRACTUAL EXPENSES

(₹ in Crores)

	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Transportation Charges :		
- Sand	-	-
- Coal & Coke	981.81	904.12
- Stores & Other etc.	-	0.04
Wagon Loading	74.33	66.41
Hiring of Plant & Machinery	662.87	616.12
Other Contractual work	68.26	51.79
TOTAL	1,787.27	1,638.48

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 28

FINANCE COSTS

	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Interest Expense		
Deferred Payments	0.08	0.09
Bank Overdraft/Cash Credit	-	-
Interest of IBRD & JBIC Loan	-	1.16
CIL Fund Loan Interest	-	-
Interest to Subsidiaries	-	-
Others	1.36	12.06
Total (A)	<u>1.44</u>	<u>13.31</u>
Other Borrowing Costs		
Guarantee Fees on (IBRD & JBIC) Loan	-	1.57
Other Expenses / Bank Charges	-	0.01
TOTAL (B)	<u>-</u>	<u>1.58</u>
TOTAL (A + B)	<u>1.44</u>	<u>14.89</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 29

PROVISIONS

	For the Year ended 31.03.2015	(₹ in Crores) For the Year ended 31.03.2014
(A) Provision Made for		
Doubtful debts	6.68	13.70
Doubtful Advances & Claims	-	-
Foreign Exchange Transaction	-	-
Stores & Spares	2.40	0.57
Reclamation of Land/Mine Closure Expenses	115.41	70.12
Surveyed off Fixed Assets / Capital WIP	-	0.96
Others	-	-
Total (A)	124.47	85.35
(B) Provision Written Back		
Doubtful debts	-	-
Doubtful Advances & Claims	0.24	0.08
Foreign Exchange Transaction	-	-
Stores & Spares	-	-
Reclamation of Land/Mine Closure Expenses	-	-
Surveyed off Fixed Assets / Capital WIP	0.67	-
Others / Loss of Assets	-	-
Total (B)	0.91	0.08
Total (A-B)	123.56	85.27

Note - 30

WRITE OFF

	For the Year ended 31.03.2015	(₹ in Crores) For the Year ended 31.03.2014
Doubtful debts	-	-
Doubtful advances	-	-
Others	-	-
TOTAL	-	-

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 31

OTHER EXPENSES

	(₹ in Crores)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Travelling Expenses		
- Domestic	13.28	14.10
- Foreign	0.04	0.02
Training Expenses	8.94	9.10
Telephone & Postage	3.07	2.76
Advertisement & Publicity	3.79	3.70
Freight Charges	0.08	0.08
Demurrage	2.23	6.18
Donation/Subscription	0.08	0.01
Security Expenses	57.29	51.25
Service Charges of CIL	60.69	55.22
Hire Charges	32.23	27.74
CMPDI Expenses	20.29	22.88
Legal Expenses	1.28	0.98
Bank Charges	0.01	0.03
Guest House Expenses	1.86	2.34
Consultancy Charges	1.18	1.08
Under Loading Charges	16.38	10.41
Loss on Sale/Discard/Surveyed of Assets	0.74	0.54
Auditor's Remuneration and Expenses		
- For Audit Fees	0.17	0.17
- For Taxation Matters	-	-
- For Company Law Matters	-	-
- For Management Services	-	-
- For Other Services	0.07	0.11
- For Reimbursement of Expenses	0.27	0.17
Internal Audit Fees and Expenses	2.12	2.00
Rehabilitation Charges	73.81	68.61
Royalty & Cess	0.18	0.18
Central Excise Duty	(9.11)	(13.01)
Rent	0.82	2.51
Rates & Taxes	35.61	20.37
Insurance	0.34	0.41
Loss on Exchange Rate Variance	-	9.23
Lease Rent	-	-
Rescue/Safety Expenses	2.51	1.95
Dead Rent / Surface Rent	0.29	0.10
Siding Maintenance Charges	42.76	10.26
Land/Crops Compensation	0.05	0.03
Wealth Tax	0.11	0.12
R & D expenses	22.92	-
Environmental & Tree Plantation Expenses	12.78	13.96
Miscellaneous Expenses	70.75	29.75
Total	479.89	355.34

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 32

PRIOR PERIOD ADJUSTMENTS

(₹ in Crores)

	For the Year ended 31.03.2015	For the Year ended 31.03.2014
(A) Expenditure		
Sale of Coal	-	2.73
Stock of Coal	-	-
Other Income	-	-
Consumption of Stores & Spares	-	-
Employees Remuneration & Benefits	-	-
Power & Fuel	-	-
Welfare Expenses	-	-
Repairs-	-	-
Contractual Expenses	-	-
Other Expenditure	0.11	-
Interest and other financial charges	-	-
Depreciation	-	0.10
Total (A)	0.11	2.83
(B) Income		
Sale of Coal	7.85	-
Stock of Coal	-	-
Other Income	-	-
Consumption of Stores & Spares	-	-
Employees Remuneration & Benefits	-	-
Power & Fuel	-	-
Welfare Expenses	-	-
Repairs	-	-
Contractual Expenses	-	-
Other Expenditure	-	1.01
Interest and other financial charges	-	-
Depreciation	2.48	-
Total (B)	10.33	1.01
Total (A - B)	(10.22)	1.82

NOTE – 33**SIGNIFICANT ACCOUNTING POLICIES****1.0 Accounting Convention:**

Financial statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013, including accounting standards notified therein, except otherwise stated.

1.1 Use of estimate:

In preparing the financial statements in conformity with Accounting Principles generally accepted in India, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liability as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

2.0 Subsidies / Grants from Government:

2.1 Subsidies / Grants on capital account are deducted from the cost of respective assets to which they relate. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.2 Subsidies / Grants on revenue account are credited to Statement of Profit & Loss as income and the relevant expenses are debited to the respective heads of expenses. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.3 Subsidies / Grants from Government received as an implementing agency

2.3.1 Certain Grant / Funds received under S&T, PRE, EMSC, CCDA etc. as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received.

2.3.2 Grant / Funds received as Nodal/Implementing Agency are accounted for on the basis of receipts and disbursement.

3.0 Fixed Assets:**3.1 Land:**

Value of land includes cost of acquisition, cash rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons.

3.2 Plant & Machinery:

Plant & Machinery includes cost and expenses incurred for erection / installation and other attributable costs of bringing those assets to working conditions for their intended use.

3.3 Railway Siding:

Pending commissioning, payments made to the railway authorities for construction of railway sidings are shown in Note 12 – “Long Term Loans & Advances” under Advances for Capital.

3.4 Development:

Expenses net of income of the projects / mines under development are booked to Development Account and grouped under Capital Work-in-Progress till the projects / mines are brought to revenue account. Except otherwise specifically stated in the project report to determine the commercial readiness of the project to yield production on a sustainable basis and completion of required development activity during the period of constructions, projects and mines under development are brought to revenue considering the following criteria:

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
 - (b) 2 years of touching of coal, or
 - (c) From the beginning of the financial year in which the value of production is more than total expenses.
- Whichever event occurs first.

4.0 Prospecting & Boring and other Development Expenditure:

The cost of exploration and other development expenditure incurred in one “Five year” plan period will be kept in Capital work-in-progress till the end of subsequent two “Five year” plan periods for formulation of projects, before it is written-off, except in the case of Blocks identified for sale or proposed to be sold to outside agency which will be kept in inventory till finalisation of sale.

5.0 Investments:

Current investments are valued at the lower of cost and fair value as at the Balance Sheet date.

Investments in mutual fund are considered as current investments.

Non-Current investments are carried at cost. However, when there is a decline, other than temporary, in the value of the long term investment, the carrying amount is reduced to recognize the decline

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

6.1.1 Coal & coke fines are valued at lower of cost or net realisable value.

6.1.2 Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value.

6.2 Stores & Spares:

6.2.1 The closing stock of stores and spare parts has been considered in the accounts as per balances appearing in priced stores ledger of the Central Stores and as per physically verified stores lying at the collieries/units.

6.2.2 Stock of stores & spare parts (which also includes loose tools) at central & area stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres, initially charged off, are valued at issue price of Area Stores, Cost / estimated cost. Workshop jobs including work-in-progress are valued at cost. Similarly stock of stationary at printing press and medicines at central hospital are valued at cost.

6.2.3 Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

6.2.4 Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and at the rate of 50% for stores & spares not moved for 5 years.

7.0 Depreciation/amortisation:

7.1 Depreciation on fixed assets is provided on straight line method on the basis of useful life specified in Schedule II of Companies Act 2013 except for assets mentioned below , for which depreciation is provided on the basis of technically estimated useful life which are lower than that envisaged as per schedule II of Companies Act, 2013 to depict a more true and fair rate of depreciation :-

Telecommunication equipment	: - 6 years and 9 years
Photocopying machine	: - 4 years
Fax machine	: - 3 years
Mobile phone	: - 3 years
Digitally enhance cordless telephone	: - 3 years
Printer & Scanner	: - 3 years
Earth Science Museum	: - 19 years

High volume respiratory dust samplers	: - 3 years
Certain equipment /HEMM	: - 7 years and 6 years as applicable.
SDL (equipment)	: - 5 years
LHD (equipment)	: - 6 years

- 7.2 The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the asset except those item of assets covered under Para 7.3
- 7.3 In case of assets namely Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps the technically estimated useful life has been determined to be one year with a nil residual value.
- 7.4 Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets with one year useful life and nil residual value as mention under Para 7.3, which are fully depreciated in the year of their addition. These Assets are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.
- 7.5 Value of land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.
- 7.6 Prospecting, Boring and Development expenditure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.
- 7.7 Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

8.0 Impairment of Asset:

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

9.0 Foreign Currency Transactions:

- 9.1 Balance of foreign currency transactions is translated at the rates prevailing on the Balance Sheet date and the corresponding effect is given in the respective accounts. Transactions completed during the period are adjusted on actual basis.
- 9.2 Transactions covered by cross currency swap options contracts to be settled on future dates are recognised at the rates prevailing on the Balance Sheet date, of the underlying

foreign currency. Effects arising out of such contracts are taken into accounts on the date of settlement.

10.0 Retirement benefits / other employee benefits:

a) Defined contributions plans:

The company has defined contribution plans for payment of Provident Fund and Pension Fund benefits to its employees. Such Provident Fund and Pension Fund are maintained and operated by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the company is required to contribute a specified percentage of pay roll cost to the CMPF Authorities to fund the benefits.

b) Defined benefits plans:

The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on actuarial valuation basis by applying projected unit credit method. Further the company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation.

c) Other employee benefits:

Further liability on the Balance Sheet date of certain other employee benefits viz. benefits on account of LTA/ LTC; Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Post Retirement Medical Benefits Scheme and compensation to dependants of deceased in mines accidents etc. are also valued on actuarial basis by applying projected unit credit method.

11.0 Recognition of Income and Expenditure:

Income and Expenditure are generally recognised on accrual basis and provision is made for all known liabilities.

11.1 Sales

- a) Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer.
- b) Sale of coal are net of statutory dues and accepted deduction made by customer on account of quality of coal.
- c) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of uncertainty as assessed by management.

11.2 Dividend

Dividend income is recognised when right to receive is established.

12.0 Borrowing Costs:

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 Taxation:

Provision of current income tax is made in accordance with the Income Tax Act., 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 Provision:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

15.0 Contingent Liability:

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations can not be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of Notes.

16.0 Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non - Current Assets/ Long Term Provisions as the case may be.

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

Annual Quantum of OBR of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (in Mill.Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	-

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

17.0 Prior Period Adjustments and Prepaid Expenses:

Income / expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 crore in each case, are treated as income / expenditure of current year.

NOTE - 34
ADDITIONAL NOTES ON ACCOUNTS

1.0 Mahanadi Coalfields Limited 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 Orissa.

2.0 RESERVES AND SURPLUS

2.1 General Reserve: ₹ 355.41 crore (as at 31st March, 2014, ₹ 362.43 crore) being 10% of profit after tax is transferred to General Reserve during the year. In addition, the opening balances of CSR reserve and Sustainable Development Reserve as at 01.04.2014 amounting to ₹ 21.93 crore and ₹ 8.34 crore respectively have also been transferred to General Reserve during the year since they are no longer required due to changed circumstances.

3.0 LONG TERM BORROWINGS.(Note -3 and Note -8)

3.1 Loans had been arranged through credit agreement with Banque Nationale De Paris and Natexis Banque for the purchase of 4 nos Hydrolic shovels from Leibherr, France. The loan outstanding as on 31.03.2015 (net after repayments) is ₹ 7.40 crore (As at 31.03.2014 ₹ 9.75 crore). The details of balance are as under:

Bank	Balance 1.4.2014	Repayment during the year ended on 31.03.2015	Balance 31.03.2015	Balance 01.04.2014	Repayment during the year ended on 31.03.2015	Translation Difference	Balance 31.03.2015
	Euro	Euro	Euro	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Leibherr	1179078.70	74113.58	1104965.12	9.75	0.56	-1.79	7.40
Total	1179078.70	74113.58	1104965.12	9.75	0.56	-1.79	7.40

This includes amount repayable in the year 2015-16 ₹ 0.50 crore (previous year ₹ 0.61 crore.)

4.0 FIXED ASSETS – Note -10

4.1 The Company took over various Assets and Liabilities from Coal Mines Labour Welfare Organisation and Coal Mines Rescue Organisation for which no quantitative details are available Adjustments, if any, will be made on finalisation of quantity and value thereof.

- 4.2 Lease hold land includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962. Lease hold 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.
- 4.3 Conveyance deed of land in favour of the company is pending for execution in most of the cases.
- 4.4 The carrying cost of the Fixed Assets acquired against Deferred Credit has increased to the extent of ₹ Nil crore (for previous year ended on 31.03.2014, increased by ₹ 4.06 crore) on account of exchange rate fluctuation in line with the accounting policy para 9.1 of Note -33.
- 4.5 In case of items of Plant & Machinery, which are kept in plant pending installation and at store for more than three years, provision equivalent to depreciation is made from the 4th year followed by action for formal write-off where necessary. If any such item of plant & machinery is put to use afterwards i.e., after provisions have already been made, depreciation charged in first year of use is depreciation for the year plus provision already made against the item with due accounting adjustments between depreciation & such provision. During the year ended on 31st March, 2015, an amount of ₹ 0.70 crore has been provided on this account and the cumulative provision stood at ₹ 12.30 crore.(Note -10B)
- 4.6 Since as per Companies act 2013, component accounting has not been made mandatory for this year, and this has not been implemented during the year.

5.0 NON-CURRENT / CURRENT INVESTMENT (Note 11 & Note 14)

- 5.1 As per tripartite agreements with State Electricity Boards (SEB), in the year 2003-04 the Company had received 8.5% Tax Free Power Bonds (unquoted long term investment) of nominal value ₹ 344.32 crore against old outstanding dues as on 30th September, 2001 from three SEBs (MSEB, TNEB and WBPDCCL).

The details of the unredeemed bonds are as under:

Particulars of bonds	Opening balance as at 01.04.2014	Redeemed during the year	Closing balance as at 31.03.2015
MSEB	22.77	11.39	11.38
WBPDCCL	22.63	11.31	11.32
TOTAL	45.40	22.70	22.70

All bonds are backed by respective State Governments' guarantees.

The said bonds of ₹ 22.70 crore which are due for redemption in the year 2015-16 have been shown under current investment (Note -14).

5.2 Interest from Power Bonds amounting to ₹ 3.38 crore (for previous year ending on 31.03.2014 ₹ 5.31 crore) has been earned during the year ended on 31st March, 2015. (Note -21)

5.3 The Reserve Bank of India allowed partial trading of 8.5% Tax Free Power Bonds of State Electricity Boards (SEB).

6.0 INVENTORIES(Note 15)

6.1 Stores and spares

6.1.1 During the year ended, the shortage / excess reported in respect of physical verification of stores / spares have been adjusted in accounts. The cumulative provision as at 31.03.2015 stands at ₹ 0.92 crore (as at 31.03.2014 ₹ 0.88 crore).

6.1.2 In respect of stores and spares obsolete / unserviceable items and items which have not moved for more than five years, a provision of 100 % & 50% respectively are made as per Accounting Policy (Para.6.2.4 of Note-33). In addition, the company made a provision @ 100% for items remaining unmoved for more than 10 years and found unserviceable by technical committees in respect of all areas except Basundhara area. The cumulative provision as at 31.03.2015 stands at ₹ 16.32 crore (as at 31.03.2014 ₹ 13.96 crore).

6.1.3 Valuation of stores and spares has been done on weighted average method as per accounting policy of the company (as mentioned in Para 6.2.2 of Note-33). The comparison of cost so arrived, with net realizable value is neither made nor adjusted in the account due to difficulty in ascertainment of net realizable value.

6.1.4 The Company is yet to carry out exercise for identification of unserviceable / obsolete stores and spares only in respect of Basundhara area.

6.2. Coal Stock: (Note -15)

6.2.1 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 (refer Para 6.1 of Note -33).

The details of shortage beyond 5% are as under:-

AREA	MINES	Book Stock (Qty. in LTe)		Measured stock (Qty. in L Te)		% variance	
		As on	As on	As on	As on	As on	As on
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Orient	Mine No 3	0.21	0.14	0.08	0.02	61.84	85.30
	HBM	0.62	1.75	0.32	1.38	48.06	21.39
Talcher	Nandira	1.12	0.57	0.62	0.07	44.97	87.51
	Talcher	1.23	0.94	0.97	0.67	20.98	28.39
TOTAL		3.18	3.40	1.99	2.14	-	-

In those cases, since the differences are more than +/- 5%, as per policy, measured stocks have been considered in accounts and difference quantity of 1.19 lakh tonnes (3.18 lakh tonnes less 1.99 lakh tonnes) valuing ₹ 18.63 crore as at 31.03.2015 has been disclosed in Annexure to Note-15-Shortage beyond 5%.

7.0 CASH AND CASH EQUIVALENTS (Note -17)

Cash and Bank balance includes:

- 7.1 Fixed Deposit amounting to ₹ 66.74 crore 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.
- 7.2 ₹ 1.54 crore including accrued interest of ₹ 0.95 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.
- 7.3 Fixed deposit includes ₹ 6.68 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per court order.
- 7.4 Fixed deposit includes ₹ 0.23 crore made against interim order of Hon'ble High Court for encashment of BG of M/s IRC Logistics Ltd.
- 7.5 Fixed deposit 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.
- 7.6 Fixed deposit includes ₹ 0.03 crore made for against penalty recovered from M/S Shree Enterprises Coal Sales Pvt Ltd as directed by Hon'ble High Court Calcutta.
- 7.7 Fixed deposit includes ₹ 7.89 crore made against BG encashment (FSA) by the Company in respect of M/S Videocon Industries Ltd as per interim order of Hon'ble High Court, Cuttack.

- 7.8 Deposits in Escrow Accounts for mine closure with Scheduled Banks with maturity exceeding 3 months for ₹ 425.42 crore made as per guidelines issued by Ministry of Coal, Government of India and after agreement with Coal Controller
- 7.9 The balance of current accounts includes current linked termed deposits which are temporarily transferred from current account.

8.0 LOANS AND ADVANCES CURRENT / NON CURRENT OTHER ASSETS

- 8.1 Confirmations of balances of loans and advances have not been obtained in all the cases.
- 8.2 Deposit made with State Government amounting to ₹ 86.23 crore (as at 31.03.2014 ₹ 86.23 crore) for acquiring of land under LA Act 1894 is included in "Advances for Capital in Note-12 which will be capitalized on possession given to the Company by State Authority.

9.0 OTHER LONG TERM LIABILITIES - NOTE - 4

- 9.1 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 31.7.2001. The money is refundable to the customers. During the current year, the Company has provided interest of ₹ 1.01 crore (previous year ended on 31.03.2014 ₹ 1.01 crore calculated at the rate of 12% for the unpaid principal amount of the Cess liability. The total liability thus included therein becomes ₹ 27.49 crore (as at 31.03.2014 ₹ 26.48 crore) as at 31.03.2015. The Company could not identify the customers / parties to whom the refund is to be made. Finalisation of modalities for refunding the same to the customers / parties is yet to be done.

10.0 PROFIT AND LOSS STATEMENT

- 10.1.1 Provision of ₹ 0.70 crore during the year ended on 31.03.2015 (for previous year ended on 31.03.2014 ₹ 0.95 crore) against P&M in stores/ under erection / installation has been taken at the depreciation rate on P&M items from the 4th year of purchase/acquisition as the case may be.

- 10.1.2 The company has provided of ₹ 3.03 crore (previous year ended on 31.03.2014 ₹ 2.76 crore) towards corpus of Coal India Sport Promotion Association (CISPA) for executing and conducting activities related to sports, recreation and culture of CIL and its subsidiaries as per decision of the Board of Directors of CIL in its 296th meeting held on 25th March 2013.

- 10.1.3 The details of Over Burden Removal Adjustment are given below: (₹ in crore)

	Current Year	Previous Year
Expenditure to be charged to Coal	4048.31	3466.09
Less: Expenditure incurred	<u>1924.78</u>	<u>2055.76</u>
	<u>2123.53</u>	<u>1410.33</u>

10.1.4 Consequent upon implementation of Companies Act 2013 w.e.f. 01.04.2014, the accounting policy on depreciation has been changed during the year. For this change, the profit for the year has been decreased by ₹ 33.38 crore.

10.1.5 The accounting policy on land has been changed during the year, i.e. compensation in lieu of employment incurred for displaced person is being capitalized as cost of land which was previously being treated as revenue. This results in increase in profit by ₹ 81.56 crore.

11.0 CONTINGENT LIABILITIES

11.1 The details of Contingent liability are given below:-

Particulars.	As at 31.03.2015 ₹ in crore	As at 31.03.2014 ₹ in crore
Suits against the company	150.23	142.76
Other Claims	1729.09	1656.94
Central Excise Duty	466.61	210.12
Income Tax	1953.34	1139.30
Sales Tax	105.15	124.05
Road Tax	0.00	47.05
Letter of comfort/credit	66.87	178.08
Total	4471.29	3498.30

11.2 Some claims are pending in Court for enhancement of compensation for land acquired from private parties and others in respect of which the amount is not ascertained.

11.3 Since the matter regarding charging of Central Excise Duty on Royalty and Stowing Excise duty is subjudice, further action regarding recovery of the same from customers will be taken up after Court decides the matter and depending on the outcome of the case. Pending disposal of the case, an amount of ₹ 466.61 crore (as at 31.03.2014, ₹ 210.12 crore) has been shown as contingent liability.

11.4 Subsequent to change in Orissa irrigation rules 2010 w.e.f October 2010, the rate of water charges to MCL has been increased from ₹ 0.40 to ₹ 4.50 per cubic meter. Accordingly after adjusting the deposit of MCL for ₹ 34.48 crore a net amount of ₹ 250.14 crore has been demanded towards interest and penalty which is under subjudice and shown as contingent liability.

11.5 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) in relation to execution of works and purchase of machinery & equipment is ₹ 893.37 crore (as at 31.03.2014, ₹ 476.99 crore).

11.6 Estimated amount of contracts remaining to be executed on revenue account/other commitments and not provided for is ₹ 4151.62 crore (as at 31.03.2014, ₹ 3589.16 crore).

- 11.7 Liability in some cases of land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 could not be ascertained and sanctioned and hence not provided for.
- 11.8 In the absence of notification of rules by the central/state Governments the effects of the provisions of the Mines and Minerals (Development And Regulation) Amendment Act, 2015 has not been considered in the Accounts.

12.0 CHARGES ON CURRENT ASSETS (NOTE -15 AND NOTE -16)

A charge has been created for ₹ 165.00 crore on Book-debts and Inventories for securing working capital facility from CIL's Consortium Banks as per joint deed of hypothecation dated 16.12.2003 and subsequent Company Board Resolution dated 23.08.2011.

13.0 RETIREMENT BENEFITS

13.1 Details of Actuarial liability /provision as on 31.03.2015 (₹ in Crores)

Head	Opening Actuarial Liability/provision as on 01.04.14	Incremental Liability / provision for the year	Deposited / paid to MCL group fund upto the end of the year	Closing Actuarial provision/Liability as on 31.03.15
Gratuity	-16.38	48.14	-17.76	14.00
Earned Leave	165.22	22.21	-	187.43
Half Pay Leave	39.41	5.67	-	45.08
Life Cover Scheme	5.03	0.28	-	5.31
Settlement Allowance - Executives	0.26	0.01	-	0.27
Settlement Allowance -- Non-Executives	14.68	0.61	-	15.29
Gross Personal Accident	0.11	-	-	0.11
Leave Travel Concession	28.98	3.03	-	32.01
Medical Benefits	54.77	2.96	-	57.73
Compensation to Dependants in case of mine accidental death	12.67	0.41	-	13.08
Total	304.75	83.32	-17.76	370.31

13.2 Contribution to Provident Fund and other fund (Note 24) of ₹ 186.30 crore includes ₹ 4.18 crore paid to Ex-NCDC employees which have been charged to Revenue on cash basis under Employees Benefit Expenses Note -24.

13.3 Pension management in respect of employees of the Company, is done by Coal Mines Provident Fund Authority (an independent body).

14.0 TRANSACTIONS RELATING TO HOLDING COMPANY

- 14.1 Service charges of CIL as per Note-31 amounting to ₹ 68.19 crore including service tax (previous year ended on 31.03.2014 ₹ 62.04 crore) is levied by the Holding Company towards rendering various services like procurement, foreign contract, marketing and Corporate Service, based on agreement entered on 1st July, 1998 as per intimation from Holding company.
- 14.2 Training expenses (Note 31- Other expenditure) includes an amount to ₹ 6.06 crore (previous year ended on 31.03.2014 ₹ 5.52 crore) levied by the Holding Company on account of payment to Indian Institute of Coal Management.
- 14.3 As per CIL Board resolution in its 214th meeting held on 12.2.2004, the Company has charged ₹ 73.81 crore (previous year ended on 31.03.2014 ₹ 68.61 crore) on despatch of coal towards Rehabilitation Fund set up by Coal India Limited.
- 14.4 As per the minutes of Director (Finance)s' Co-ordination meeting held on 24.09.2014, the expenditure incurred by CMPDIL on Research & Development up to 31.03.2014 was allocated by CIL to its subsidiaries in proportion to the annual coal production. An amount of ₹ 22.92 crore so allocated has been shown as R&D expenses in Note -31.

15.0 EXCHANGE RATE FLUCTUATION

- 15.1 Consequent upon fluctuation in the value of foreign currency deferred credit, the rupee liability of the Company in respect of such deferred credit/loans has decreased by ₹ 1.79 crore (as at 31.03.2014, increased by ₹ 1.64 crore) and the same amount/gain of ₹ 1.79 crore (as at 31.03.2014, loss on exchange rate variance for ₹ 1.64 crore - Note-31) has been shown as "Exchange Rate Variance" - Note 21.

16.0 COMPLIANCE OF ACCOUNTING STANDARDS:

- 16.1 **AS-12: Accounting for Government Grants:** The Company has recognized ₹ Nil (Note-21) (previous year ended on 31.03.2014 ₹ 0.88 crore) as Income from Stowing and Protective Subsidy and ₹ 66.19 crore of CCDA grant has been deducted from Long term advance capital (Note -12).
- 16.2 **AS-15 : Accounting for Employee Benefits:** The company has determined the liability for employee benefits as at 31.03.2015 in accordance with the revised AS 15 –Employee benefits issued by ICAI.

The following disclosures have been made in accordance with AS-15 (Revised) pertaining to gratuity (funded plan).

Table Showing Changes in Present Value Of Obligations:

(₹ in Crores)

	As at 31/03/2015
Present Value of Obligation at Beginning of year	642.71
Acquisition Adjustment	0.00
Interest Cost	48.60
Past Service Cost	0.00
Current Service Cost	38.42
Curtailement cost	0.00
Settlement Cost	0.00
Benefits Paid	70.51
Actuarial gain/loss on Obligations	20.47
Present Value of Obligation at end of Year	679.69

Table Showing Changes in Fair Value of Plan Assets:

(₹ in Crores)

	As at 31/03/2015
Fair Value of Plan Asset At Beginning of year	659.09
Acquisition Adjustment	0.00
Expected Return on Plan Asset	52.73
Contributions	17.76
Benefits Paid	70.50
Actuarial gain/loss on Plan Asset	6.61
Fair Value of Plan Asset at End of year	665.69

Table showing Funded Status:

(₹ in Crores)

	As at 31/03/2015
Present Value of obligation at end Year	679.69
Fair Value of Plan at end Year	665.69
Funded Status	-14.00
Unrecognized actuarial gain/ at end of the year	0.00
Net Asset (Liability) Recognized in Balance Sheet	-14.00

Table showing Expense Recognized in Statement of Profit/Loss: (₹ in Crores)

	As at 31/03/2015
Current Service Cost	38.42
Past Service Cost	0.00
Interest Cost	48.60
Expected Return on Plan Asset	52.73
Curtailment cost	0.00
Settlement Cost	0.00
Actuarial gain/loss recognized in the year	13.86
Expense Recognized in of Profit/Loss	48.15

Table showing Actuarial Assumptions: (₹ in Crores)

	As at 31/03/2015
Mortality Table	IALM (2006-08)
Superannuation Age	60
Early Retirement & Disablement	10 PER THOUSAND P.A.
	6 above age 45
	3 between 29 and 45
	1 below age 29
Discount Rate	8.50 %
Inflation Rate	6.25 %
Return on Asset	8.00 %
Remaining Working Life	14 Years
FORMULA USED	PROJECTED UNIT CREDIT METHOD

Movements in the Liability Recognized in Balance Sheet: (₹ in Crore)

	As at 31/03/2015
Opening Net Liability	-16.38
Expenses as above	48.14
Contributions	17.76
Closing Net Liability	14.00
Closing Fund/Provision at end of Year	679.69

The following disclosures has been made in accordance with AS-15 (Revised) pertaining to leave encashment benefits (EL/ HPL) (unfunded plan)

Table Showing Changes in Present Value Of Obligations: (₹ in Crore)

	As at 31/03/2015
Present Value of Obligation at Beginning of year	204.63
Acquisition Adjustment	0.00
Interest Cost	15.67
Past Service Cost	0.00
Current Service Cost	41.79
Curtailment cost	0.00
Settlement Cost	0.00
Benefits Paid	17.51
Actuarial gain/loss on Obligations	-12.06
Present Value of Obligation at end of Year	232.52

Table showing Expense Recognized in Statement of Profit/Loss: (₹ in Crore)

	As at 31/03/2015
Current Service Cost	41.79
Past Service Cost	0.00
Interest Cost	15.67
Expected Return on Plan Asset	0.00
Curtailment cost	0.00
Settlement Cost	0.00
Actuarial gain/loss recognized in the year	-12.06
Expense Recognized in Statement of Profit/Loss	45.40

Table showing Actuarial Assumptions

		As at 31/03/2015
Mortality Table	:	IALM (2006-08)
Superannuation Age	:	60
Early Retirement & Disablement	:	10 PER THOUSAND P.A.
	:	6 above age 45
	:	3 between 29 and 45
	:	1 below age 29
Discount Rate	:	8.00 %
Inflation Rate	:	6.25 %
Return on Asset	:	N/A
Remaining Working Life	:	14 years
FORMULA USED	:	PROJECTED UNIT CREDIT METHOD

Movements in the Liability Recognized in Balance Sheet:

(₹ in Crore)

		As at 31/03/2015
Opening Net Liability		0.00
Expenses as above		45.40
Contributions		0.00
Closing Net Liability		45.40
Closing Fund/Provision at end of Year		232.52

Note as per Appendix B of AS 15(Revised 2005)

As the scheme is unfunded charges to Profit/Loss Account has been based on following assumptions:-

- (1) Previous obligation was provided for at last accounting date.
- (2) Benefit to exits has been paid to debit of above provision.
- (3) Current obligation will be provided for at current accounting date.

16.3 **AS-16: Borrowing Cost** - There are no qualifying assets for which interest has been borne by the Company, as such no borrowing cost has been capitalized.

16.4 **AS-17: Segment Reporting** - The Company is primarily engaged in a single segment business of production and sale of coal. There is no reportable primary segment identifiable in accordance with AS-17.

16.5 **AS -18 Related party disclosures** : In view of exemption granted to state controlled enterprises as regards related party relationship with other state controlled enterprises and transactions with such enterprises, no disclosure under AS 18 is required.

16.6 **AS-20: Earning per share** - The basic earnings per share (EPS) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The computation of EPS is set out below:

Particulars.	Current Year ended on 31.03.2015	Previous year ended on 31.03.2014
Profit after tax (₹ in crore)	3554.10	3624.30
Profit attributable to ordinary shareholders. (₹ in crore.)	3554.10	3624.30
No. of Ordinary Shares for basic and diluted EPS (Nos)	1864009	1864009
Nominal value of Ordinary Shares (₹)	1000	1000
Basic & Diluted Earning per ordinary Share (₹)	19066.97	19443.58

16.7 **AS-21: Investments in subsidiaries:**

The position of investment and other current accounts in the subsidiaries as at 31.03.2015 are as under:

Name of subsidiary	Stake in Subsidiary	Date of incorporation	Investment in equity shares (₹ in crore)	Balance in Current accounts (₹ in crore)
1) MNH Shakti Ltd	70 %	16.07.2008	59.57	0.63
2) MJSJ Coal Ltd	60%	13.08.2008	57.06	6.04
3) Mahanadi Basin Power Ltd.	100%	02.12.2011	0.05	13.40
Total			116.68	20.07

All the subsidiaries are in development stage.

16.8 AS -27: Financial Reporting of Interests in Joint Ventures:

On 8th January 2013 a joint venture company named Neelanchal Power transmission Company Pvt Limited was incorporated by virtue of a joint venture agreement between the company and Odisha Power Transmission Corporation Ltd. Up to 31.03.2015, the company has incurred ₹ 0.02 crore (for previous year ₹ 0.02 crore) for miscellaneous expenses incidental for incorporation and the same has been included in claim receivables (Note-18). There is no investment in the joint venture company upto 31.03.2015.

16.9 AS-28: Impairment of assets:

In coal industry, fixed assets are classified under Major heads viz. Land, Buildings, Plant and Machinery, Exploration Boring and Development, In case of land and building, there is universally upward trend in valuation. Unless there is damage to buildings, there is no need to make any provision. Similarly in case of plant and machinery, there is no downward trend in price as per RBI index, hence no impairment unless asset is obsolete or damaged. However impairment is considered for old machinery meant for exclusive use in loss making underground mines. In coal industry, only prospecting, boring and development expenses can be prima facie considered to have been impaired in continuous loss making mines, provided there is no clear indication for its revival in near future.

A provision of ₹ 0.47 crore (for previous year ending on 31.03.2014 ₹ 0.66 crore) has been made during the current year against other fixed assets (with no alternative use value). Thus total cumulative provision for Impairment as at 31.03.2015 stands at ₹ 27.18 crore (as at 31.03.2014 ₹ 26.75 crore) after making an adjustment of ₹ 0.04 crore.

16.10 Accounting Standard 29:

16.10.1 As per guideline No 55011-01-2009 - CPAM dt 27.08.2009 & subsequent guidelines dated 07.01.2013 issued by Ministry of Coal, Government of India, the company has made a provision during the current year for Mine Closure Expenses in respect for 22 mines based on mine closure plan prepared by Central Mine Planning & Design Institute Limited. In respect of three mines namely Bharatpur OCP, Belpahar OCP and Kulda OCP, liability has been calculated based on mine closure plan as approved by board earlier.

16.10.2 Provision for Mine Closure Expenses Note-5 includes ₹ 5.06 crore on account of provision taken towards stowing and stabilization of unstable workings of Deulbera colliery after adjusting current year expenditure ₹ Nil against a comprehensive scheme of ₹ 9.44

crore (Excluding departmental salary and wages for ₹ 18.21 crore). As the stabilization of unstable workings of Deulbera Colliery through sand stowing is being carried out by existing departmental manpower of Deulbera Colliery, salaries and wages for ₹ 18.21 crore being part of the scheme has not been provided for.

16.10.3 Details of movements in provision in accordance with AS 29:

(₹ in crore)

SI No	Particulars	Opening balance as at 1.04.2014	Provision/ addition during the current year	Paid / adjustment during the current year	Balance as at 31.03.2015
1	Provision for Reclamation of land	0.79	-	-	0.79
2	OBR adjustment	9912.51	2123.53	-	12036.04
3	Provision for taxation(incl.wealth tax)	1892.66	1697.67	-32.36	3557.97
4	Provision for Dividend	-	-	-	-
5	Mine Closure Plan	314.64	115.83	-	430.47
6	Provision for Doubtful Debts	34.72	6.66	-	41.38
7	Provision for Loans & Advances	2.89	-0.24	-	2.65
8	Provision for Capital Work-in-Progress	11.82	0.70	-0.13	12.39
9	Provision for Stores & Spares	14.84	2.40	-	17.24
10	Provision for Loss of Assets	0.23	-	-	0.23

17.0 ACCOUNTING FOR TAXES ON INCOME

17.1 For the current year, the Income Tax provision has been taken at ₹ 1697.56 crore (Previous year ended on 31.03.2014 ₹ 1837.38 crore). In addition, ₹ 0.11 crore has been provided for wealth tax for the current year.

17.2 As per requirement of Accounting standard - 22, there is a net deferred tax liability of ₹ 122.90 crore as at 31.03.2015 (as at 31.03.2014 Liability ₹ 28.08 crore). The Deferred tax liability /assets comprises of tax effect of timing differences as detailed below:

	As on 31.03.2015 (₹ in crore) (liability)	As on 31.03.2014 (₹ in crore) (liability)
Deferred Tax Liability :		
Excess of Net Block over written down value as per provisions of Income Tax Act, 1961	-60.91	-14.84
Deferred Tax Asset :		
Provision for Doubtful debts	10.41	8.14
Provision for other Employees Benefit	-	-
Provision for Leave Encashment	66.16	56.41
Provision for Gratuity	15.03	1.87
Provision for Doubtful Advances	0.83	0.91
Disallowance u/s 43B of I.T. Act,	-11.13	16.11
Provision for Reclamation of Land	23.83	23.83
Other Provision / Misc. items	-288.94	-150.19
Sub total	-183.81	-42.92
Total	122.89	28.08
Net Deferred Tax liability	122.90	28.08

18.0 GENERAL

18.1 Confirmation of balances of Sundry Creditors., various advances and deposits received etc. has not been obtained in all cases.

18.2 The Company has not received any intimation from "suppliers." regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.

18.3 Previous year/year's figures have been re-arranged, re-grouped wherever necessary, to make them more comparable with those of current year/ year.

19.0 OTHERS.

A. Directors' Remuneration

(₹ in crore)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Salary	1.09	1.11
P.F.	0.11	0.12
Perquisites	0.01	0.02
Director's Sitting Fee	0.00	0.07
Total	1.21	1.32

Note:

- i. Perquisites do not include value/charges for house rent/electrical energy, which has been recovered as per rules of the Company and value of free medical facilities in Company hospitals/dispensary.
- ii. The Chairman-cum-Managing Director and full time Directors. have the option to use the staff car for purposes other than official duty up to a ceiling of 750 Km per month, on payment at 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.

B. Imports**C.I.F. value of imports**

(₹ in crore)

	For the year ended 31.03.2015	For the year ended 31.03.2014
(i) Raw materials	Nil	Nil
(ii) Components and spare parts	Nil	2.89
(ii) Capital Goods	Nil	8.76

C. Expenditure in Foreign Currency

(₹ in crore)

	For the year ended 31.03.2015	For the year ended 31.03.2014
(i) Travelling	0.04	0.02
(ii) Commitment charges	Nil	Nil
(iii) Interest	0.08	1.25
iv) Others.	Nil	Nil

D. Value of imported/indigenous Raw materials, Stores & Spares and components consumed:

Particulars	For current year ended 31.03.2015 Value (₹ in crore)	Percentage	For current year ended 31.03.2014 Value (₹ in crore)	Percentage
Imported	0.05	0.01	Nil	Nil
Indigenous	604.51	99.99	626.35	100.00
Total	604.56	100.00	626.35	100.00

20.0 APEX OFFICE AND INTEREST CHARGES TO HOLDING COMPANY

- 20.1 Apex office charges as levied by Holding Company has been allocated to revenue mines on the basis of coal production.
- 20.2 Interest on loans through Holding Company for procurement of specific assets has been accounted for as per terms of loan agreement and corresponding memos from them.

21.0 Revision of Schedule VI to the Companies Act 1956 (w.e.f. 01.04.2011)

Following the Gazette notification dated 30th March, 2011 the Schedule VI of the Companies Act 1956 dealing with the format of Balance Sheet has modified and a format for Statement of Profit & Loss is introduced.

The format as per revised Schedule VI has been applied while preparing this account. Following the new guidelines of the revised format inter-alia, the following segregation have been made in the Balance Sheet:-

Current Assets

An asset has been classified as current when it satisfies any of the following criteria:-

It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle.

It is held primarily for the purpose of being traded.

It is expected to be realized within twelve month after the reporting date.

It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reposting date.

Non-Current Assets

All assets other than current assets are Non- Current Assets.

Current Liabilities

A liability has been classified as current when it satisfies any of the following criteria:

It is expected to be settled in the company's normal operating cycle.

It is held primarily for the purpose of being traded.

It is due to be settled within twelve month after the reporting date.

The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Non-Current Liabilities

All liabilities other than current liabilities are Non- Current Liabilities.

As there is no normal operating cycle, the same is considered to be 12 months period.

For and on behalf of Board of Directors

Sd/-
A. K. Singh
Company Secretary

As per our report of even date
For **PAMS & ASSOCIATES**
Chartered Accountants

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
K.K. Parida
Director (Finance)

Sd/-
CA M P MAHAPATRA
Partner
(Membership No. 055113)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

Date: 20.05.2015

Place: Bhubaneswar

Cashflow Statement for the year ended on 31.03.2015

	For the year ended on 31.03.2015 (₹ in Crores)	For the year ended on 31.03.2014 (₹ in Crores)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extraordinary items	6,314.24	5,429.08
Adjustment for :		
Depreciation & Impairment	251.79	235.14
Exchange Rate Fluctuation	(0.72)	9.23
OBR Adjustment	2,123.53	1,410.33
Interest / Dividend (Received)	(1,286.09)	(1,406.53)
Interest /financial charges (Paid)	1.44	14.89
Prov. against Debtors/Inventories/Other CA/ Loans & Advances etc	232.69	189.52
Operating Profit before Working Capital changes	6,636.88	5,881.66
Adjustments for :		
Changes in inventories	43.71	48.44
Changes in trade receivables	(155.57)	118.82
Changes in long term/non current Loan & advance/Assets	(177.01)	5.48
Changes in short term /current Loans and Advances/ Assets	(64.66)	177.45
Changes in trade payable/ Current Liabilities/long term liabilities	513.42	317.64
Cash generated from operations	6,796.77	6,549.21
Direct taxes paid	(3,269.99)	(3,408.39)
Cash Flow before extraordinary items	3,526.78	3,140.82
Extraordinary items	-	-
Net Cash from operating activities	3,526.78	3,140.82
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(788.93)	(839.02)
Short Term Deposit with CIL	(114.95)	1,315.59
Miscellaneous receipts	-	-
Acquisition of Companies	-	-
Purchase of New Investments (Current/Non-Current)	450.70	(594.29)
Interest received	1,231.11	1,363.13
Dividend from Mutual Funds received (non trade)	54.98	43.40
Net Cash used in investing activities	832.91	1,288.81
C CASH FLOW FROM FINANCING ACTIVITIES:		
World Bank Loans through CIL	-	(109.88)
Deferred Credit Loan	(2.35)	1.03
Exchange Rate Fluctuation	0.72	(9.23)
Repayment of CIL Loan	-	-
Redemption of preference share capital	-	-
Interest and financial charges	(1.44)	(14.89)
Dividend paid	(3,841.82)	(7,012.09)
Net Cash used in financing activities	(3,844.89)	(7,145.06)
Net increase in cash and cash equivalents	514.80	(2,715.43)
Cash and cash equivalents as at beginning of the year	10,367.57	13,083.00
Cash and cash equivalents as at the end of the period	10,882.37	10,367.57

The aforesaid statement is prepared on indirect method.

The figures of the previous year have been reclassified to confirm to current period classification.

Note: Cash & cash equivalents amounting to ₹ 508.56 crore (as at 31.03.2014, ₹ 434.72 crore) (refer para 7.0 of Additional notes on accounts) are not available for use by the company .

Sd/-
A.K.Singh
Company Secretary

Sd/-
K.K. Parida
Director (Finance)

For and on behalf of Board of Directors

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

As per our report of even date
For PAMS & ASSOCIATES
Chartered Accountants

Sd/-
(CA M P MAHAPATRA)
Partner
(Membership No. 055113)

Date : 20.05.2015
Place: Bhubaneswar

CONSOLIDATED ACCOUNTS
OF
MAHANADI COALFIELDS LIMITED
WITH ITS SUBSIDIARIES,
MNH SHAKTI LTD., MJSJ COAL LTD. &
MAHANADI BASIN POWER LTD.
AS ON 31ST MARCH, 2015

JAGRUTI VIHAR, BURLA
SAMBALPUR, ODISHA - 768020



Shri A N Sahay, CMD, MCL receiving the "ACHIEVER OF ODISHA" Award from Shri Dharmendra Pradhan, Hon'ble Minister of State for Petroleum & Natural Gas (IC) initiated by the Times of India Group at Bhubaneswar



Shri A N Sahay, CMD, MCL gets Lifetime Achievement Award from ISTD - a primer body of professionals engaged in training and development activities in the country.



Shri Deepak Srivastava, IFS, Chief Vigilance Officer, MCL receiving award for the IT initiative for bringing in transparency in business transaction by implementing Auto-refund of EMDs to the unsuccessful bidders in public procurement, as a citizen-centric service initiative.



Shri Purna Chandra Panigrahi, Director (Personnel), MCL gets Leadership Excellence Award in Training & Development at ISTD's 44th National Convention held in Bhubaneswar.

BALANCE SHEET
As at 31st March, 2015

(₹ in Crores)

I EQUITY AND LIABILITIES	Notes	As at	
		<u>31-03-2015</u>	<u>31-03-2014</u>
(1) Shareholders' Funds			
a) Share Capital	1	186.40	186.40
b) Reserves and Surplus	2	<u>4,289.64</u>	<u>5375.49</u>
		4,476.04	5,561.89
(2) Non-Current Liabilities			
a) Long Term Borrowings	3	6.90	9.14
b) Deferred Tax Liability (Net)		122.90	28.08
c) Other Long Term Liabilities	4	53.58	54.34
d) Long Term Provisions	5	<u>12,899.71</u>	<u>10,607.11</u>
		13,083.09	10,698.67
(3) Minority interest		63.60	63.60
(4) Current Liabilities			
a) Short Term Borrowings	6	-	-
b) Trade Payables	7	275.27	280.29
c) Other Current Liabilities	8	3,166.56	2,647.36
d) Short Term Provisions	9	<u>372.45</u>	<u>318.35</u>
		3,814.28	3,246.00
Total		<u>21,437.01</u>	<u>19,570.16</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets - Gross Block	10A	5,826.50	5,233.62
Less : Depreciation, Impairment & Provisions		<u>2,755.66</u>	<u>2,460.37</u>
Net Carrying Value		3,070.84	2,773.25
ii) Intangible Assets - Gross Block	10A	288.09	284.89
Less : Depreciation, Impairment & Provisions		<u>206.61</u>	<u>194.40</u>
Net Carrying Value		81.48	90.49
iii) Capital Work-in-Progress	10B	456.63	324.90
iv) Intangible Assets under Development	10C	338.91	273.50
(b) Non-Current Investments	11	958.70	981.39
(c) Deferred Tax Asset (Net)		-	-
(d) Long Term Loans & Advances	12	553.38	376.30
(e) Other Non-Current Assets	13	-	-

BALANCE SHEET AS AT 31ST MARCH, 2015
(Contd....)

		(₹ in Crores)	
	NOTES	As at 31.03.2015	As at 31.03.2014
2. Current Assets			
(a) Current Investments	14	247.70	675.71
(b) Inventories	15	476.41	522.52
(c) Trade Receivables	16	447.30	298.39
(d) Cash & Cash Equivalents	17	10,940.10	10,428.31
(e) Short Term Loans & Advances	18	3,038.17	2,156.57
(f) Other Current Assets	19	<u>827.39</u>	<u>868.83</u>
		15977.07	14750.33
	Total	<u>21,437.01</u>	<u>19,570.16</u>
Significant Accounting Policies	33		
Additional Notes on Accounts	34		

The Notes referred to above form an integral part of Balance Sheet

For and on behalf of Board of Directors

Sd/-
A. K. Singh
Company Secretary

As per our report of even date
For **PAMS & ASSOCIATES**
Chartered Accountants

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
K.K. Parida
Director (Finance)

Sd/-
CA M P MAHAPATRA
Partner
(Membership No. 055113)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

Date: 20.05.2015
Place: Bhubaneswar

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

		(₹ in Crores)	
	NOTES	FOR THE YEAR ENDED ON 31.03.2015	FOR THE YEAR ENDED ON 31.03.2014
INCOME :			
(i) Revenue from Operations			
(A) Sale of Coal	20	14,989.05	13,114.20
Less : Excise Duty		679.56	617.16
Other Levies		3,285.07	2507.37
Net Sales		<u>11,024.42</u>	<u>9,989.67</u>
(B) Other Operating Revenue	20	704.66	583.90
Less : Excise Duty		39.71	33.12
Other Levies		20.89	18.33
Net Operating Revenue		<u>644.06</u>	<u>532.45</u>
Revenue from Operations(A+B)		11,668.48	10,522.12
(ii) Other Income	21	<u>1,375.14</u>	<u>1,510.88</u>
(iii) Total Revenue		<u>13,043.62</u>	<u>12,033.00</u>
EXPENSE :			
Cost of Materials Consumed	22	604.56	626.35
Change in inventories of finished goods, work in progress and Stock in trade	23	33.62	36.54
Employee benefit expenses	24	1,997.10	1,841.29
Power & Fuel		122.59	119.37
Corporate Social Responsibility Expenses	25	61.30	111.48
Repairs	26	107.63	93.58
Contractual Expenses	27	1,787.27	1,638.48
Finance Costs	28	1.44	14.89
Depreciation/amortization/impairment		297.11	269.18
Provisions	29	123.56	85.27
Write off	30	-	-
Overburden Removal Adjustment		2,123.53	1,410.33
Other Expenses	31	479.89	355.34
Total Expenses		<u>7,739.60</u>	<u>6,602.10</u>
Profit/(Loss) before extraordinary items, exceptional items and tax		5,304.02	5,430.90
Prior period Adjustment {charges/(Incomes)}	32	(10.22)	1.82
Exceptional Items		-	-
Profit/(Loss) before extraordinary items and tax		<u>5,314.24</u>	<u>5,429.08</u>
Extraordinary items {charges / (incomes)}		-	-
Profit/(Loss) before tax		<u>5,314.24</u>	<u>5,429.08</u>
Less : Tax Expenses			
--- Current year		1697.56	1837.38
--- Deferred Tax		94.82	(32.60)
--- Earlier years		(32.24)	-
Profit/(Loss) after tax		<u>3,554.10</u>	<u>3,624.30</u>
Basic and Diluted Earning per share (in ₹) (Face Value of ₹ 1000/- per share)		19,066.97	19,443.58
Significant Accounting Policies	33		
Additional Notes on Accounts	34		
The Notes referred to above form integral part of Profit & Loss Statement.			

For and on behalf of Board of Directors

Sd/-
A.K. Singh
Company Secretary

K.K. Parida
Director (Finance)

Date: 20.05.2015
Place: Bhubaneswar

As per our report of even date
For PAMS & ASSOCIATES
Chartered Accountants

Sd/-
CA M P MAHAPATRA
Partner
(Membership No. 055113)

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 1

SHARE CAPITAL

	As at 31.03.2015	As at 31.03.2014
AUTHORISED		
(i) 2958200 Equity Shares of ₹1000/- each	295.82	295.82
(ii) 2041800 10% Cumulative Redeemable Preference shares of ₹1000/- each (Redeemed on as per terms of earliest redemption)	204.18	204.18
	<u>500.00</u>	<u>500.00</u>
ISSUED, SUBSCRIBED AND PAID - UP		
(i) 1864009 Equity shares of ₹1000/- each fully paid-up in cash	186.40	186.40
	<u>186.40</u>	<u>186.40</u>

NOTE - 1 : Shares in the Company held by each shareholder holding more than 5% Shares.

Name of Shareholder	No. of shares Held (Face Value of ₹1000 each)	% of total Shares
CIL (Holding company) and its Nominees	1864009	100

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 2

RESERVES & SURPLUS

	As at 31.03.2016	(₹ in Crores) As at 31.03.2014
RESERVES :		
Capital Reserve :		
As per last Balance Sheet	-	-
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>-</u>	<u>-</u>
Capital Redemption Reserve		
As per last Balance Sheet	204.18	204.18
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>204.18</u>	<u>204.18</u>
Reserve for Foreign Exchange Transactions		
As per last Balance Sheet	-	-
Add : Addition during the period	-	-
Less : Adjustment during the period	-	-
	<u>-</u>	<u>-</u>
C.S.R. Reserve		
As per last Balance Sheet	21.93	79.46
Add : Addition during the period	-	53.95
Less : Transfer to General Reserve	21.93	111.48
	<u>-</u>	<u>21.93</u>
Sustainable Development Reserve		
As per last Balance Sheet	8.34	3.84
Add : Addition during the period	-	4.61
Less : Transfer to General Reserve	8.34	0.11
	<u>-</u>	<u>8.34</u>
General Reserve		
As per last Balance Sheet	2875.40	2401.38
Add : Transfer from Profit & Loss Statement	355.41	362.43
Add/Less : Adjustment during the period	30.27	111.59
	<u>3261.08</u>	<u>2875.40</u>
Surplus in Profit & Loss Statement		
As per last Balance Sheet	2267.17	6063.86
Less: Adjustment for earlier depreciation	53.99	-
Profit/(Loss) after Tax during the period	3,554.10	3624.30
Profit/(Loss) available for appropriation	<u>5767.28</u>	<u>9688.16</u>
Appropriation		
Reserve for Foreign Exchange Transaction	-	-
Transfer to General Reserve	355.41	362.43
Transfer to CSR Reserve	-	53.95
Interim Dividend (Special)	3,841.82	5,983.16
Proposed Dividend on Equity Shares	-	-
Corporate Dividend Tax	744.14	1,016.84
Transfer to Sustainable development reserve	-	4.61
	<u>825.91</u>	<u>2267.17</u>
Miscellaneous Expenditure (to the extent not written off)		
Preliminary expenses	1.53	1.53
Pre-Operational Expenses	-	-
TOTAL	<u>4289.64</u>	<u>5375.49</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 3

LONG TERM BORROWINGS

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
Loan from Coal India Limited		
– for IBRD	–	–
– for JBIC	–	–
Export Development Corp., Canada	–	–
Liebherr France S.A. France	6.90	9.14
Loan from Coal India Limited	–	–
Total	<u>6.90</u>	<u>9.14</u>
CLASSIFICATION - 1		
Secured	–	–
Unsecured	6.90	9.14

CLASSIFICATION - 2

1. Loan Guaranteed by Directors & others

Particulars of Loan	₹ in Crore	Nature of Guarantee
Nil	Nil	Nil

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 4

OTHER LONG TERM LIABILITIES

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
Shifting & Rehabilitation Fund		
Opening Balance	--	--
Add : Interest from Investment of the fund	--	--
Add : Contribution Received	--	--
Less : Amount utilised	--	--
	<u> -- </u>	<u> -- </u>
Trade Payable	--	--
Security Deposits	26.09	27.86
Refund of Cess on Coal	27.49	26.48
TOTAL	<u> 53.58 </u>	<u> 54.34 </u>

Note - 5

LONG TERM PROVISIONS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
For Employee Benefits		
-- Gratuity	--	--
-- Leave Encashment	213.53	185.90
-- Other Employee Benefits	218.88	193.27
For Foreign Exchange Transactions (Marked to Market)	--	--
OBR Adjustment Account	12,036.04	9,912.51
Mine Closure Expenses	431.26	315.43
For Others	--	--
TOTAL	<u> 12,899.71 </u>	<u> 10,607.11 </u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 6

SHORT TERM BORROWINGS

	(₹ in Crores)	
	As at 31.03.2015	As at 31.03.2014
LOAN FROM BANK	-	-
Loans Repayable on Demand	--	-
Balance with Coal India Limited & other Subsidiaries of Coal India Limited	--	-
Overdraft against Pledge of Term Deposit	--	-
Other Loans and Advances	--	-
Deferred Credits	-	-
Total	<u> -- </u>	<u> - </u>
CLASSIFICATION - 1		
Secured	--	-
Unsecured	--	-

CLASSIFICATION - 2

Loan Guaranteed by Directors & others

Particulars of Loan	₹ in Crore	Nature of Guarantee
NIL	NIL	NIL

Note - 7

TRADE PAYABLE

	(₹ in Crore)	
	As at 31.03.2015	As at 31.03.2014
Sundry Creditors for Supplies		
For Revenue	275.27	280.29
TOTAL	<u> 275.27 </u>	<u> 280.29 </u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 8

OTHER CURRENT LIABILITIES

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
Current Maturities of Long Term Borrowings		
Term Loan from IBRD from CIL	-	-
Term Loan from JBIC from CIL	-	-
Term Loan from Liebherr France S.A., France	0.50	0.61
Loan from Coal India Limited	-	-
Surplus Fund from Coal India	-	-
Current Account with Subsidiaries	-	-
	<u>0.50</u>	<u>0.61</u>
Sundry Creditors for Capital (including stores)	640.62	550.45
For Expenses		
Salary Wages & Allowances	152.35	153.84
Power & Fuel	17.51	17.20
Others	44.71	79.08
	<u>214.57</u>	<u>250.12</u>
Statutory Dues		
Sales Tax	2.51	0.49
Sales Tax/VAT	-	2.50
Provident Fund & Pension Fund	8.99	7.33
Central Excise Duty	50.96	52.58
Royalty & Cess on Coal	37.48	52.04
Stowing Excise Duty	32.90	30.15
Clean Energy Cess	126.84	49.89
Other Statutory Levies	-	0.11
	<u>259.68</u>	<u>195.09</u>
Income Tax Deducted at Source	3.06	5.94
Security Deposit	81.06	63.87
Earnest Money	17.96	15.44
Advance & Deposit from customers/others	1,837.92	1,505.98
Interest Accrued and due on Borrowings	-	-
Interest Accrued but not due on Borrowings	-	-
Cess Equilisation Account	-	-
Current Account with IICM	-	-
Unpaid Dividend	-	-
Ex-Owner Account	-	-
Advance Deposit other Pre-Nationalisation	-	-
Gratuity	46.00	7.27
Other Liabilities	65.19	52.59
TOTAL	<u>3,166.56</u>	<u>2,647.36</u>

Note :

Loan repayment Liebherr France during 2015-16

74113.58 Euro

₹ 0.50 Crore

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 9

SHORT TERM PROVISIONS

	As at 31.03.2015	(₹ in Crores) As at 31.03.2014
For Employee Benefits		
-- Gratuity	--	--
-- Leave Encashment	19.82	18.73
-- PPLB	81.20	67.11
-- PRP	271.24	232.19
For Proposed Dividend	--	-
For Corporate Dividend Tax	--	-
For Excise duty on Closing Stock of Coal	--	--
For Others (Wealth tax)	0.19	0.32
TOTAL	372.45	318.35

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10A

FIXED ASSETS

(₹ in Crore)

PARTICULARS	GROSS BLOCK		DEPRECIATION		IMPAIRMENT LOSS/OTHER LOSS		Total Depreciation/ Impairment Loss/Other Loss	NET CARRYING VALUE	
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14
TANGIBLE ASSETS :									
LAND :									
(a) Freehold	2.49	27.67	-	-	-	-	-	30.16	2.49
(b) Others	1,849.34	449.83	(1.12)	73.25	(0.86)	-	-	1843.80	1401.31
Building/Water Supply/Road & Culverts	489.74	21.76	(0.16)	10.22	15.83	0.34	-	315.71	320.16
Plant & Machinery	2,383.62	115.31	(43.23)	170.98	(53.33)	14.84	-	682.86	728.41
Furniture & Fittings/Office Tools & Equipments /Electrical Fittings/Fire Arms	69.85	7.27	(0.14)	6.83	0.91	0.01	-	19.50	19.79
Railway Sidings	163.88	0.63	-	9.17	14.72	0.10	-	57.79	81.05
Vehicle	28.12	4.63	(0.38)	(0.52)	0.22	0.01	-	13.28	8.73
Telecommunication	34.79	1.70	0.01	3.82	0.01	-	-	20.20	22.32
Development including Roads & Culverts in Mining Area Surveyed Off Assets	190.11	11.38	-	13.90	31.53	0.37	-	79.78	113.83
	21.68	1.82	(4.10)	0.10	(1.47)	11.64	-	7.76	8.67
TOTAL	5,233.62	642.00	(49.12)	287.73	7.56	2739.99	15.67	3070.84	2898.08
Previous Year Tangible Fixed Assets	4,460.31	813.67	(40.36)	256.45	(30.31)	2,444.70	4.73	2,773.25	2,169.00
INTANGIBLE ASSETS									
Developments	222.40	3.48	(0.28)	6.87	1.25	156.54	11.06	57.57	62.92
Software	2.67	-	-	-	-	2.67	-	-	-
Prospecting & Boring	59.82	-	-	1.83	1.83	35.89	0.02	23.91	27.57
TOTAL	284.89	3.48	(0.28)	8.70	3.08	195.10	11.08	81.48	90.48
G. TOTAL	5,518.51	645.48	(49.40)	296.43	10.64	2,935.09	26.75	3,152.32	2,788.58
Previous Year Intangible Fixed Assets	246.88	38.00	0.01	15.45	(5.45)	183.32	21.36	90.49	52.20

Note: Land - Others includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957, and Land Acquisition Act, 1894, Orissa Government Land settlement Act 1962.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10B

CAPITAL WORK-IN-PROGRESS

(₹ in Crore)

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS/OTHER LOSS		Total Provision / Impairment Loss/Other Loss	NET CARRYING VALUE		
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14	
TANGIBLE ASSETS :										
Building/Water Supply/Road & Culverts	51.84	112.17	(17.00)	147.01	0.22	(0.13)	0.09	-	148.92	51.62
Plant & Machinery	244.76	138.75	(109.28)	274.23	11.60	0.70	12.30	-	281.93	233.16
Railway Slidings	38.47	5.49	(0.36)	43.60	-	-	-	-	43.60	35.84
Roads & Culverts in Mining Area	-	-	-	-	-	-	-	-	-	-
Other	1.65	2.82	(0.29)	4.18	-	-	-	-	4.18	1.65
TOTAL	336.72	259.23	(126.93)	469.02	11.82	0.70	(0.13)	12.39	456.63	322.27
Previous Year	297.50	235.08	(195.86)	336.72	10.86	0.96	(0.02)	11.82	324.90	286.62

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 10C

INTANGIBLE ASSETS UNDER DEVELOPMENT

PARTICULARS	COST		PROVISION		IMPAIRMENT LOSS/OTHER LOSS		Total Provision / Impairment Loss/Other Loss	NET CARRYING VALUE	
	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year	As on 01.04.14	Addition during the year		As on 31.03.15	As on 31.03.14
INTANGIBLE ASSETS :									
Development	146.62	59.09	(0.18)	205.53	-	-	-	205.53	109.25
Prospecting & Boring	126.88	6.50	-	133.38	-	-	-	133.38	100.24
TOTAL	273.50	65.59	(0.18)	338.91	-	-	-	338.91	209.49
Previous Year Intangible Assets	274.12	27.51	(28.13)	273.50	-	-	-	273.50	218.25

Note

- Development includes an amount ₹ 39.43 crore deposited to state authority for the work of widening of two lane road to four lane road from Bankibahal to Kanika railway siding at Basundhara Area which do not form part of Company Assets.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 11

NON-CURRENT INVESTMENTS - QUOTED / UNQUOTED AT COST

	Number of shares/bonds/ securities current year	Face Value per share/bond/ security current year (₹)	As at		Face Value per share/bond security As at 31.03.2014 (₹)	As at 31.03.2014 (₹ in crore)
			31.03.2015 (₹ in crore)	As at 31.03.2014		
TRADE (UNQUOTED)						
8.5% Tax Free Special Bonds (Fully paid up)						
(on securitisation of Sundry Debtors)						
Major State-wise Break-up						
Up	-	-	-	-	-	-
Haryana	-	-	-	-	-	-
Maharashtra State Electricity Board	-	-	-	1,13,860.00	1,000.00	11.38
Madhya Pradesh	-	-	-	-	-	-
Gujarat	-	-	-	-	-	-
West Bengal State Electricity Board	-	-	-	1,13,160.00	1,000.00	11.31
Others	-	-	-	-	-	-
NON - TRADE (QUOTED)						
7.55% Secured Non - Convertible IRFC Tax						
free 2021 series 79 bonds	20,000	1,00,000	200.00	20,000	1,00,000	200.00
8% Secured Non - Convertible IRFC bonds tax free	1087537	1,000	108.75	1087537	1,000	108.75
7.22% Secured Non convertible IRFC bond tax free	4999	10,00,100	499.95	4999	10,00,100	499.95
7.22% Secured Redeemable REC bond Tax free	1500000	1,000	150.00	1500000	1,000	150.00
TOTAL			958.70			981.39
Aggregate of Quoted investments			958.70			958.70
Aggregate of Unquoted Investments			-			-
Market Value of Quoted Investments			978.88			967.99

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 12

LONG TERM LOANS & ADVANCES

(₹ in Crores)

	As at 31.03.2015	As at 31.03.2014
ADVANCES		
For Capital		
- Secured considered good	-	-
- Unsecured considered good	513.97	336.47
- Doubtful	0.55	0.61
	<u>514.52</u>	<u>337.08</u>
Less : Provision for Bad and doubtful advances	0.55	0.61
	<u>513.97</u>	<u>336.47</u>
For Revenue		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful advances	-	-
	<u>-</u>	<u>-</u>
Security Deposits		
-- Secured considered good	-	-
-- Unsecured considered good	-	-
-- Doubtful	-	-
	<u>-</u>	<u>-</u>
Less : Provision for Bad and doubtful deposits	-	-
	<u>-</u>	<u>-</u>
Deposit for P & T, Electricity etc.		
-- Secured considered good	-	-
-- Unsecured considered good	37.24	37.22
-- Doubtful	-	-
	<u>37.24</u>	<u>37.22</u>
Less : Provision for Bad and doubtful deposits	-	-
	<u>37.24</u>	<u>37.22</u>
LOAN TO EMPLOYEES & OTHERS		
For House Building		
-- Secured considered good	2.11	2.55
-- Unsecured considered good	-	-
-- Doubtful	-	-
	<u>2.11</u>	<u>2.55</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 12 (Continued....)

LONG TERM LOANS & ADVANCES

	As at 31.03.2014	(₹ in Crore) As at 31.03.2013
For Motor Car and other Conveyance		
-- Secured considered good	0.06	0.06
-- Unsecured considered good	--	--
-- Doubtful	--	--
	<u>0.06</u>	<u>0.06</u>
For Other		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	--	--
	<u>--</u>	<u>--</u>
Less : Provision for Bad and doubtful advances	<u>2.17</u>	<u>2.61</u>
Loan to Subsidiaries		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	--	--
	<u>--</u>	<u>--</u>
TOTAL	<u>553.38</u>	<u>376.30</u>

Note :

1.	Closing Balance		Maximum Amount due at any Time	
	Current year	Previous Year	Current Year	Previous Year
Due by the Companies under the same management (With name of the Companies)	Nil	Nil	Nil	Nil
Due by the parties in which Director(s) or Company is/are interested	Nil	Nil	Nil	Nil

2. Advance for capital includes amount ₹314.17 crores being the difference of total advance ₹447.07 crores paid to South Eastern Railway for construction of Railway line from Jharsuguda to Sardega (Basundhara area) less ₹132.90 crore for CCDA grant and other adjustment. An amount of ₹383.61 crore has been utilised by them till the balance-sheet date as reported by railway authority.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 13

OTHER NON-CURRENT ASSETS

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Long Term Trade Receivable		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	--	--
	<u> </u>	<u> </u>
Less : Provision for Bad and doubtful trade receivables	--	--
	<u> </u>	<u> </u>
Exploratory Drilling Work		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	--	--
	<u> </u>	<u> </u>
Less : Provision for Bad and doubtful drilling work	--	--
	<u> </u>	<u> </u>
Other Receivables		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	0.16	0.16
	<u> </u>	<u> </u>
	0.16	0.16
Less : Provision for Bad and doubtful receivables	0.16	0.16
	<u> </u>	<u> </u>
	--	--
TOTAL	<u> </u>	<u> </u>

Note :

	Closing Balance		Maximum Amount due at any Time	
	Current year	Previous Year	Current Year	Previous Year
Due by the Companies under the same management (With name of the Companies)	Nil	Nil	Nil	Nil
Due by the parties in which Director(s) or Company is/are interested	Nil	Nil	Nil	Nil

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 14

CURRENT INVESTMENTS - QUOTED / UNQUOTED AT COST

	Number of shares/bonds/ securities current year	Face Value per share/bond/ security current year (₹)	As at 31.03.2015 (₹ in crore)	Number of shares/bonds/ securities at at 31.03.2014	Face Value per share/bond security as at 31.03.2014 (₹)	As at 31.03.2014 (₹ in crore)
NDN-TRADE (QUOTED)						
Investment in Mutual Funds						
Canara Robeco Liquid Fund	2,48,632.521	1,005.50	25.00	29,835.903	1,005.50	3.00
SBI Premier Liquid Fund	10,06,728.134	1,003.25	101.00	27,81,028.863	1,003.25	277.00
UTI Money Market Fund	7,74,927.857	1,019.45	79.00	36,58,851.080	1,019.45	373.00
Union KBC	1,99,889.965	1,000.65	20.00	--	--	--
LIC NOMURA MF Liquid Fund	--	--	--	--	--	--
TRADE (UNQUOTED)						
8.5% Tax Free Special Bonds (Fully Paid-up) (on securitisation of Sundry Debtors)	--	--	--	--	--	--
Maharashtra State Electricity Board	1,13,880.00	1000.00	11.38	1,13,860.00	1,000.00	11.39
West Bengal State Electricity Board	1,13,160.00	1000.00	11.32	1,13,160.00	1,000.00	11.32
TOTAL			247.70			675.71
Aggregate of Quoted Investments			225.00			653.00
Aggregate of Unquoted Investments			22.70			22.71
Market Value of Quoted Investments			225.80			681.84

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 15

INVENTORIES

(Valuation as per significant Accounting Policy No.- 6)

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Stock of Coal	386.79	418.53
Coal Stock under Development	--	--
Less : Provision for deterioration	--	--
A. Stock of Coal (Net)	<u>386.79</u>	<u>418.53</u>
Stock of Stores & Spare Parts (at cost)	89.61	98.28
Stores-in-transit	0.85	2.28
Less : Provision for slow moving/obsolescence etc.	17.24	14.84
Loss of Assets	0.23	0.23
Less : Provision for Loss of Assets	0.23	0.23
B. Net Stock of Stores & Spare Parts (at cost)	<u>73.22</u>	<u>85.72</u>
Workshop Jobs:		
Work-in-Progress and Finished Goods	10.80	12.68
Less : Provision for workshop jobs	--	--
C. Net stock of Workshop Jobs	<u>10.80</u>	<u>12.68</u>
D. Press:		
Work-in-Progress and Finished Goods	--	--
E. Stock of Medicines at Central Hospital	0.69	0.68
F. Prospecting & Boring/Development Exp./ Coal Blocks meant for sale	4.91	4.91
Total (A to F)	<u>476.41</u>	<u>522.52</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

ANNEXURE TO NOTE - 15

(Qty. in lakh Tonnes) (Value in ₹ Lakhs)

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 01.04.14	141.48	43804.86	--	--	141.48	43804.86
(B) Shortage beyond 5%	1.26	1,952.14	--	--	1.26	1,952.14
Stock adopted in Accounts Opening	140.22	41,852.72	--	--	140.22	418521.72
2. Production for the year	1,213.79	10,99,310.91	--	--	1,213.79	1099310.91
3. Sub-Total (1A+2)	1,355.27	11,43,115.77	--	--	1,355.27	11,43,115.77
4. Off-Take for the year :						
(a) Outside Despatch	1,229.98	11,02,442.34	--	--	1,229.98	1102442.34
(b) Coal feed to Washeries	--	--	--	--	--	--
(c) Own Consumption	0.05	131.15	--	--	0.05	131.15
TOTAL (A)	1,230.03	11,02,573.49	--	--	1,230.03	11,02,573.49
5. Derived Stock	125.24	40,542.28	--	--	125.24	40,542.28
6. Measured Stock	123.91	38,623.62	--	--	123.91	38,623.62
7. Difference (5-6)	1.33	1,918.66	--	--	1.33	1,918.66
8. Break-up of Difference						
(a) Excess within 5%	1.03	269.20	--	--	1.03	269.20
(b) Shortage within 5%	1.17	325.03	--	--	1.17	325.03
(c) Excess beyond 5%	--	--	--	--	--	--
(d) Shortage beyond 5%	1.19	1,862.83	--	--	1.19	1862.83
9. Closing Stock adopted in A/c (6 - 8A + 8B)	124.05	38,679.45	--	--	124.05	38679.45

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		
Opening Stock (Audited)	--	--	141.48	43,804.86	--	--	--	--	141.48	43,804.86
Shotage beyond 5%	--	--	1.26	1,952.14	--	--	--	--	1.26	1,952.14
Less : Non-vendable Coal	--	--	--	--	--	--	--	--	--	--
Adjusted Opening Stock (Vendable)	--	--	140.22	41,852.72	--	--	--	--	140.22	41,852.72
Production	--	--	1213.79	10,99,310.91	--	--	--	--	1213.79	10,99,310.91
Offtake										
(a) Outside Despatch	--	--	1,229.98	11,02,442.34	--	--	--	--	1,229.98	11,02,442.34
(b) Coal feed to Washeries	--	--	--	--	--	--	--	--	--	--
(c) Own Consumption	--	--	0.05	131.15	--	--	--	--	0.05	131.15
Closing Stock derived	--	--	125.24	40,542.28	--	--	--	--	125.24	40,542.28
Less : Shortage	--	--	1.19	1,862.83	--	--	--	--	1.19	1,862.83
Closing Stock	--	--	124.05	38,679.45	--	--	--	--	124.05	38,679.45

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 16

TRADE RECEIVABLES

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Debts outstanding for a period exceeding six months from the due date		
-- Secured considered good	--	--
-- Unsecured considered good	143.18	30.27
-- Doubtful	41.38	34.72
	<u>184.56</u>	<u>64.99</u>
Less : Provision for Bad and doubtful debts	41.38	34.72
	<u>143.18</u>	<u>30.27</u>
Other Debts		
-- Secured considered good	--	--
-- Unsecured considered good	304.12	268.12
-- Doubtful	--	--
	<u>304.12</u>	<u>268.12</u>
Less : Provision for Bad and doubtful debts	--	--
	<u>304.12</u>	<u>268.12</u>
TOTAL	<u>447.30</u>	<u>298.39</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 17

CASH & BANK BALANCES

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Cash & Cash Equivalants		
Balances with Scheduled Banks		
-- SBI Dividend Account (unpaid/unclaimed dividend account)	--	--
-- In Deposit Accounts with maturity upto 3 months	4,331.27	3,386.00
-- In Current Accounts	199.47	226.56
-- In Cash Credits Accounts	--	--
Balance with Non-Scheduled Banks	--	--
In Account with Banks outside India	--	--
Remittance - In transit	0.35	--
Cheques, Drafts and Stamps on hand	--	--
Cash in hand	0.04	0.05
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity upto 3 months	--	--
Other Bank Balances		
Balances with Scheduled Banks		
-- In Deposit Accounts with maturity more than 3 months	5,983.55	6,566.84
Deposit with Scheduled Banks under Shifting and Rehabilitation Fund Scheme with maturity more than 3 months	--	--
Deposit in Escrow A/c with Scheduled Banks under Mine Closure Plan with maturity exceeding 3 months	425.42	248.86
Total	<u>10,940.10</u>	<u>10,428.31</u>
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	Nil	Nil
Additional Note :		
1. Balances with banks to the extent held as margin money or security against the borrowings/others	83.14	185.86
2. Bank deposits more than 3 months includes deposits held for the period exceeding 12 months	426.96	250.29

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 18

SHORT TERM LOANS & ADVANCES

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
ADVANCES		
(Recoverable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS & CONTRACTORS		
For Revenue		
-- Secured considered good	--	--
-- Unsecured considered good	195.36	273.28
-- Doubtful	2.10	2.28
	<u>197.46</u>	<u>275.56</u>
Less : Provision for Bad and doubtful advances	2.10	2.28
	<u>195.36</u>	<u>273.28</u>
ADVANCE PAYMENT OF STATUTORY DUES		
Sales Tax		
-- Secured considered good	--	--
-- Unsecured considered good	0.29	--
-- Doubtful	--	--
	<u>0.29</u>	<u>--</u>
Less : Provision for Bad and doubtful advances	--	--
	<u>0.29</u>	<u>--</u>
Advance Income Tax/Tax Deducted at Source	5,737.42	3,210.71
Less : Provision for Income Tax	3,557.86	1,892.54
	<u>2,179.56</u>	<u>1,318.17</u>
Others		
-- Secured considered good	--	--
-- Unsecured considered good	28.60	39.70
-- Doubtful	--	--
	<u>28.60</u>	<u>39.70</u>
Less : Provision for Bad and doubtful advances	--	--
	<u>28.60</u>	<u>39.70</u>
	<u>2,208.45</u>	<u>1,357.87</u>
ADVANCE TO EMPLOYEES		
-- Secured considered good	--	--
-- Unsecured considered good	65.75	70.28
-- Doubtful	--	--
	<u>65.75</u>	<u>70.28</u>
Less : Provision for Bad and doubtful advances	--	--
	<u>65.75</u>	<u>70.28</u>

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 18 (Continued....)

SHORT TERM LOANS & ADVANCES

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Deposit with CIL	556.36	441.41
Current Account with CIL & other Subsidiaries of CIL and MCL's Subsidiaries	--	0.20
LOAN ACCOUNT WITH SUBSIDIARIES		
-- Secured considered good	--	--
-- Unsecured considered good	--	--
-- Doubtful	--	--
	--	--
Less : Provision for Bad and doubtful advances	--	--
	--	--
Claims Receivables		
-- Secured considered good	--	--
-- Unsecured considered good	0.51	0.51
-- Doubtful	--	--
	0.51	0.51
Less : Provision for Bad and doubtful claims	--	--
	0.51	0.51
Prepaid Expenses	11.74	13.02
	<u>634.36</u>	<u>525.42</u>
TOTAL	<u>3,038.17</u>	<u>2,156.57</u>

Note :

- | 1. | Closing Balance | | Maximum Amount due at any Time during | |
|---|-----------------|---------------|---------------------------------------|---------------|
| | Current year | Previous Year | Current Year | Previous Year |
| Due by the Companies under the same management | | | | |
| -- MJSJ Coal Limited | 6.04 | 3.74 | 6.04 | 3.74 |
| -- MNH Shakti Limited | 0.63 | 5.16 | 0.63 | 5.16 |
| -- Mahanadi Basin Power Limited | 13.40 | 10.81 | 13.40 | 10.81 |
| Due by the parties in which Director(s)
or Company is/are interested | Nil | Nil | Nil | Nil |
2. Deposit with CIL amounting to ₹ 184.55 crore which was non-interest bearing upto 31.12.2014 has been converted to interest bearing w.e.f.01.01.2015. Hence, the full deposit with CIL for ₹ 556.36 crore has become interest bearing.
 3. Advance for Revenue of ₹ 195.36 crore includes among others, loans and advance to Railways for maintenance of railways siding.(Revenue work) and upgradation of existing railway track and automatic signaling system etc which do not part of company asset.

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

Note - 19

OTHER CURRENT ASSETS

	As at 31.03.2015	(₹ in Crore) As at 31.03.2014
Interest Accrued on		
-- Investments	33.29	42.43
-- Deposit with Banks	559.50	444.38
-- Others	2.59	2.68
Ex Owner's Account	--	--
Other Advances	--	--
Less : Provision for Bad and doubtful advances	--	--
 DEPOSITS		
Deposit for Customs Duty, Port Charges etc.		
Deposit for Royalty, Cess & Sales Tax	230.88	156.66
Less : Provision for Bad and doubtful deposits	--	--
	<u>230.88</u>	<u>156.66</u>
Others	--	--
Less : Provision for Bad and doubtful for others	--	--
	<u>--</u>	<u>--</u>
Amount Receivable from Govt. of India for transactions on behalf of Ex-Coal Board	--	--
Other Receivables	1.13	22.68
Less : Provision for bad and doubtful receivables	--	--
	<u>1.13</u>	<u>22.68</u>
 TOTAL	 <u>827.39</u>	 <u>668.83</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 20

REVENUE FROM OPERATIONS

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
A Sales of Coal	14989.05	13114.20
Less: Excise Duty	679.56	617.16
Less : Other Levies		
Royalty	1395.72	1290.85
Cess on Coal	--	--
Stowing Excise Duty	123.00	114.38
Central Sales Tax	124.80	102.79
Clean Energy Cess	1179.14	571.91
State Sales Tax / VAT	404.16	368.02
Orissa Entry Tax	58.25	59.42
TOTAL LEVIES	<u>3964.63</u>	<u>3124.53</u>
Net Sales (A)	<u>11,024.42</u>	<u>9,989.67</u>
B Facilitation Charges for Coal import		
Subsidy for sand stowing and protective work	--	0.88
Loading and additional transportation charges	704.66	583.02
Less: Excise Duty	39.71	33.12
Less : Other Levies	20.89	18.33
Other Operating Revenue (B)	<u>644.06</u>	<u>532.45</u>
C Revenue from Operations (A+B)	<u>11,668.48</u>	<u>10,522.12</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 21

OTHER INCOME

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Income from Long Term Investments		
Dividend from Joint Ventures	--	--
Interest from :		
-- Government Securities (8.5% Tax Free Special Bonds)(Trade)	3.38	5.31
-- Non convertible IRFC/REC Tax Free Bonds 2021 series (Non-trade)	70.72	70.75
Income from Current Investments		
Dividend from Mutual Fund Investments	54.98	43.40
Interest from :		
-- Government Securities (8.5% Tax Free Special Bonds)(Trade)	--	--
-- 7.55% Non convertible IRFC Tax Free Bonds 2021 series (Non-trade)	--	--
Income from Others		
Interest :		
-- From Deposits with Banks	1123.14	1190.35
-- From Loans and Advances to Employees	0.06	0.08
-- From Income Tax Refunds	--	--
-- From CIL on Parking of Fund	33.87	96.72
-- Others	8.06	3.70
Apex Charges	--	--
Profit on Sale of Assets	0.92	16.04
Gain on Foreign Exchange Transactions	--	--
Exchange Rate Variance	1.79	--
Lease Rent	1.27	4.05
Liability Write Backs	1.04	22.41
Guarantee Fees from Subsidiaries	--	--
Other Non-operating Income	75.91	58.07
Total	<u>1,375.14</u>	<u>1,510.88</u>

Note :

Other non operating income includes, among others, a penalty of ₹25.13 crore imposed for termination of contract of strengthening and widening of coal road- Tatcher fields.

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 22

COST OF MATERIALS CONSUMED

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Explosives	113.64	122.40
Timber	0.22	0.21
POL	304.68	324.73
HEMM Spares	124.51	111.86
Others Consumables Stores & Spares	61.51	67.15
TOTAL	<u>604.56</u>	<u>826.35</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 23

**CHANGE IN INVENTORIES OF FINISHED GOODS,
WORK IN PROGRESS AND STOCK IN TRADE**

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Closing Stock of Coal	386.79	418.53
Less : Deterioration of Coal	—	—
Total (1)	<u>388.79</u>	<u>418.53</u>
Opening Stock of Coal	418.53	460.38
Less : Deterioration of Coal	—	—
Total (2)	<u>418.53</u>	<u>460.38</u>
(A) Change in Inventory of Closing Stock (2 - 1)	31.74	41.85
Closing Stock of Workshop made finished goods and WIP	10.80	12.68
Less : Provision	—	—
Total	<u>10.80</u>	<u>12.68</u>
Opening Stock of Workshop made finished goods and WIP	12.68	7.37
Less : Provision	—	—
Total	<u>12.68</u>	<u>7.37</u>
(B) Change in Inventory of Closing Stock of workshop	1.88	(5.31)
Press Closing job		
i. Finished Goods	—	—
ii. Work in Progress	—	—
Less : Press Opening Jobs		
i. Finished Goods	—	—
ii. Work in Progress	—	—
(C) Change in Inventory of Closing Stock of Press Jobs made finished goods and WIP	—	—
Closing Stock of Medicines (Central Hospital)	—	—
Less : Opening Stock of Medicines (Central Hospital)	—	—
(D) Change in Inventory of Stock of Medicines at Central Hospitals	—	—
Total Change in Inventory of Stock (A + B + C + D)	<u>33.62</u>	<u>36.54</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 24

EMPLOYEE BENEFIT EXPENSES

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Salary, Wages, Allowances, Bonus & Benefits	1410.53	1,319.84
Exgratia	90.63	73.95
PRP	38.93	48.41
Contribution to P.F. & Other Funds	186.30	176.09
Gratuity	48.03	23.39
Leave Encashment	71.56	52.51
VRS	0.01	0.79
Workmen Compensation	0.55	(2.35)
Medical Expense for existing employees	38.79	29.42
Medical Expenses for Retired employees	1.26	17.24
Grants to Schools & Institutions	21.85	28.18
Sports & Recreation	5.48	4.17
Canteen & Creche	0.91	0.78
Power - Township	60.19	53.81
Hire Charges of Bus, Ambulance etc.	3.37	2.66
Other Employee Benefits	18.71	12.40
TOTAL	<u>1,997.10</u>	<u>1,841.29</u>

Note - 25

CORPORATE SOCIAL RESPONSIBILITY EXPENSES

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
CSR Expenses	61.30	111.48
TOTAL	<u>61.30</u>	<u>111.48</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 26

REPAIRS

	For the Year ended 31.03.2015	(₹ in Crore) For the Year ended 31.03.2014
Building	66.39	61.72
Plant & Machinery	38.07	29.16
Others	3.17	2.70
TOTAL	107.63	93.58

Note - 27

CONTRACTUAL EXPENSES

	For the Year ended 31.03.2015	(₹ in Crore) For the Year ended 31.03.2014
Transportation Charges :		
-- Sand	—	—
-- Coal & Coke	981.81	904.12
-- Stores & Others etc.	—	0.04
Wagon Loading	74.33	66.41
Hiring of Plant & Machinery	662.87	616.12
Other Contractual work	68.26	51.79
TOTAL	1,787.27	1,638.48

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 28

FINANCE COSTS

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Interest Expense		
Deferred Payments	0.08	0.09
Bank Overdraft/Cash Credit	--	--
Interest of IBRD & JBIC Loan	--	1.16
CIL Fund Loan Interest	--	--
Interest to Subsidiaries	--	--
Others	1.36	12.06
Total (A)	<u>1.44</u>	<u>13.31</u>
Other Borrowing Costs		
Guarantee Fees on (IBRD & JBIC) Loan	--	1.57
Other Expenses / Bank Charges	--	0.01
TOTAL (B)	<u>--</u>	<u>1.58</u>
TOTAL (A + B)	<u>1.44</u>	<u>14.89</u>

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 29

PROVISIONS

	For the Year ended 31.03.2015	(₹ in Crore) For the Year ended 31.03.2014
(A) Provision Made for		
Doubtful debts	6.66	13.70
Doubtful Advances & Claims	--	--
Foreign Exchange Transaction	--	--
Stores & Spares	2.40	0.57
Reclamation of Land/Mine Closure Expenses	115.41	70.12
Surveyed off Fixed Assets / Capital WIP	0.70	0.96
Others	--	--
Total (A)	125.17	85.35
(B) Provision Written Back		
Doubtful debts	--	--
Doubtful Advances & Claims	0.24	0.08
Foreign Exchange Transaction	--	--
Stores & Spares	--	--
Reclamation of Land/Mine Closure Expenses	--	--
Surveyed off Fixed Assets / Capital WIP	1.37	--
Others / Loss of Assets	--	--
Total (B)	1.61	0.08
Total (A-B)	123.56	85.27

Note - 30

WRITE OFF

	For the Year ended 31.03.2015	(₹ in Crore) For the Year ended 31.03.2014
Doubtful debts	--	--
Doubtful advances	--	--
Others	--	--
TOTAL	--	--

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 31

OTHER EXPENSES

	(₹ in Crore)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Travelling Expenses		
-- Domestic	13.28	14.10
-- Foreign	0.04	0.02
Training Expenses	8.94	9.10
Telephone & Postage	3.07	2.76
Advertisement & Publicity	3.79	3.70
Freight Charges	0.08	0.08
Demurrage	2.23	6.18
Donation/Subscription	0.06	0.01
Security Expenses	57.29	51.25
Service Charges of CIL	60.69	55.22
Hire Charges	32.23	27.74
CMPDI Expenses	20.29	22.88
Legal Expenses	1.28	0.98
Bank Charges	0.01	0.03
Guest House Expenses	1.86	2.34
Consultancy Charges	1.18	1.08
Under Loading Charges	16.38	10.41
Loss on Sale/Discard/Surveyed of Assets	0.74	0.54
Auditor's Remuneration and Expenses		
-- For Audit Fees	0.17	0.17
-- For Taxation Matters	--	--
-- For Company Law Matters	--	--
-- For Management Services	--	--
-- For Other Services	0.07	0.11
-- For Reimbursement of Expenses	0.27	0.17
Internal Audit Fees and Expenses	2.12	2.00
Rehabilitation Charges	73.81	68.61
Royalty & Cess	0.18	0.18
Central Excise Duty	(9.11)	(13.01)
Rent	0.82	2.51
Rates & Taxes	35.61	20.37
Insurance	0.34	0.41
Loss on Exchange Rate Variance	--	9.23
Lease Rent	--	--
Rescue/Safety Expenses	2.51	1.95
Dead Rent / Surface Rent	0.29	0.10
Siding Maintenance Charges	42.76	10.26
Land/Crops Compensation	0.05	0.03
Wealth Tax	0.11	0.12
R&D expenses	22.92	--
Environmental & Tree Plantation Expenses	12.78	13.96
Miscellaneous Expenses	70.75	29.75
Total	479.89	355.34

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Note - 32

PRIOR PERIOD ADJUSTMENTS

	For the Year ended 31.03.2015	(₹ in Crore) For the Year ended 31.03.2014
(A) Expenditure		
Sale of Coal	--	2.73
Stock of Coal	--	--
Other Income	--	--
Consumption of Stores & Spares	--	--
Employees Remuneration & Benefits	--	--
Power & Fuel	--	--
Welfare Expenses	--	--
Repairs	--	--
Contractual Expenses	--	--
Other Expenditure	0.11	--
Interest and other financial charges	--	--
Depreciation	--	0.10
Total (A)	0.11	2.83
(B) Income		
Sale of Coal	7.85	--
Stock of Coal	--	--
Other Income	--	--
Consumption of Stores & Spares	--	--
Employees Remuneration & Benefits	--	--
Power & Fuel	--	--
Welfare Expenses	--	--
Repairs	--	--
Contractual Expenses	--	--
Other Expenditure	--	1.01
Interest and other financial charges	--	--
Depreciation	2.48	--
Total (B)	10.33	1.01
Total (A - B)	(10.22)	1.82

NOTE – 33
SIGNIFICANT ACCOUNTING POLICIES

1.0 Accounting Convention:

Financial statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013, including accounting standards notified therein, except otherwise stated.

1.1 Use of estimate:

In preparing the financial statements in conformity with Accounting Principles generally accepted in India, management is sometimes required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liability as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

2.0 Subsidies / Grants from Government:

2.1 Subsidies / Grants on capital account are deducted from the cost of respective assets to which they relate. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.2 Subsidies / Grants on revenue account are credited to Statement of Profit & Loss as income and the relevant expenses are debited to the respective heads of expenses. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.3 Subsidies / Grants from Government received as an implementing agency

2.3.1 Certain Grant / Funds received under S&T, PRE, EMSC, CCDA etc. as an implementing agency and used for creation of assets are treated as Capital Reserve and depreciation thereon is debited to Capital Reserve Account. The ownership of the asset created through grants lies with the authority from whom the grant is received.

2.3.2 Grant / Funds received as Nodal/Implementing Agency are accounted for on the basis of receipts and disbursement.

3.0 Fixed Assets:

3.1 Land:

Value of land includes cost of acquisition, cash rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons.

3.2 Plant & Machinery:

Plant & Machinery includes cost and expenses incurred for erection / installation and other attributable costs of bringing those assets to working conditions for their intended use.

3.3 Railway Siding:

Pending commissioning, payments made to the railway authorities for construction of railway sidings are shown in Note 12 – “Long Term Loans & Advances” under Advances for Capital.

3.4 Development:

Expenses net of income of the projects / mines under development are booked to Development Account and grouped under Capital Work-in-Progress till the projects / mines are brought to revenue account. Except otherwise specifically stated in the project report to determine the commercial readiness of the project to yield production on a sustainable basis and completion of required development activity during the period of constructions, projects and mines under development are brought to revenue considering the following criteria:

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
 - (b) 2 years of touching of coal, or
 - (c) From the beginning of the financial year in which the value of production is more than total, expenses.
- Whichever event occurs first.

4.0 Prospecting & Boring and other Development Expenditure:

The cost of exploration and other development expenditure incurred in one “Five year” plan period will be kept in Capital work-in-progress till the end of subsequent two “Five year” plan periods for formulation of projects, before it is written-off, except in the case of Blocks identified for sale or proposed to be sold to outside agency which will be kept in inventory till finalisation of sale.

5.0 Investments:

Current investments are valued at the lower of cost and fair value as at the Balance Sheet date.

Investments in mutual fund are considered as current investments.

Non-Current investments are carried at cost. However, when there is a decline, other than temporary, in the value of the long term investment, the carrying amount is reduced to recognize the decline

6.0 Inventories:

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

6.1.1 Coal & coke fines are valued at lower of cost or net realisable value.

6.1.2 Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value.

6.2 Stores & Spares:

6.2.1 The closing stock of stores and spare parts has been considered in the accounts as per balances appearing in priced stores ledger of the Central Stores and as per physically verified stores lying at the collieries/units.

6.2.2 Stock of stores & spare parts (which also includes loose tools) at central & area stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres, initially charged off, are valued at issue price of Area Stores, Cost / estimated cost. Workshop jobs including work-in-progress are valued at cost. Similarly stock of stationery at printing press and medicines at central hospital are valued at cost.

6.2.3 Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

6.2.4 Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and at the rate of 50% for stores & spares not moved for 5 years.

7.0 Depreciation/amortisation:

7.1 Depreciation on fixed assets is provided on straight line method on the basis of useful life specified in Schedule II of Companies Act 2013 except for assets mentioned below , for which depreciation is provided on the basis of technically estimated useful life which are lower than that envisaged as per schedule II of Companies Act, 2013 to depict a more true and fair rate of depreciation :-

Telecommunication equipment	: - 6 years and 9 years
Photocopying machine	: - 4 years
Fax machine	: - 3 years
Mobile phone	: - 3 years
Digitally enhance cordless telephone	: - 3 years
Printer & Scanner	: - 3 years
Earth Science Museum	: - 19 years
High volume respiratory dust samplers	: - 3 years
Certain equipment /HEMM	: - 7 years and 6 years as applicable.
SDL (equipment)	: - 5 years
LHD (equipment)	: - 6 years

7.2 The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the asset except those item of assets covered under Para 7.3

7.3 In case of assets namely Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps the technically estimated useful life has been determined to be one year with a nil residual value.

7.4 Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets with one year useful life and nil residual value as mention under Para 7.3, which are fully depreciated in the year of their addition. These Assets are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.

7.5 Value of land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.

- 7.6 Prospecting, Boring and Development expenditure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.
- 7.7 Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

8.0 Impairment of Asset:

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

9.0 Foreign Currency Transactions:

- 9.1 Balance of foreign currency transactions is translated at the rates prevailing on the Balance Sheet date and the corresponding effect is given in the respective accounts. Transactions completed during the period are adjusted on actual basis.
- 9.2 Transactions covered by cross currency swap options contracts to be settled on future dates are recognised at the rates prevailing on the Balance Sheet date, of the underlying foreign currency. Effects arising out of such contracts are taken into accounts on the date of settlement.

10.0 Retirement benefits / other employee benefits:

a) Defined contributions plans:

The company has defined contribution plans for payment of Provident Fund and Pension Fund benefits to its employees. Such Provident Fund and Pension Fund are maintained and operated by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the company is required to contribute a specified percentage of pay roll cost to the CMPF Authorities to fund the benefits.

b) Defined benefits plans:

The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on actuarial valuation basis by applying projected unit credit method. Further the company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation.

c) Other employee benefits:

Further liability on the Balance Sheet date of certain other employee benefits viz. benefits on account of LTA/ LTC; Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Post Retirement Medical Benefits Scheme and compensation to dependants of deceased in mines accidents etc. are also valued on actuarial basis by applying projected unit credit method.

11.0 Recognition of Income and Expenditure:

Income and Expenditure are generally recognised on accrual basis and provision is made for all known liabilities.

11.1 Sales

- a) Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer.
- b) Sale of coal are net of statutory dues and accepted deduction made by customer on account of quality of coal.
- c) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of uncertainty as assessed by management.

11.2 Dividend

Dividend income is recognised when right to receive is established.

12.0 Borrowing Costs:

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 Taxation:

Provision of current income tax is made in accordance with the Income Tax Act., 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 Provision:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

15.0 Contingent Liability:

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations can not be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of Notes.

16.0 Overburden Removal (OBR) Expenses :

In open cast mines with rated capacity of one million tonnes per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non - Current Assets/ Long Term Provisions as the case may be.

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

Annual Quantum of OBR of the Mine	Permissible limits of variance	
	I	II
	%	Quantum (M.Cum. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	-

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

17.0 Prior Period Adjustments and Prepaid Expenses:

Income / expenditures relating to prior period and prepaid expenses, which do not exceed ₹ 0.10 crore in each case, are treated as income / expenditure of our current year.

NOTE - 34
ADDITIONAL NOTES ON ACCOUNTS

1.0 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements of MCL & its subsidiaries used in the consolidation are drawn up to the same reporting date as that of the parent group.
- b) The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting. The accounts of MCL & its subsidiaries have been prepared in accordance with the Accounting Standard issued by the Institute of Chartered Accountants of India and on the basis of accounting principles generally accepted in India.

2.0 PRINCIPLES OF CONSOLIDATION

- 2.1. The consolidated financial statements relate to Mahanadi Coalfields Limited and its subsidiaries – M/S MNH Shakti Limited, M/S MJSJ Coal Limited and Mahanadi Basin Power Limited. The financial statements of the MCL and its subsidiary companies are combined line by line basis adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating the intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21 – ‘Consolidated Financial Statements’ issued by the Institute of Chartered Accountants of India.
- 2.2. Significant accounting policies and notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the companies. Recognizing the purpose, the group has disclosed only such policies and note from individual financial statements, which fairly present the needed disclosure Mahanadi Coalfields upon taking over of assets and liabilities of South Eastern Coalfields Limited in respect of mines in the State of Odisha.

3.0 LONG TERM BORROWINGS.(Note -3 and Note -8)

- 3.1 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 31.03.2015 (net after repayments) is ₹ 7.40 crore (As at 31.03.2014 ₹ 9.75 crore).

The details of balance are as under:

Bank	Balance 1.4.2014	Repayment during the year ended on 31.03.2015	Balance 31.03.2015	Balance 1.4.2014	Repayment during the year ended on 31.03.2015	Translation Difference	Balance 31.03.2015
	Euro	Euro	Euro	₹ in crore		₹ in crore	₹ in crore
Leibherr	1179078.70	74113.58	1104965.12	9.75	0.56	-1.79	7.40
Total	1179078.70	74113.58	1104965.12	9.75	0.56	-1.79	7.40

This includes amount repayable in the year 2015-16 ₹ 0.50 crore (previous year ₹ 0.61 crore.)

4.0 FIXED ASSETS – Note -10

- 4.1 The Group took over various Assets and Liabilities from Coal Mines Labour Welfare Organisation and Coal Mines Rescue Organisation for which no quantitative details are available. Adjustments, if any, will be made on finalisation of quantity and value thereof.
- 4.2 Lease hold land includes land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1894, Orissa Government Land Settlement Act 1962. Lease hold 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.
- 4.3 Conveyance deed of land in favour of the group is pending for execution in most of the cases.
- 4.4 The carrying cost of the Fixed Assets acquired against Deferred Credit has increased to the extent of ₹ Nil crore (for previous year ended on 31.03.2014, increased by ₹ 4.06 crore) on account of exchange rate fluctuation in line with the accounting policy para 9.1 of Note -33.
- 4.5 In case of items of Plant & Machinery, which are kept in plant pending installation and at store for more than three years, provision equivalent to depreciation is made from the 4th year followed by action for formal write-off where necessary. If any such item of plant & machinery is put to use afterwards i.e., after provisions have already been made, depreciation charged in first year of use is depreciation for the year plus provision already made against the item with due accounting adjustments between depreciation & such provision. During the year ended on 31st March, 2015, an amount of ₹ 0.70 crore has been provided on this account and the cumulative provision stood at ₹ 12.30 crore. (Note -10B)
- 4.6 Since as per Companies act 2013, component accounting has not been made mandatory for this year, this has not been implemented during the year.

5.0 NON-CURRENT / CURRENT INVESTMENT (Note 11 & Note 14)

- 5.1 As per tripartite agreements with State Electricity Boards (SEB), in the year 2003-04 the Group had received 8.5% Tax Free Power Bonds (unquoted long term investment) of nominal value ₹ 344.32 crore against old outstanding dues as on 30th September, 2001 from three SEBs (MSEB, TNEB and WBPDC).

The details of the unredeemed bonds are as under:

(₹ in crore)			
Particulars. of bonds	Opening balance as at 01.04.2014	Redeemed during the year	Closing balance as at 31.03.2015
MSEB	22.77	11.39	11.38
WBPDC	22.63	11.31	11.32
TOTAL	45.40	22.70	22.70

All bonds are backed by respective State Governments' guarantees.

The said bonds of ₹ 22.70 crore which are due for redemption in the year 2015-16 have been shown under current investment (Note -14).

- 5.2 Interest from Power Bonds amounting to ₹ 3.38 crore (for previous year ending on 31.03.2014 ₹ 5.31 crore) has been earned during the year ended on 31st March, 2015. (Note -21)
- 5.3 The Reserve Bank of India allowed partial trading of 8.5% Tax Free Power Bonds of State Electricity Boards (SEB).

6.0 INVENTORIES(Note 15)

6.1 Stores and spares

- 6.1.1 During the year ended, the shortage / excess reported in respect of physical verification of stores / spares have been adjusted in accounts. The cumulative provision as at 31.03.2015 stands at ₹ 0.92 crore (as at 31.03.2014 ₹ 0.88 crore).
- 6.1.2 In respect of stores and spares obsolete / unserviceable items and items which have not moved for more than five years, a provision of 100 % & 50% respectively are made as per Accounting Policy (Para.6.2.4 of Note-33). In addition, the group made a provision @ 100% for items remaining unmoved for more than 10 years and found unserviceable by technical committees in respect of all areas except Basundhara area. The cumulative provision as at 31.03.2015 stands at ₹ 16.32 crore (as at 31.03.2014 ₹ 13.96 crore).
- 6.1.3 Valuation of stores and spares has been done on weighted average method as per accounting policy of the group (as mentioned in Para 6.2.2 of Note-33). The comparison of cost so arrived, with net realizable value is neither made nor adjusted in the account due to difficulty in ascertainment of net realizable value.
- 6.1.4 The Group is yet to carry out exercise for identification of unserviceable / obsolete stores and spares only in respect of Basundhara area.

6.2. Coal Stock: (Note -15)

- 6.2.1 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 (refer Para 6.1 of Note -33).

The details of shortage beyond 5% are as under:-

AREA	MINES	Book Stock (Qty. in LTe)		Measured stock (Qty. in L Te)		% variance	
		As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014
		Orient	Mine No 3	0.21	0.14	0.08	0.02
	HBM	0.62	1.75	0.32	1.38	48.06	21.39
Talcher	Nandira	1.12	0.57	0.62	0.07	44.97	87.51
	Talcher	1.23	0.94	0.97	0.67	20.98	28.39
TOTAL		3.18	3.40	1.99	2.14	-	-

In those cases, since the differences are more than +/- 5%, as per policy, measured stocks have been considered in accounts and difference quantity of 1.19 lakh tonnes (3.18 lakh tonnes less 1.99 lakh tonnes) valuing ₹ 18.63 crore as at 31.03.2015 has been disclosed in Annexure to Note -15-Shortage beyond 5%.

7.0 CASH AND CASH EQUIVALENTS (Note -17)

Cash and Bank balance includes:

- 7.1 Fixed Deposit amounting to ₹ 66.74 crore 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 group - M/S MJSJ Coal Ltd.
- 7.2 ₹ 1.54 crore including accrued interest of ₹ 0.95 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.
- 7.3 Fixed deposit includes ₹ 6.68 crore made against price difference recovered against explosive rate contracts in the year 2005-06, as per court order.
- 7.4 Fixed deposit includes ₹ 0.23 crore made against interim order of Hon'ble High Court for encashment of BG of M/s IRC Logistics Ltd.
- 7.5 Fixed deposit 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.
- 7.6 Fixed deposit includes ₹ 0.03 crore made for against penalty recovered from M/S Shree Enterprises Coal Sales Pvt Ltd as directed by Hon'ble High Court Calcutta.
- 7.7 Fixed deposit includes ₹ 7.89 crore made against BG encashment (FSA) by the Group in respect of M/S Videocon Industries Ltd as per interim order of Hon'ble High Court, Cuttack.
- 7.8 Deposits in Escrow Accounts for mine closure with Scheduled Banks with maturity exceeding 3 months for ₹ 425.42 crore made as per guidelines issued by Ministry of Coal, Government of India and after agreement with Coal Controller.
- 7.9 The balance of current accounts includes current linked termed deposits which are temporarily transferred from current account.

8.0 LOANS AND ADVANCES CURRENT / NON CURRENT OTHER ASSETS

- 8.1 Confirmations of balances of loans and advances have not been obtained in all the cases.
- 8.2 Deposit made with State Government amounting to ₹ 86.23 crore (as at 31.03.2014 ₹ 86.23 crore) for acquiring of land under LAAct, 1894 is included in " Advances for Capital in Note-12 which will be capitalized on possession given to the Group by State Authority.

9.0 OTHER LONG TERM LIABILITIES - NOTE -4

9.1 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 31.7.2001. The money is refundable to the customers. During the current year, the Group has provided interest of ₹ 1.01 crore (previous year ended on 31.03.2014 ₹ 1.01 crore calculated at the rate of 12% for the unpaid principal amount of the Cess liability. The total liability thus included therein becomes ₹ 27.49 crore (as at 31.03.2014 ₹ 26.48 crore) as at 31.03.2015. The Group could not identify the customers / parties to whom the refund is to be made. Finalisation of modalities for refunding the same to the customers / parties is yet to be done.

10.0 PROFIT AND LOSS STATEMENT

10.1.1 Provision of ₹ 0.86 crore during the year ended on 31.03.2015 (for previous year ended on 31.03.2014 ₹ 0.95 crore) against P &M in stores/ under erection / installation has been taken at the depreciation rate on P&M items from the 4th year of purchase/ acquisition as the case may be.

10.1.2 The group has provided of ₹ 3.03 crore (previous year ended on 31.03.2014 ₹ 2.76 crore) towards corpus of Coal India Sport Promotion Association (CISPA) for executing and conducting activities related to sports, recreation and culture of CIL and its subsidiaries as per decision of the Board of Directors of CIL in its 296th meeting held on 25th March, 2013.

10.1.3 The details of Over Burden Removal Adjustment are given below:

	(₹ in crore)	
	Current Year	Previous Year
Expenditure to be charged to Coal	4048.31	3466.09
Less: Expenditure incurred	<u>1924.78</u>	<u>2055.76</u>
	<u>2123.53</u>	<u>1410.33</u>

10.1.4 Consequent upon implementation of Companies Act 2013 w.e.f. 01.04.2014, the accounting policy on depreciation has been changed during the year. For this change, the profit for the year has been decreased by ₹ 33.38 crore.

10.1.5 The accounting policy on land has been changed during the year, i.e. compensation in lieu of employment incurred for displaced person is being capitalized as cost of land which was previously being treated as revenue. This results in increase in profit by ₹ 81.56 crore.

11.0 CONTINGENT LIABILITIES

11.1 The details of Contingent liability are given below:-

Particulars.	As at 31.03.2015 ₹ in crore	As at 31.03.2014 ₹ in crore
Suits against the group	150.23	142.76
Other Claims	1726.84	1656.94
Central Excise Duty	466.61	210.12
Income Tax	1955.38	1139.30
Sales Tax	105.15	124.05
Road Tax	0.00	47.05
Letter of comfort/credit	120.94	270.29
Total	4525.15	3590.51

11.2 Some claims are pending in Court for enhancement of compensation for land acquired from private parties and others in respect of which the amount is not ascertained.

11.3 Since the matter regarding charging of Central Excise Duty on Royalty and Stowing Excise duty is subjudice, further action regarding recovery of the same from customers will be taken up after Court decides the matter and depending on the outcome of the case. Pending disposal of the case, an amount of ₹ 466.61 crore (as at 31.03.2014, ₹ 210.12 crore) has been shown as contingent liability.

11.4 Subsequent to change in Orissa irrigation rules 2010 w.e.f October 2010, the rate of water charges to MCL has been increased from ₹ 0.40 to ₹ 4.50 per cubic meter. Accordingly after adjusting the deposit of MCL for ₹ 34.48 crore a net amount of ₹ 250.14 crore has been demanded towards interest and penalty which is under subjudice and shown as contingent liability

11.5 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) in relation to execution of works and purchase of machinery & equipment is ₹ 893.37 crore (as at 31.03.2014, ₹ 476.99 crore) .

11.6 Estimated amount of contracts remaining to be executed on revenue account/ other commitments and not provided for is ₹ 4151.62 crore (as at 31.03.2014, ₹ 3589.16 crore).

11.7 Liability in some cases of land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 could not be ascertained and sanctioned and hence not provided for.

11.8 In the absence of notification of rules by the central/state Governments the effects of the provisions of the Mines and Minerals (Development And Regulation) Amendment Act, 2015 has not been considered in the Accounts.

11.0 CHARGES ON CURRENT ASSETS (NOTE -15 AND NOTE -16)

A charge has been created for ₹ 165.00 crore on Book-debts and Inventories for securing working capital facility from CIL's Consortium Banks as per joint deed of hypothecation-dated 16.12.2003 and subsequent Group Board Resolution dated 23.08.2011.

13.0 RETIREMENT BENEFITS

13.1 Details of Actuarial liability /provision as on 31.03.2015 (₹ in Crores)

Head	Opening Actuarial Liability/provision as on 01.04.14	Incremental Liability / provision for the year	Deposited /paid to MCL group fund upto the end of the year	Closing Actuarial provision/Liability as on 31.03.15
Gratuity	-16.38	48.14	-17.76	14.00
Earned Leave	165.22	22.21	-	187.43
Half Pay Leave	39.41	5.67	-	45.08
Life Cover Scheme	5.03	0.28	-	5.31
Settlement Allowance - Executives	0.26	0.01	-	0.27
Settlement Allowance – Non-Executives	14.68	0.61	-	15.29
Gross Personal Accident	0.11	-	-	0.11
Leave Travel Concession	28.98	3.03	-	32.01
Medical Benefits	54.77	2.96	-	57.73
Compensation to Dependants in case of mine accidental death	12.67	0.41	-	13.08
Total	304.75	83.32	-17.76	370.31

13.2 Contribution to Provident Fund and other fund (Note 24) of ₹ 186.30 crore includes ₹ 4.18 crore paid to Ex-NCDC employees which have been charged to Revenue on cash basis under Employees Benefit Expenses Note -24.

13.3 Pension management in respect of employees of the Group, is done by Coal Mines Provident Fund Authority (an independent body).

13.0 TRANSACTIONS RELATING TO HOLDING GROUP

14.1 Service charges of CIL as per Note -31 amounting to ₹ 68.19 crore including service tax (previous year ended on 31.03.2014 ₹ 62.04 crore) is levied by the Holding Group towards

rendering various services like procurement, foreign contract, marketing and Corporate Service, based on agreement entered on 1st July, 1998 as per intimation from Holding group.

- 14.2 Training expenses (Note 31- Other expenditure) includes an amount to ₹ 6.06 crore (previous year ended on 31.03.2014 ₹ 5.52 crore) levied by the Holding Group on account of payment to Indian Institute of Coal Management.
- 14.3 As per CIL Board resolution in its 214th meeting held on 12.2.2004, the Group has charged ₹ 73.81 crore (previous year ended on 31.03.2014 ₹ 68.61 crore) on despatch of coal towards Rehabilitation Fund set up by Coal India Limited.
- 14.4 As per the minutes of Director (Finance)s' Co-ordination meeting held on 24.09.2014, the expenditure incurred by CMPDIL on Research & Development up to 31.03.2014 was allocated by CIL to its subsidiaries in proportion to the annual coal production. An amount of ₹ 22.92 crore so allocated has been shown as R&D expenses in Note -31.

14.0 EXCHANGE RATE FLUCTUATION

- 15.1 Consequent upon fluctuation in the value of foreign currency deferred credit, the rupee liability of the Group in respect of such deferred credit/loans has decreased by ₹ 1.79 crore (as at 31.03.2014, increased by ₹ 1.64 crore) and the same amount/gain of ₹ 1.79 crore (as at 31.03.2014, loss on exchange rate variance for ₹ 1.64 crore- Note 31) has been shown as " Exchange Rate Variance"-Note 21.

15.0 COMPLIANCE OF ACCOUNTING STANDARDS:

- 16.1 **AS-12: Accounting for Government Grants:** The Group has recognized ₹ Nil (Note -21) (previous year ended on 31.03.2014 ₹ 0.88 crore) as Income from Stowing and Protective Subsidy and ₹ 66.19 crore of CCDA grant has been deducted from Long term advance capital (Note -12) .
- 16.2 **AS-15 : Accounting for Employee Benefits:** The group has determined the liability for employee benefits as at 31.03.2015 in accordance with the revised AS 15 –Employee benefits issued by ICAI .

The following disclosures have been made in accordance with AS-15 (Revised) pertaining to gratuity (funded plan).

Table Showing Changes in Present Value of Obligations:

Particulars	(₹ in Crores)
	As at 31/03/2015
Present Value of Obligation at Beginning of year	642.71
Acquisition Adjustment	0.00
Interest Cost	48.60
Past Service Cost	0.00

MAHANADI COALFIELDS LIMITED AND ITS SUBSIDIARIES

Current Service Cost	38.42
Curtailment cost	0.00
Settlement Cost	0.00
Benefits Paid	70.51
Actuarial gain/loss on Obligations	20.47
Present Value of Obligation at end of Year	679.69

Table Showing Changes in Fair Value of Plan Assets: (₹ in Crore)

Particulars	As at 31/03/2015
Fair Value of Plan Asset At Beginning of year	659.09
Acquisition Adjustment	0.00
Expected Return on Plan Asset	52.73
Contributions	17.76
Benefits Paid	70.50
Actuarial gain/loss on Plan Asset	6.61
Fair Value of Plan Asset at End of year	665.69

Table showing Funded Status (₹ in Crore)

Particulars	As at 31/03/2015
Present Value of obligation at end Year	679.69
Fair Value of Plan at end Year	665.69
Funded Status	-14.00
Unrecognized actuarial gain/ at end of the year	0.00
Net Asset (Liability) Recognized in Balance Sheet	-14.00

Table showing Expense Recognized in Statement of Profit/Loss: (₹ in Crore)

Particulars	As at 31/03/2015
Current Service Cost	38.42
Past Service Cost	0.00
Interest Cost	48.60
Expected Return on Plan Asset	52.73
Curtailment cost	0.00
Settlement Cost	0.00
Actuarial gain/loss recognized in the year	13.86
Expense Recognized in of Profit/Loss	48.15

Table showing Actuarial Assumptions

(₹ in crore)

		As at 31/03/2015
Mortality Table	:	IALM (2006-08)
Superannuation Age	:	60
Early Retirement & Disablement	:	10 PER THOUSAND P.A.
	:	6 above age 45
	:	3 between 29 and 45
	:	1 below age 29
Discount Rate	:	8.50 %
Inflation Rate	:	6.25 %
Return on Asset	:	8.00 %
Remaining Working Life	:	14 Years
FORMULA USED	:	PROJECTED UNIT CREDIT METHOD

Movements in the Liability Recognized in Balance Sheet:

(₹ in Crore)

		As at 31/03/2015
Opening Net Liability		-16.38
Expenses as above		48.14
Contributions		17.76
Closing Net Liability		14.00
Closing Fund/Provision at end of Year		679.69

The following disclosures has been made in accordance with AS-15 (Revised) pertaining to leave encashment benefits (EL/ HPL) (unfunded plan)

Table Showing Changes in Present Value Of Obligations:

(₹ in Crore)

		As at 31/03/2015
Present Value of Obligation at Beginning of year		204.63
Acquisition Adjustment		0.00
Interest Cost		15.67
Past Service Cost		0.00
Current Service Cost		41.79
Curtailment cost		0.00
Settlement Cost		0.00
Benefits Paid		17.51
Actuarial gain/loss on Obligations		-12.06
Present Value of Obligation at end of Year		232.52

MAHANADI COALFIELDS LIMITED AND ITS SUBSIDIARIES

Table showing Expense Recognized in Statement of Profit/Loss: (₹ in Crore)

	As at 31/03/2015
Current Service Cost	41.79
Past Service Cost	0.00
Interest Cost	15.67
Expected Return on Plan Asset	0.00
Curtailment cost	0.00
Settlement Cost	0.00
Actuarial gain/loss recognized in the year	-12.06
Expense Recognized in Statement of Profit/Loss	45.40

Table showing Actuarial Assumptions (₹ in crore)

	As at 31/03/2015
Mortality Table	IALM (2006-08)
Superannuation Age	60
Early Retirement & Disablement	10 PER THOUSAND P.A.
	6 above age 45
	3 between 29 and 45
	1 below age 29
Discount Rate	8.00 %
Inflation Rate	6.25 %
Return on Asset	N/A
Remaining Working Life	14 Years
FORMULA USED	PROJECTED UNIT CREDIT METHOD

Movements in the Liability Recognized in Balance Sheet: (₹ in crore)

	As at 31/03/2015
Opening Net Liability	0.00
Expenses as above	45.40
Contributions	0.00
Closing Net Liability	45.40
Closing Fund/Provision at end of Year	232.52

Note as per Appendix B of AS 15 (Revised 2005)

As the scheme is unfunded charges to Profit/Loss Account has been based on following assumptions:-

- (1) Previous obligation was provided for at last accounting date.
- (2) Benefit to exits has been paid to debit of above provision.
- (3) Current obligation will be provided for at current accounting date.

- 16.2 **AS-16: Borrowing Cost** - There are no qualifying assets for which interest has been borne by the Group, as such no borrowing cost has been capitalized.
- 16.4 **AS-17: Segment Reporting** - The Group is primarily engaged in a single segment business of production and sale of coal. There is no reportable primary segment identifiable in accordance with AS-17.
- 16.5 **AS-18 Related party disclosures** : In view of exemption granted to state controlled enterprises as regards related party relationship with other state controlled enterprises and transactions with such enterprises , no disclosure under AS 18 is required.
- 16.6 **AS-20: Earning per share** - The basic earnings per share (EPS) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The computation of EPS is set out below:

Particulars.	Current Year ended on 31.03.2015	Previous year ended on 31.03.2014
Profit after tax (₹ in crore)	3554.10	3624.30
Profit attributable to ordinary shareholders. (₹ in crore.)	3554.10	3624.30
No. of Ordinary Shares for basic and diluted EPS (Nos)	1864009	1864009
Nominal value of Ordinary Shares (₹)	1000	1000
Basic & Diluted Earning per ordinary Share (₹)	19066.97	19443.58

16.7 AS-21: Investments in subsidiaries:

Consolidated Financial Statements have been prepared by the management in accordance with the requirement of Accounting Standard -21 – Consolidated Financial Statement issued by ICAI. The details of minority interest are given hereunder:

MAHANADI COALFIELDS LIMITED AND ITS SUBSIDIARIES

Name of subsidiary	Address	Stake of parent Group	Date of incorporation	Minority Interest as per Consolidated Accounts as at 31.03.2015 (₹ in crore)
1) MNH Shakti Ltd	Anand Vihar , Burla , Sambalpur	70 %	16.07.2008	25.53
2) MJSJ Coal Ltd	House No 42, 1 st floor , Anand Nagar, Hakimpara . Angul	60%	13.08.2008	38.07
3) Maharadi Basin Power Limited	Plot no G -3 Mancheswar Railway colony, Bhubaneswar	100%	02.12.2011	-
Total				63.60

All the subsidiaries are in development stage.

16.8 AS -27: Financial Reporting of Interests in Joint Ventures:

On 8th January 2013 a joint venture group named Neelanchal Power transmission Group Pvt Limited was incorporated by virtue of a joint venture agreement between the group and Odisha Power Transmission Corporation Ltd. Up to 31.03.2015, the group has incurred ₹ 0.02 crore (for previous year ₹ 0.02 crore) for miscellaneous expenses incidental for incorporation and the same has been included in claim receivables (Note -18). There is no investment in the joint venture group upto 31.03.2015.

16.9 AS-28: Impairment of assets:

In coal industry, fixed assets are classified under Major heads viz. Land, Buildings, Plant and Machinery, Exploration Boring and Development, In case of land and building, there is universally upward trend in valuation. Unless there is damage to buildings, there is no need to make any provision. Similarly in case of plant and machinery, there is no downward trend in price as per RBI index, hence no impairment unless asset is obsolete or damaged. However impairment is considered for old machinery meant for exclusive use in loss making underground mines. In coal industry, only prospecting, boring and development expenses can be prima facie considered to have been impaired in continuous loss making mines , provided there is no clear indication for its revival in near future.

A provision of ₹ 0.47 crore (for previous year ending on 31.03.2014 ₹ 0.66 crore) has been made during the current year against other fixed assets (with no alternative use value). Thus total cumulative provision for Impairment as at 31.03.2015 stands at ₹ 27.18 crore (as at 31.03.2014 ₹ 26.75 crore) after making an adjustment of ₹ 0.04 crore.

16.10 Accounting Standard 29:

16.10.1 As per guideline No 55011-01-2009 –CPAM dt 27.08.2009 & subsequent guidelines dated 07.01.2013 issued by Ministry of Coal, Government of India, the group has made a

provision during the current year for Mine Closure Expenses in respect of 22 mines based on mine closure plan prepared by Central Mine Planning & Design Institute Limited. In respect of three mines namely Bharatpur OCP, Belpahar OCP and Kulda OCP, liability has been calculated based on mine closure plan as approved by board earlier.

16.10.2 Provision for Mine Closure Expenses Note -5 includes ₹ 5.06 crore on account of provision taken towards stowing and stabilization of unstable workings of Deulbera colliery after adjusting current year expenditure ₹ Nil against a comprehensive scheme of ₹ 9.44 crore (Excluding departmental salary and wages for ₹ 18.21 crore). As the stabilization of unstable workings of Deulbera Colliery through sand stowing is being carried out by existing departmental manpower of Deulbera Colliery, salaries and wages for ₹ 18.21 crore being part of the scheme has not been provided for.

16.10.3 Details of movements in provision in accordance with AS 29: (₹ in crore)

SI No	Particulars.	Opening balance as at 1.04.2014	Provision/ addition during the current year	Paid / adjustment during the current year	Balance as at 31.03.2015
1	Provision for Reclamation of land	0.79	-	-	0.79
2	OBR adjustment	9912.51	2123.53	-	12036.04
3	Provision for taxation (incl. wealth tax)	1892.66	1697.67	-32.36	3557.97
4	Provision for Dividend	-	-	-	-
5	Mine Closure Plan	314.64	115.83	-	430.47
6	Provision for Doubtful Debts	34.72	6.66	-	41.38
7	Provision for Loans & Advances	2.89	-0.24	-	2.65
8	Provision for Capital Work-in-Progress	11.82	0.70	-0.13	12.39
9	Provision for Stores & Spares	14.84	2.40	-	17.24
10	Provision for Loss of Assets	0.23	-	-	0.23

17.0 ACCOUNTING FOR TAXES ON INCOME

17.1 For the current year, the Income Tax provision has been taken at ₹ 1697.56 crore (Previous year ended on 31.03.2014 ₹ 1837.38 crore). In addition, ₹ 0.11 crore has been provided for wealth tax for the current year.

17.2 As per requirement of Accounting standard -22, there is a net deferred tax liability of ₹ 122.90 crore as at 31.03.2015 (as at 31.03.2014 Liability ₹ 28.08 crore). The Deferred tax liability /assets comprises of tax effect of timing differences as detailed below:

	As on 31.03.2015 (₹ in crore) (liability)	As on 31.03.2014 (₹ in crore) (liability)
Deferred Tax Liability :		
Excess of Net Block over written down value as per provisions of Income Tax Act, 1961	-60.91	-14.84
Deferred Tax Asset :		
Provision for Doubtful debts	10.41	8.14
Provision for other Employees Benefit	-	-
Provision for Leave Encashment	66.16	56.41
Provision for Gratuity	15.03	1.87
Provision for Doubtful Advances	0.83	0.91
Disallowance u/s 43B of I.T. Act,	-11.13	16.11
Provision for Reclamation of Land	23.83	23.83
Other Provision / Misc. items	-288.94	-150.19
Sub total	-183.81	-42.92
Total	122.89	28.08
Net Deferred Tax liability	122.90	28.08

18.0 GENERAL

- 18.1 Confirmation of balances of Sundry Creditors., various advances and deposits received etc. has not been obtained in all cases.
- 18.2 The Group has not received any intimation from "suppliers." regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.
- 18.3 Previous year/year's figures have been re-arranged, re-grouped wherever necessary, to make them more comparable with those of current year/ year.

19.0 OTHERS.

A. Directors' Remuneration	(₹ in crore)	
	For the year ended 31.03.2015	For the year ended 31.03.2014
Salary	1.09	1.11
P.F.	0.11	0.12
Perquisites	0.01	0.02
Director's Sitting Fee	0.00	0.07
Total	1.21	1.32

Note:

- i. Perquisites do not include value/charges for house rent/electrical energy, which has been recovered as per rules of the Group and value of free medical facilities in Group hospitals/ dispensary.
- ii. The Chairman-cum-Managing Director and full time Directors. have the option to use the staff car for purposes other than official duty up to a ceiling of 750 Km per month, on payment at 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.

B. Imports

C.I.F. value of imports	(₹ in crore)	
	For the year ended 31.03.2015	For the year ended 31.03.2014
(i) Raw materials	Nil	Nil
(ii) Components and spare parts	Nil	2.89
(ii) Capital Goods	Nil	8.76

C. Expenditure in Foreign Currency (₹ in Crore)

	For the year ended 31.03.2015	For the year ended 31.03.2014
(i) Travelling	0.04	0.02
(ii) Commitment charges	Nil	Nil
(iii) Interest	0.08	1.25
iv) Others	Nil	Nil

D. Value of imported/ indigenous Raw Materials, Stores & Spares and components consumes.

Particulars	For current year ended 31.03.2015 Value (₹ in crore)	Percentage	For current year ended 31.03.2014 Value (₹ in crore)	Percentage
Imported	0.05	0.01	Nil	Nil
Indigenous	604.51	99.99	626.35	100.00
Total	604.56	100.00	626.35	100.00

20.0 APEX OFFICE AND INTEREST CHARGES TO HOLDING GROUP

- 20.1 Apex office charges as levied by Holding Group has been allocated to revenue mines on the basis of coal production.
- 20.2 Interest on loans through Holding Group for procurement of specific assets has been accounted for as per terms of loan agreement and corresponding memos from them.

21.0 Revision of Schedule VI to the Companies Act 1956 (w.e.f. 01.04.2011)

Following the Gazette notification dated 30th March, 2011 the Schedule VI of the Companies Act 1956 dealing with the format of Balance Sheet has modified and a format for Statement of Profit & Loss is introduced.

The format as per revised Schedule VI has been applied while preparing this account. Following the new guidelines of the revised format inter-alia, the following segregation have been made in the Balance Sheet:-

Current Assets

An asset has been classified as current when it satisfies any of the following criteria:-
It is expected to be realized in, or is intended for sale or consumption in, the group's normal operating cycle
It is held primarily for the purpose of being traded
It is expected to be realized within twelve month after the reporting date
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reposting date.

Non-Current Assets

All assets other than current assets are Non- Current Assets.

Current Liabilities

A liability has been classified as current when it satisfies any of the following criteria:
It is expected to be settled in the group's normal operating cycle
It is held primarily for the purpose of being traded
It is due to be settled within twelve month after the reporting date
The group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Non-Current Liabilities

All liabilities other than current liabilities are Non- Current Liabilities.

As there is no normal operating cycle, the same is considered to be 12 months period.

For and on behalf of Board of Directors

Sd/-
A. K. Singh
Company Secretary

Sd/-
K.K. Parida
Director (Finance)

Sd/-
B. P. Ghosh
General Manager (Finance)

Sd/-
A.N. Sahay
Chairman-Cum-Managing Director

As per our report of even date
For & on behalf of
PAMS & ASSOCIATES
Chartered Accountants

Sd/-
(CA M P Mahapatra)
Partner
(Membership No.055113)

Place: Bhubaneswar
Date: 20.05.2015

Cashflow Statement for the year ended on 31.03.2015

	For the year ended on 31.03.2015 (₹ in Crores)	For the year ended on 31.03.2014 (₹ in Crores)
A	CASH FLOW FROM OPERATING ACTIVITIES:	
	Net Profit before tax and extraordinary items	5,314.24
		5,429.08
	Adjustment for :	
	Depreciation & Impairment	2553.51
	Exchange Rate Fluctuation	(0.72)
	OBR Adjustment	2,123.53
	Interest / Dividend (Received)	(1,286.09)
	Interest /financial charges (Paid)	1.44
	Prov. against Debtors/Inventories/Other CA/ Loans & Advances etc	232.56
	Operating Profit before Working Capital changes	6,636.47
	Adjustments for :	
	Changes in inventories	43.71
	Changes in trade receivables	(155.57)
	Changes in long term/non current Loan & advance/Assets	(177.02)
	Changes in short term /current Loans and Advances/ Assets	(63.64)
	Changes in trade payable/ Current Liabilities/long term liabilities	513.53
	Cash generated from operations	6,799.48
	Direct taxes paid	(3,270.85)
	Cash Flow before extraordinary items	3,528.63
	Extraordinary items	-
	Net Cash from operating activities	3,528.63
B	CASH FLOW FROM INVESTING ACTIVITIES:	
	Purchase of Fixed Assets	(793.79)
	Short Term Deposit with CIL	(114.95)
	Miscellaneous receipts	-
	Acquisition of Companies	-
	Purchase of New Investments (Current/Non-Current)	450.70
	Interest received	1,231.11
	Dividend from Mutual Funds received (non trade)	54.98
	Net Cash used in investing activities	828.05
C	CASH FLOW FROM FINANCING ACTIVITIES:	
	World Bank Loans through CIL	-
	Deferred Credit Loan	(2.35)
	Exchange Rate Fluctuation	0.72
	Repayment of CIL Loan	-
	Redemption of preference share capital	-
	Interest and financial charges	(1.44)
	Dividend paid	(3,841.82)
	Net Cash used In financing activities	(3,844.89)
	Net Increase in cash and cash equivalents	511.79
	Cash and cash equivalents as at beginning of the year	10,428.31
	Cash and cash equivalents as at the end of the period	10,940.10

The aforesaid statement is prepared on indirect method.

The figures of the previous year have been reclassified to confirm to current period classification.

Note: Cash & cash equivalents amounting to ₹ 508.56 crore (as at 31.03.2014, ₹ 434.72 crore) (refer para 7.0 of Additional notes on accounts) are not available for use by the company .

For and on behalf of Board of Directors

Sd/-
A.K.Singh
Company Secretary

Sd/-
K.K. Parida
Director (Finance)

Sd/-
B.P.Ghosh
General Manager (Finance)

Sd/-
A.N. Sahay
Chairman-cum-Managing Director

As per our report of even date
For PAMS & ASSOCIATES
Chartered Accountants

Sd/-
(CA M P MAHAPATRA)
Partner
(Membership No. 055113)

Date : 20.05.2015
Place: Bhubaneswar