



SOUTH EASTERN COALFIELDS LIMITED

(A Mini Ratna PSU)



31ST ANNUAL REPORT
2016-17



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To be one of the leading energy suppliers in the country, by adopting the best practices and leading technology from mine to market.



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.

SECL at a Glance

South Eastern Coalfields Limited (SECL) is single largest Coal producing Company of India, with **140.00 Million Tonnes** of coal production in 2016-17.

Coal reserves of SECL are spread over the states of **Chhattisgarh & Madhya Pradesh** and the Company is operating **79 mines** (49 mines in CG & 30 in MP).

2%

Growth in Production

₹ **29,215.53** Crore

Gross Sales

10%

Growth in Output-per-Manshift (OMS)

₹ **3,186.57** Crore

Profit before Tax

₹ **5,931.24**

Dividend Per Share for FY 2016-17



Corporate Information

Corporate Identification Number (CIN): U10102CT1985GOI003161

REGISTERED OFFICE

South Eastern Coalfields Limited
Seepat Road,
Bilaspur (Chhattisgarh) - 495 006
Tel: 07752 246379-399
Fax: 07752 246451
Website: www.secl-cil.in, www.secl.gov.in

DIRECTORS & KEY MANAGERIAL PERSONNEL

Whole-Time Directors

Shri B. R. Reddy, CMD & CEO
Shri A. P. Panda, D(F) & CFO
Dr. R. S. Jha, D(P)

Shri Kuldip Prasad, D(T)O

Shri P. K. Sinha D(T)P&P

Govt. Nominee Directors

Shri Mukesh Choudhary, Director, MOC

Shri C. K. Dey, D(F), CIL

Independent Directors

Shri Sunil Kumar, (Retd. IAS)

Shri B. S. Sahay, Founder Director (IIM Raipur)

Shri Vinod Jain, Chartered Accountant

Company Secretary

Shri S. M. Yunus

STATUTORY AUDITORS

M/s. J. N. Mital & Co., Jashpur Nagar

BRANCH AUDITORS

M/s. M. Raghunath & Co., Kolkata

M/s. G. Basu & Co., Kolkata

M/s. Bhutoria Ganesan & Co., Bhopal

COST AUDITORS

M/s. Niran & Co., Bhubaneswar

M/s. Datta Ghosh Bhattacharya & Associates, Kolkata

M/s. Phatak Paliwal & Co., Nagpur

M/s. SN & Co., Raipur

SECRETARIAL AUDITOR

M/s. AGR Reddy & Co., Hyderabad

SUBSIDIARIES

Chhattisgarh East Railway Ltd., Raipur

Chhattisgarh East-West Railway Ltd., Raipur

LOCATION OF MINES:

State: Chhattisgarh

Districts: Korba
Raigarh
Surguja
Koriya
Surajpur
Balrampur

State: Madhya Pradesh

Districts: Shahdol
Anuppur
Umaria

BANKERS

State Bank of India

ICICI Bank

HDFC Bank

Union Bank of India

UCO Bank

Punjab National Bank

Bank of Baroda

AXIS Bank Limited

Canara Bank

IDBI Bank

United Bank of India

Bank of India

Bank of Maharashtra

Oriental Bank of Commerce

Allahabad Bank

Andhra Bank

Corporation Bank

Syndicate Bank

Board of Directors

BOARD OF DIRECTORS DURING (2016-17)

Chairman-cum-Managing Director/CEO

Shri B. R. Reddy (w.e.f. 01.03.2016)

Whole-Time Directors

Shri A. P. Panda, Director (Finance)/CFO
(w.e.f. 01.08.2013)

Shri R. P. Thakur, Director (Tech) Oprn.
(Upto 31.05.2016)

Dr. R. S. Jha, Director (Personnel)
(w.e.f. 29.09.2014)

Shri Kuldip Prasad,
Director (Tech) P&P (From 10.02.2016 to 02.08.2016)
Director (Tech) Oprn.(w.e.f. 01.06.2016)

Shri P. K. Sinha, Director (Tech) P&P
(w.e.f. 03.08.2016)

Govt. Nominee Directors

Shri Vivek Bharadwaj, (upto 08.06.2017)
Joint Secretary, Ministry of Coal,
Govt. of India, New Delhi

Shri C. K. Dey (w.e.f. 19.03.2015)
Director (Finance), Coal India Limited

Independent Directors

Shri Sunil Kumar (w.e.f. 17.11.2015)
Retd. IAS
Vice Chairman, CG State Planning Commission

Prof. B. S. Sahay (w.e.f. 17.11.2015)
Founder Director, IIM Raipur

Shri Vinod Jain (w.e.f. 14.03.2017)
Chartered Accountant

Permanent Invitee

Shri J. N. Jha (w.e.f. 04.04.2016)
Chief Operations Manager
South East Central Railway (SECR)
Bilaspur (CG)

BOARD OF DIRECTORS (As on 11.07.2017)

Chairman-cum-Managing Director/CEO

Shri B. R. Reddy

Whole-Time Directors

Shri A. P. Panda, Director (Finance)/CFO

Dr. R. S. Jha, Director (Personnel)

Shri Kuldip Prasad, Director (Tech) Oprn.

Shri P. K. Sinha, Director (Tech) P&P

Govt. Nominee Directors

Shri Mukesh Choudhary, (w.e.f. 09.06.2017)
Director, Ministry of Coal,
Govt. of India, New Delhi

Shri C. K. Dey
Director (Finance), Coal India Limited

Independent Directors

Shri Sunil Kumar
Retd. IAS
Vice Chairman, CG State Planning Commission

Prof. B. S. Sahay
Founder Director, IIM Raipur

Shri Vinod Jain
Chartered Accountant

Permanent Invitee

Shri J. N. Jha
Chief Operations Manager
South East Central Railway (SECR)
Bilaspur (CG)

Company Secretary

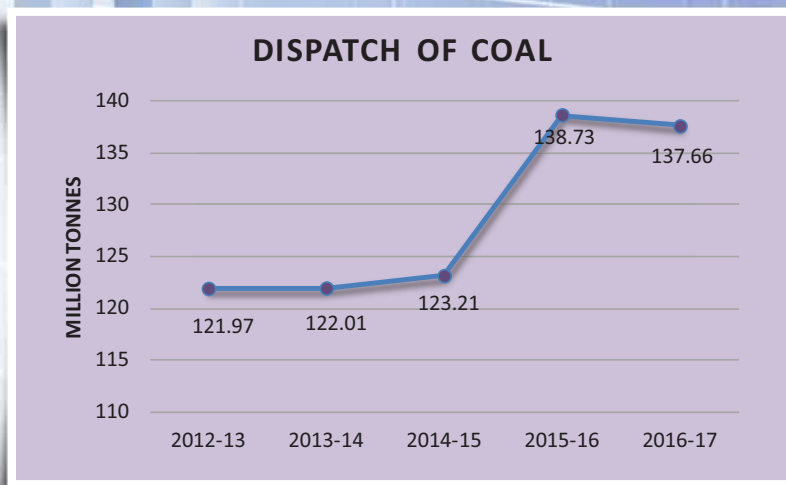
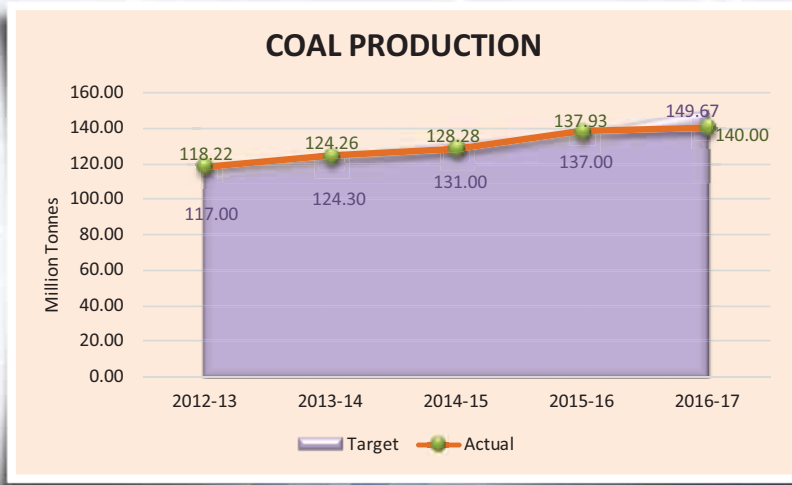
Shri S.M. Yunus



The year at a Glance

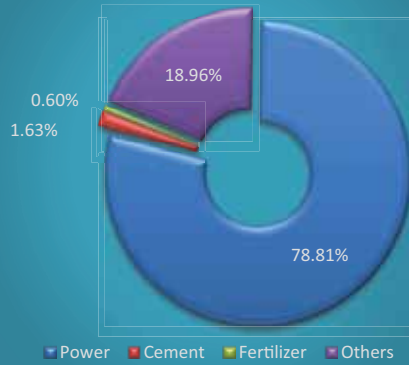
Particulars	Unit	2016-17	2015-16
Production of Raw Coal:			
i. Coal Production from Opencast Mines	Million Tonnes	125.456	122.426
ii. Coal Production from Underground Mines	Million Tonnes	14.547	15.507
Total Coal Production	Million Tonnes	140.003	137.933
Sale of Coal	₹ in Crore	29,215.53	24,900.03
Profit before Tax (PBT)	₹ in Crore	3,186.57	5,148.84
Profit after Tax (PAT)	₹ in Crore	2,038.57	3,257.55
Dividend	₹ in Crore	2,133.47	6,390.32
Dividend Tax	₹ in Crore	434.32	1,300.94
Dividend per Share (DPS)	₹	5,931.24	17,765.68
Retained Profit	₹ in Crore	5,77.61	1,170.66
Net Fixed Asset	₹ in Crore	4,520.35	4,364.00
Net Worth	₹ in Crore	3,352.19	5,304.35
Long-term Loans	₹ in Crore	0.00	0.00
Capital Employed	₹ in Crore	8,514.54	11,445.73
Value Added	₹ in Crore	16,344.10	15,800.98
Average Manpower Employed during the year	Number	62,857	66,153
Value Added per Employee	₹ in Crore	0.26	0.24
Sundry Debtors	₹ in Crore	4,019.12	2,984.93
Debt to Net Worth	Ratio	0.00	0.00
Return on Capital Employed (ROCE)	%	37.43	44.98
Face value per Share	₹	1,000.00	1,000.00
Equity Share Capital	₹ in Crore	298.78	359.70
Contribution to Exchequer	₹ in Crore	15,279.91	10,983.30
Book Value per Share	₹	11,219.73	14,746.59
Earnings per Share (EPS)	₹	5,709.81	9,056.30

Performance Trend

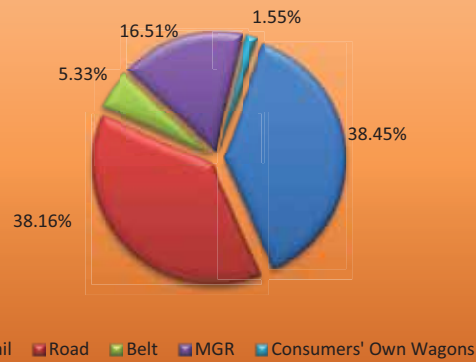




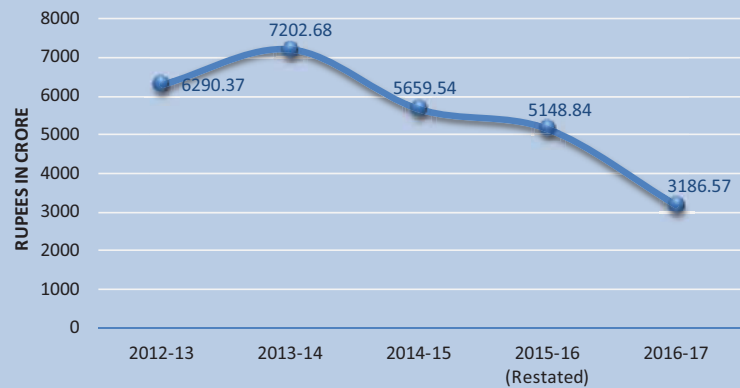
SECTOR-WISE COAL DISPATCH 2016-17

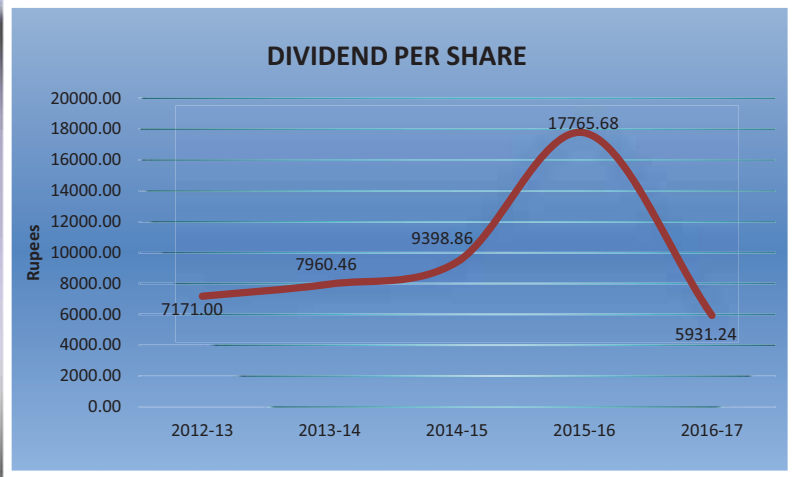
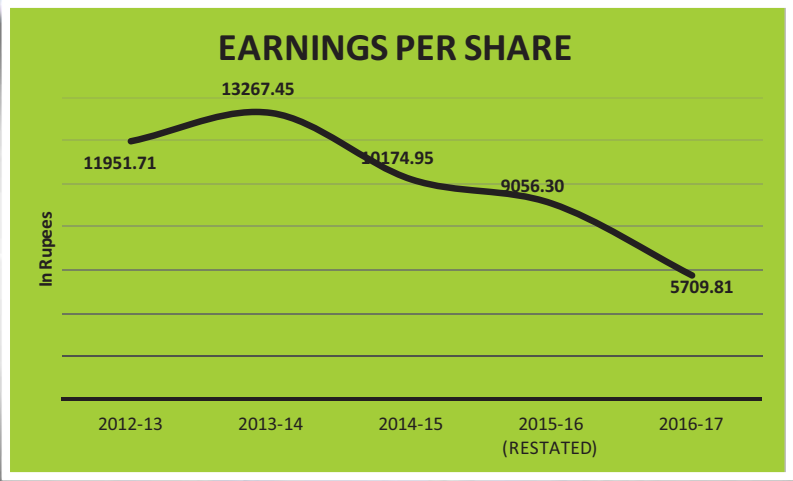
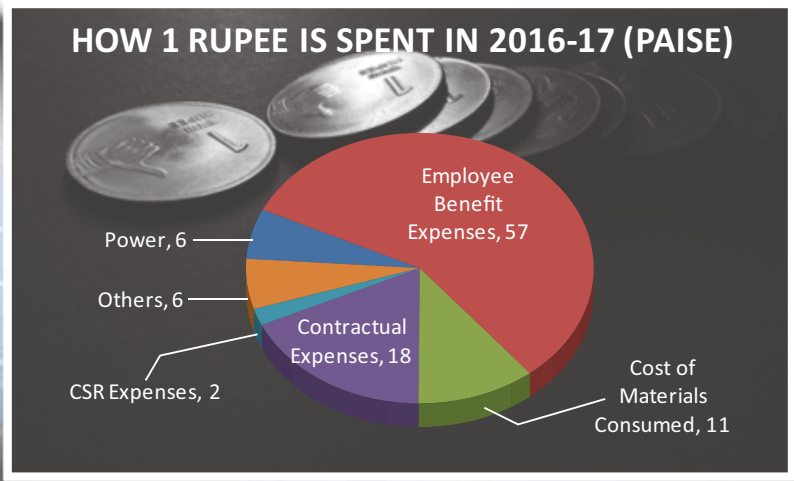


MODE-WISE COAL DISPATCH 2016-17



PROFIT BEFORE TAX

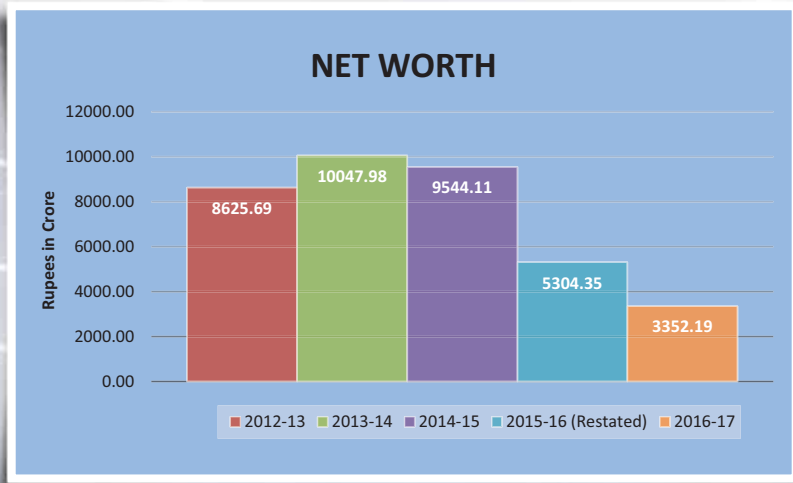




CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS



Chairman's Letter



Dear Stakeholder,

With enormous contentment and pride, I would like to inform that your Company has once again displayed operational excellence with ever stronger commitment towards corporate governance and conquered new heights in the reporting financial year 2016-17. The Board's Report and the Audited Financial Statements of your Company for the year ended 31st March, 2017 have already been provided to all the shareholders. With your permission, I take them as read.

The year has witnessed a record production of 140.003 Million tonnes by your Company, which accounts for more

than 23% of the total coal production of the country. In recognition of the outstanding achievement, your Company has been awarded with 'Safety Award', 'Corporate Performance Award' and 'Coal Quality Award', at 42nd CIL Foundation Day Award ceremony.

The Economic scenario

World Economic Outlook (WEO -April 2017) captioned 'Gaining Momentum', estimates buoyant financial markets and a long-awaited cyclical recovery in manufacturing and trade under way, owing to which the world growth is projected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. The world economy gained speed in the fourth quarter of 2016 and the momentum is expected to persist.

Although changes to the global growth forecast for 2017 and 2018 are small, there have been meaningful changes to forecasts for country groups and individual countries. In India, the growth forecast for 2017 has been trimmed by 0.4 percentage point to 7.2 percent, primarily because of the temporary negative consumption shock induced by macro-economic issues. Medium-term growth prospects are favourable, with growth forecast to rise to about 8 percent over the medium term due to the implementation of key reforms, loosening of supply-side bottlenecks, and appropriate fiscal and monetary policies. IMF forecasts India's Growth rate to rise from 6.8% in 2016 to 7.2% in 2017 and 7.7% in 2018, which is the highest growth rate amongst Advanced as well as Developing economies.

Coal Scenario in India

India has the 4th largest coal reserves in the world with proven coal reserves of 138 Billion Tonnes (as on 01.04.2016). Out of the total reserves, nearly 85% are non-coking coal and balance is coking-coal. Performance of the coal sector is of utmost importance to the country's economy as it plays a critical role in the value chains of all major industrial segments, namely electricity, steel, cement, etc. According to the International Energy Agency (IEA), by 2040, India's energy consumption will surpass that of the Organisation for Economic Cooperation and Development (OECD) Europe, and would be rapidly approaching that of the US. Like other countries before it, the country's economic growth will be still largely powered by coal. Presently, over 40% of India's total primary energy and over 70% of generated electricity demand are met by coal. The country presently has nearly 205 Giga watts (GW) of coal-fired electricity generation



capacity, which will soon be further augmented by another 113 GW. It shows that coal will continue to play a critical role in the industrial growth of the country, and will remain the major contributor to their performance.

SECL along with other subsidiaries of state owned CIL is gearing up to meet the challenge of making India a thermal coal import free nation by producing about 1 Billion Tonne coal per annum by FY'20. Achievement of such a huge coal Production target will help to realize the key government Policy initiatives including the 'Make in India' campaign to promote manufacturing and the '24x7 Power for All' drive for round-the-clock electricity supply, which would in turn, give further thrust to India's economic and social development. It is an established truth now that Power plants are not reporting generation loss due to coal shortage and the coal supplies has further improved to enable the power plants to maintain optimal stock levels of coal apart from improvement in the PLF due to consistent supplies. The contribution in this regard by Coal India in general and SECL in particular needs no elaboration.

Highlights of Performance

SECL's performance for the year under operational and financial parameters is summarized below:

Operational Parameters:

- Highest coal production of 140.003 Million Tonnes (MT), registering a growth of 1.50% over the previous year.
- Coal dispatch of 137.66 Million tonnes, maintaining almost same level as the previous year.
- Productivity in terms of Overall Output per Man shift (OMS) of SECL was 9.29Te, showing an improvement of 9.8% as compared to previous year.
- Overburden Removal (OBR) from Opencast Mines was 178.79 Million Cubic Meters, registering a growth of 1.95% over the previous year.

Financial Parameters:

- Clocked highest Gross Turnover of ₹ 29,215.53 Crore.
- Profit before Tax (PBT) during the year was ₹ 3,186.57 Crore.
- Total dividend of 593.12% (i.e. ₹ 5,931.24 per share) amounting to ₹ 2,133.47 Crore was paid.
- Buyback of 6,09,250 Nos. of fully paid-up Equity Shares @ ₹ 19,699.47 per Equity share made by the Company through Tender Offer at a total consideration of ₹ 1,200.19 Crore.

- Net-worth as on 31.03.2017 stood at ₹ 3,352.19 Crore.
- Book value per share was ₹ 11,219.78 as on 31.03.2017.
- Contributed to the Exchequer a total of ₹ 15,279.91 Crore during the financial year 2016-17.

Upcoming Projects and Expansion Plans

At present, there are 34 ongoing projects under implementation with rated capacity of 203.24 MT. Production from these projects during 2016-17 was 84.435 MT. To augment the production and achieve the targeted production in the ensuing year, 07 new projects are in the pipeline for approval.

As per the Roadmap for 1 Billion Tonne Coal production by 2019-20, SECL's coal production target has been projected as 239.60 Mt envisaging an incremental production of 99.60 MT over actual production in 2016-17. The incremental production from ongoing projects will be 116.86 MT and the Future projects will contribute 8.00 MT, while production is expected to decline from existing/completed projects.

The major contributors in ongoing projects will be Gevra OC Expn (70 MTY), Kusmunda OC Expn (50 MTY), Pelma OC (15 MTY), Jagannathpur OC RCE (3 MTY), Kartali East OC (2.5 MTY), Jampali OC RCE (2 MTY), Chhal OC Seam-III (6 MTY), Bijari OC RCE (1.5 MTY), Madan Nagar OC (12 MTY), Amritdhara OC (2 MTY), Rampur Batura OC (4 MTY), Saraipali OC RCE (1.4 MTY), Malachua OC (3.0 MTY). The major Future projects contributing 8.00 MT in 2019-20 will be Batura West OC (1.5 MTY), Baroud Expn OC (15 MTY), Chirimiri OC Expn (2 MTY) and Vijay West OC (3 MTY).

Corporate Social Responsibility (CSR)

SECL has always been a frontrunner to assume its responsibility towards society for sustainable development and inclusive growth in the surrounding areas of mining Projects. It aims at making CSR an inherent part of the business processes for sustainable development across the Society. CSR initiatives supplement the acts of a state in enhancing welfare measures of the society by engaging with community and working towards overall development, which forms an integral part of our operations. Such projects are spread over broad sectors viz. Rural Development, Promoting Healthcare, Promoting Education, Conservation of Natural resources, Environmental sustainability, Livelihood enhancement, Safe Drinking water, Promotion of Sports, Protection of local Art & Culture, etc. During the year, your Company has taken a lead role under the 'Swachh Bharat

Abhiyan' by contributing ₹ 12 Crore to the 'Swachh Bharat Kosh' set up by Govt. of India for promotion of sanitation in rural and urban Areas. A Report on CSR activities forms part of the Board's Report.

Corporate Governance

It has been our endeavour to bring growth in performance of the Company without compromising on the conformance to the standards of Corporate Governance. Therefore, applicable conditions under the Companies Act as well as stringent norms of listing Agreement of CIL on the subject were complied with as a material subsidiary. Further, guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries & Public Enterprises, Government of India, have also been implemented. A separate report on Corporate Governance forms part of the Board's Report.

Unqualified Audit Report

In order to reinforce our commitment to the shareholders, we ensure that financial statements are prepared in conformity with accounting policies of the Company and Accounting standards to represent the true and fair view of the state of affairs of the Company while acknowledging the existence of an effective internal control system. The Financial Statements have been prepared adhering to the Indian Accounting Standards (Ind-AS) being applicable for the first time. Due to concerted efforts, the challenges were met during the transition and the Statutory Auditors have given unqualified Audit Report on the Accounts of the Company for the year ended 31st March, 2017. Further, Comptroller & Auditor General of India (CAG) has issued 'NIL comment' on the Accounts of the Company for the year 2016-17.

Human Resource Management

Your Company values its human capital the most and thus, has taken several initiatives for continuous investment in training and development of all-round competence of its people. The Company has taken several initiatives viz., Aagman, KAVA, Guru, Shikhar, K-Mining, Manthan, Mentoring quality circles, etc.

Environment Management

At SECL each one of us is conscious of our role for sustainable development by safeguarding the environment to maintain ecological balance with conservation of flora and fauna. Your Company has taken several steps to provide clean environment in and around coal mines with implementation of Environment Management Plans (EMP). Environmental conservation measures are embedded as an integrated

sub-system of Mine Management at the time of approval of project plan.

Coal is being transported by closed conveyors and loaded into wagons through Silos at mega opencast mines. About 114 mobile water sprinklers have been deployed for dust suppression and fixed water sprinklers covering a distance of 38 KMs are functioning in the vicinity of coal handling plants, coal stock yards and transportation roads for dust suppression. Further, 04 nos. of continuous Ambient Air Quality Monitoring System (AAQMS) have been installed in 04 OCPs for constant monitoring of air quality. For efficient monitoring of effluent from mines, Online Effluent Monitoring Systems have been installed in the year 2016-17 for 9 Mines/Projects of SECL.

As a part of multi-species plantation for bio-diversity conservation, your Company has planted 6,49,675 saplings during the year, totalling over 2.5 Crore since inception. Your Company is also undertaking road side plantations, grass-bedding/ plantation on the overburden slopes in order to ensure clean environment and minimize pollution besides top-soil management. Measures to save energy are also being implemented in the Company.

Safety

Your Company believes that good safety performance is an integral part of efficient & profitable business management and is fully committed to total safety in all aspects of its operations, and therefore attaches prime importance to safety of man & machines. During the year 2016-17, your Company has installed Slope Stability Radar at 3 Nos. mega OCPs (i.e. at Gevra, Dipka & Kusmunda) and has also commissioned 03 Nos. of Gas Chromatograph (one each at Manendragarh, Sohagpur and Korba). Further, Your Company has framed & executed Safety Management Plan for all the mines.

Future outlook

SECL has set the coal production target of 153.80 Million Tonnes in 2017-18 in line with the planned target of 239.60 Million Tonnes by FY'20 as per 'Mission-1 Billion Tonne Coal of CIL'. Due to steep rise in production, evacuation of coal from mines and environment friendly transportation to consumption units will become a major challenge. In this regard, Railways play a major role in timely evacuation of coal and commensurate infrastructure for faster movement has been persistently addressed by taking new initiatives. Many activities with respect to constructions of new sidings are being taken up considering the increase in production of coal in different Areas of Korba and CIC Coalfields. At present, there are 32 Nos. of Railway Sidings for dispatch



of coal. Rapid Loading System (RLS), very high capacity SILOs with Merry-Go-Round (MGR) are in operation at Gevra Expn OC & Dipka Expn OC Projects and further planned additionally in other mega OCPs.

According to the projections made in the Roadmap for 1 Billion Tonne Coal production by CIL in 2019-20, it is apparent that in SECL, the quantum jump in coal production will arise from Raigarh and Korba coalfields through commissioning of new projects and implementation of expansion projects. Evacuation from these coalfields will be heavily dependent on two upcoming rail corridors namely East Corridor in Raigarh coalfield and East-West Corridor in Korba Coalfield under implementation through Joint venture projects viz. Chhattisgarh East Railway Limited (CERL) & Chhattisgarh East-West Railway Limited (CEWRL), involving JV partners IRCON International Ltd. and Chhattisgarh State Industrial Development Corporation (CSIDC) representing Govt. of Chhattisgarh. Both the projects have been notified by Ministry of Railways as 'Special Railway Project' to provide national infrastructure for a public purpose.

CERL has been developing the rail network to facilitate coal traffic movement from Kharsia to Dharamjaygarh in first phase with a Spur from Gharghora to Donga Mahua for about 104 Km to connect Mines of Gare Pelma Block in Northern Chhattisgarh and 03 additional feeder lines at Chhal, Baroud at Korichhapar of approximate length of about 29.2 Km right up to the mine boundaries to meet the logistic challenges foreseen on account of coal evacuation. In the second phase, the rail network will be extended to Korba. Tenders have already been issued for construction of Major Bridges, Minor Bridges, Road Bed and supply, fabrication erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-10 KM, 10-74 KM and 0-28 KM spur. Detailed survey and requirement of land for feeder lines is being worked out.

CEWRL, another joint venture Company of SECL, has been developing the rail network to facilitate coal traffic movement from Gevra, Dipka and Kusmunda Mines of SECL via alternate route from Gevra Road to Pendra Road in Northern Chhattisgarh for about 135.30 Km to meet the logistic challenges foreseen on account of coal evacuation from Korba fields. The rail alignment for the project has been crystallized and it has been decided that about 35 Kms of Feeder lines to connect Kartali, Ambica, Saraipali and Vijay West Mines of SECL shall be integrated with the East-West Rail Corridor along with connectivity to Kusmunda, Junadih and Dipka Sidings. Land acquisition in Korba and

Bilaspur Districts is under process and detailed survey and requirement of land for feeder lines is being worked out.

With timely expansion of mega mines, commencement of production from Future projects, along with adequate logistics infrastructure of rail & road, modernization and introduction of new technology in the mines viz., Surface Miner, Continuous Miner, Short wall Mining, High wall Mining Technology, use of high capacity HEMMs like 42 Cubic Metre Shovel and 240 Tonne Dumper, the production will go up in line with the vision and mission of the Company duly supported by creation of new and efficient transport infrastructure.

Although the business environment continues to remain tough in the year ahead, with a range of policy changes and reforms in foreseeable future, I am confident that we will continue to deliver with our full commitment and persistence the desired growth that is consistent and sustainable in line with the expectations.

Acknowledgement

To conclude, I acknowledge that all these achievements have been possible only due to inexorable and determined efforts made by the employees of the Company and active support of Trade Unions.

I would like to express my earnest gratitude on behalf of the Board of Directors and the management of the Company for the co-operation received from the Government of India, in particular the Ministry of Coal, Ministry of Environment, Forest and Climate Change, Ministry of Corporate Affairs, Department of Public Enterprises, State Government of Chhattisgarh & Government of Madhya Pradesh, various regulatory and statutory authorities from time to time.

I would further like to acknowledge the shareholders (Coal India Limited with its nominees) for continued confidence in the Company. It is our unswerving commitment to deliver enduring value to enrich our shareholders. I candidly thank all our customers, vendors and business associates for their continued support and trust.

I am very optimistic that in the years ahead, SECL will continue to be the forerunner and the torch-bearer in service to the nation and its people amplifying prosperity, development and growth for all.

Thanking You,

(B. R. Reddy)

Chairman-cum-Managing Director
DIN: 07001710

Awards & Accolades





Operational Statistics

Production Performance

For the Financial Year	2016-17	2015-16	Growth
1. PRODUCTION [RAW COAL][M.T.]			
Underground	14.55	15.51	-6%
Opencast	125.45	122.42	2%
TOTAL	140.00	137.93	2%
2. OVERBURDEN REMOVAL [M. CuM]	178.79	175.37	2%
3. OFF TAKE [RAW COAL][M.T.]			
Power	108.48	105.40	3%
Cement	2.25	2.96	-24%
Colliery Consumption	0.01	0.01	0%
Others	26.92	30.37	-11%
TOTAL	137.66	138.74	-1%
4. DISPATCH MODE [RAW COAL][M.T.]			
Rail	52.93	46.69	13%
Road	52.53	57.13	-8%
MGR	22.73	25.07	-9%
Belt	7.34	7.13	3%
Consumer's Own Wagon	2.13	2.71	-21%
TOTAL	137.66	138.73	-1%
5. PRODUCTIVITY:			
Output per Manshift [OMS]			
Underground [Tonnes]	1.41	1.40	1%
Opencast [Tonnes]	26.63	23.45	14%
Overall [Tonnes]	9.29	8.46	10%
6. MANPOWER	61209	64505	-5%
7. CAPITAL EXPENDITURE [₹ in Crore]	1532.68	890.98	72%

Financial Position

For the Financial Year	As per IND AS ₹ in Crore	
	2016-17	2015-16 (Restated)
ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	4,520.35	4,364.00
(b) Capital Work-in-Progress	1,166.60	738.06
(c) Exploration and Evaluation Assets	758.31	506.16
(d) Other Intangible assets	10.27	10.27
(e) Intangible assets under development	-	-
(f) Investment Property	-	-
(g) Financial Assets		
(i) Investments	528.60	101.76
(ii) Loans	237.44	170.18
(iii) Other Financial Assets	1,624.79	1,220.33
(h) Deferred Tax Assets (Net)	617.87	430.79
(i) Other Non-Current Assets	142.77	105.01
Total Non-Current Assets (A)	9,607.00	7,646.56
(2) Current Assets		
(a) Inventories	1,700.07	1,829.42
(b) Financial Assets		
(i) Investments	153.88	95.72
(ii) Trade Receivables	2,721.88	2,650.61
(iii) Cash & Cash equivalents	527.00	326.16
(iv) Other Bank balances	2,745.64	4,367.71
(v) Loans	206.30	0.96
(vi) Other Financial Assets	672.63	748.32
(c) Current Tax Assets (Net)	4,285.56	2,654.22
(d) Other Current Assets	224.55	132.83
Total Current Asset (B)	13,237.51	12,805.95
Total Assets	22,844.51	20,452.51
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	298.78	359.70
(b) Other Equity	3,053.41	4944.65
Equity Attributable to Equity Shareholders of the Company	3,352.19	5,304.35
Non-Controlling Interest	-	-
Total Equity (A)	3,352.19	5,304.35



Financial Position (Contd.)

As per IND AS
₹ in Crore

For the Financial Year	2016-17	2015-16 (Restated)
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Trade payables	-	-
(iii) Other Financial Liabilities	687.81	873.89
(b) Provisions	9,559.64	8550.05
(c) Other Non-Current Liabilities	1.55	
(d) Deferred Tax Liabilities (Net)	-	
Total Non-Current Liabilities (B)	10,249.00	9,423.94
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	250.00	
(ii) Trade payables	983.50	864.53
(iii) Other Financial Liabilities	988.47	640.52
(b) Other Current Liabilities	5,376.38	2765.93
(c) Provisions	1,644.97	1453.24
(d) Current Tax Liabilities (Net)	-	-
Total Current Liabilities (C)	9,243.32	5,724.22
Total Equity and Liabilities (A+B+C)	22,844.51	20,452.51

Income and Expenditure

As per IND AS
₹ in Crore

For the Financial Year	2016-17	2015-16 Restated
[A] EARNED FROM		
1) Gross Sales	29215.53	24900.03
Less: Statutory Levies	10729.43	6956.16
Net Sales	18486.10	17943.87
2) Other Operating Revenue		
a) Subsidy for Sand Stowing & protective Works	7.78	13.80
b) Net of Loading & Additional transport charges	442.65	400.80
Other Operating Revenue	450.43	414.60
Revenue from Operations (1+2)	18936.53	18358.47
3) Other Income		
a) Interest on Deposits/Mutual Fund etc.	589.64	960.82
b) Other Non-Operating Income	623.76	207.25
Total (A)	20149.93	19526.54
[B] PAID TO/PROVIDED FOR		
1) Employee Remuneration & Benefits (a to e)		
a) Salary, Wages, Allowances, Bonus etc.	4559.55	4586.01
b) Contribution to P.F. & Other funds	551.82	545.37
c) Gratuity	231.09	194.59
d) Leave Encashment	233.04	175.90
e) Others	1580.50	1001.88
2) Accretion/Decretion in Stock	128.57	(524.70)
3) CSR Expenses	42.50	270.85
4) Stores & Spares	1422.23	1522.08
5) Power & Fuel	719.77	620.81
6) Contractors (including Transportation & Repairs)	2526.84	2304.73
7) Finance Cost	80.95	64.97
8) Depreciation/Amortisation/Impairment	690.71	715.96
9) Provisions & Write off	988.90	232.91
10) Overburden Removal Adjustment	1198.65	816.60
11) Other Expenses	705.59	628.12
12) Prior Period Adj/Exceptional Items/Extraordinary Items		
13) Excise Duty	1302.65	1221.62
Total (B)	16963.36	14377.70
Profit Before Tax (PBT) (A-B)	3186.57	5148.84
Tax on Profit	1148.00	1891.29
Profit After Tax (PAT)	2038.57	3257.55
[C] OTHER COMPREHENSIVE INCOME (NET OF TAX)	40.10	64.74
Total Comprehensive Income (PAT+OCI)	2078.67	3322.29
Dividend	2133.47	6390.32
Tax on Dividend	434.32	1300.94
Transfer to General Reserve	103.93	162.40
Profit Carried to Balance Sheet	-593.05	-4531.37
Accumulated Profit from Previous Years	1170.66	5702.03



Important Financial Information

₹ in Crore

For the Financial Year	2016-17	2015-16 (Restated)
[A] Related to Assets & Liabilities		
(1) (i) No. of Equity Shares of ₹ 1000 each	2987750	3597000
(ii) Shareholder's funds		
a) Equity	298.78	359.70
b) Reserves	2475.80	3773.99
c) Accumulated Profit/Loss	577.61	1170.66
d) Misc. Expenditure	0.00	0.00
(2) Long Term Borrowings	0.00	0.00
(3) Capital Employed	8514.54	11445.73
(4) (i) Net Fixed Assets	4520.35	4364.00
(ii) Current Assets	13237.51	12805.95
(iii) Current Liabilities	9243.32	5724.22
(5) (a) Trade Receivables (Net)	2721.88	2650.61
(b) Cash & Bank	3272.64	4693.87
(6) Closing Stock of :-		
(a) Stores & Spares (Net)	253.92	255.72
(b) Coal,Coke etc. (Net)	1291.01	1442.15
(7) Average Stock of Stores & Spares (Net)	254.82	264.27
[B] Related to Profit/Loss		
(1) (a) Gross Margin	3958.23	5929.77
(b) Gross Profit	3267.52	5213.81
(c) Profit before Tax	3186.57	5148.84
(d) Net Profit (after Tax)	2038.57	3257.55
(e) Net Profit (after Tax & Dividend)	(529.22)	(4433.71)
(2) (a) Gross Sales	29215.53	24900.03
(b) Net Sales (after levies)	18486.10	17943.87
(c) Sales Value of Production	18357.53	18468.57
(3) Cost of Sales (Sales - Profit)	15299.53	12795.03
(4) (a) Total Expenditure	16963.36	14377.70
(b) Salaries and Wages	7156.00	6503.75
(c) Stores and Spares	1422.23	1522.08
(d) Power and Fuel	719.77	620.81
(e) Finance cost & Depreciation	771.66	780.93
(5) Average Consumption of Stores & Spares per Month	118.52	126.84
(6) (a) Average manpower employed during the year	62857	66153
(7) (a) Value Added	16344.10	15800.98
(b) Value Added per employee	0.26	0.24

Important Financial Relative Ratios

₹ in Crore

For the Financial Year	2016-17	2015-16 (Restated)
[A] PROFITABILITY RATIOS		
(1) As % Net Sales		
(a) Gross Margin	21.41	33.05
(b) Gross Profit	17.68	29.06
(c) Net Profit	11.03	18.15
(2) As % Total Expenditure		
(a) Salary & Wages	42.19	45.23
(b) Stores and Spares	8.38	10.59
(c) Power and Fuel	4.24	4.32
(d) Interest & Depreciation	4.55	5.43
(3) As % Capital Employed		
(a) Gross Margin	46.49	51.81
(b) Gross Profit	38.38	45.55
(c) Profit after Tax	23.94	28.46
(4) Operating Ratio [(Sales - Profit)/Sales]	0.83	0.71
[B] LIQUIDITY RATIOS		
(1) Current Ratio (Current Asset /Current Liability)	1.43	2.24
(2) Quick Ratio (Quick Asset / Current Liability)	0.65	1.28
[C] TURNOVER RATIOS		
(1) Capital Turnover Ratio (Net Sales/Capital Employed)	2.17	1.57
(2) Trade Receivables (Net) as No. of Month		
(a) Gross Sales	1.12	1.28
(b) Net Sales	1.77	1.77
(3) As Ratio of Net Sales		
(a) Trade Receivables	0.15	0.15
(b) Coal Stock	0.07	0.08
(4) Stock of Stores and Spares		
(a) Average Stock/Annual Consumption	0.18	0.17
(b) Closing Stock in terms of No. of Month Consumption	2.14	2.02
(5) Stock of Coal,Coke etc.		
(a) As No. of Month value of production	0.84	0.94
(b) As No. of Month of Cost of Sales	1.01	1.35
(c) As No. of Month Net Sales	0.84	0.96
[D] STRUCTURAL RATIOS		
(1) Debt : Equity	0.00	0.00
(2) Debt : Net Worth	0.00	0.00
(3) Net Worth : Equity	11.22	14.75
(4) Net Fixed Assets : Net Worth	1.35	0.82
[E] SHAREHOLDER'S INTEREST		
(1) Book Value Per Share [₹] (Net Worth / No. of Equity)	11219.78	14746.59
(2) Dividend Per Share [₹]	7140.72	17765.69

Directors' Profile

Chairman-cum-Managing Director & Chief Executive Officer

Shri B.R. Reddy

Chairman-cum-Managing Director & Chief Executive Officer



Shri B.R. Reddy (59 years) has taken over the charge as Chairman-cum-Managing Director, South Eastern Coalfields Limited on 01.03.2016. Shri B.R. Reddy graduated in Mining Engineering from Kothagudem School of Mines, Andhra Pradesh in the year 1981. He did his M.Tech. in Opencast Mining in the year 1992 from Indian School of Mines (ISM), Dhanbad, and is a Gold Medallist. Shri Reddy has obtained 1st Class Mine Manager's Certificate of Competency (Coal). He also holds a Diploma in Industrial Relations and Personnel Management (DIRPM) from Nagpur University. Shri Reddy is a distinguished and experienced Mining Engineer.

Shri Reddy joined Coal India Limited on 05.09.1981 and worked in different capacities in various mines of Western Coalfields Limited (WCL) & Central Coalfields Limited (CCL). As General Manager of Dhori, Argada, N.K. Area of CCL, he has contributed a lot in opening New Open Cast Mines and in solving many IR problems. It was all due to his sincere efforts, the Purandih Greenfield OC of CCL could be reopened after a gap of nearly 10 years.

He was selected as Director (Tech) (Project & Planning) of Eastern Coalfields Limited (ECL) due to his proven managerial skills, sheer administrative capacity and took over the charge on 30.09.2014. Shri B.R. Reddy is recognised as a visionary strategist and tactician, and has consistent record of delivering extraordinary results in growth, revenue, operational performance and profitability in various capacities in Western Coalfields Limited, Central Coalfields Limited & Eastern Coalfields Limited. He motivates the work force as a mentor and leads talented professionals by directing across functional teams by providing interactive and motivational leadership that spurs people to willingly give best efforts and loyalty.

He has presented Paper on Dragline working at the National Seminar on Opencast Mine, which was well appreciated. He visited China in the year 2009 to attend Coal-Trans Seminar, and also visited Sweden, Switzerland and Germany in the year 2014 on Advance Management Programme.

Government Nominee Directors

Shri Mukesh Choudhary (w.e.f. 09.06.2017)

Director (CLD), Ministry of Coal



Shri Mukesh Choudhary (46 Years), Director (CLD), Ministry of Coal, Govt. of India joined as Part-Time Official Director on the Board of SECL on 09.06.2017. Shri Mukesh Choudhary holds BE degree in Mechanical Engineering and is an MBA and CFA. Shri Choudhary is an Officer of Indian Ordinance Factory Services (IOFS) since 1997.

Shri Choudhary has experience of over 20 years during which he has served in different capacities viz. OFSC, Nagpur (1997-1999), VM/DGM. GSF, Kolkata (1999-2009), DGM, SAF, Kanpur (2009-2010) and as Jt. GM/Director, Kanpur (2010-2016). Shri Choudhary has joined Ministry of Coal, Govt. of India as Director (CLD) w.e.f. 17.03.2016.

Shri Chandan Kumar Dey

Director (Finance), Coal India Limited



Shri Chandan Kumar Dey (58 Years), Director (Finance), Coal India Limited joined as Part-Time Official Director on the Board of SECL on 19.03.2015. Prior to joining Coal India Limited on 01.03.2015, Shri Dey served Eastern Coalfields Limited as Director (Finance) from 01.02.2013 to 28.02.2015. Shri Dey completed his schooling from Kendriya Vidyalaya in 1975 and graduated from Calcutta University in Commerce with Honours in Accountancy in the year 1978. Shri Dey is a Chartered Accountant and Cost Accountant.

Shri Dey has wide experience of over 35 years and served in different organisations of repute including Lovelock & Lewes, Dunlop India Limited, NICCO Group, Balmer Lawrie & Co. Limited and Oil India Limited. During his professional career Shri Dey headed the Accounts, Treasury, Taxation and Internal Audit functions and served as Chief Finance Officer. Shri Dey also headed the operations of Balmer Lawrie (UK) Limited for 3 years as Chief Operating officer based in United Kingdom. Shri Dey has travelled extensively within India and Foreign countries like UK, France, Germany, Switzerland, USA, Hong Kong, UAE and the Central Asian Republic on official assignments.

Functional Directors

Shri Ambika Prasad Panda

Director (Finance) & Chief Financial Officer



Shri Ambika Prasad Panda (49 years), assumed the charge of Director (Finance), SECL on 01.08.2013. Shri Panda is a Fellow member of the Institute of Cost Accountants of India (ICAI) and Post-Graduate in Business Administration. He is a keen business analyst and a committed management professional.

Prior to his present assignment, he worked in various capacities at Rashtriya Ispat Nigam Limited, Vishakhapatnam Steel Plant, Vishakhapatnam. During a career span of more than two decades, he garnered experience in the field of Financial Planning and Control, Accounts & Audit, Costing & Budgeting, Treasury and Forex Management, Commercial and Tax matters, etc. The organization was immensely benefitted by his negotiation skills, co-ordination abilities and relationship management. His contribution in the areas of Forex Management, Internal Control, Cost reductions, Contract management, etc. has resulted in adding value to functional areas of the organization.

In addition to his present assignment as Director (Finance), SECL, Shri Panda is also the Chairman of the Board of Directors of the Joint Venture Companies and Subsidiaries of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East West Railway Limited (CEWRL). Both JV Companies have been formed to develop Rail Corridors in the Mining Areas of SECL for facilitating evacuation of coal along with carrying out other rail operations.

Shri A. P. Panda has been conferred with the 'Most Influential CFOs of India' Award by the Chartered Institute of Management Accountants (CIMA), UK.

Dr. Rama Shankar Jha

Director (Personnel)



Dr. Rama Shankar Jha (56 years), joined as Director (Personnel) in SECL on 30.09.2014. Dr. Jha holds a Degree of M.A. in Labour & Social Welfare (Topper), LLB and Ph.D. The Organizations in which he has contributed so far include Bihar State Sugar Corporation, Hindustan Zinc Limited (Schedule-A CPSU), Vedanta/Sterlite Group of Companies, NMDC (a Navaratna Company) in the States of Bihar, Jharkhand, Orissa, Maharashtra and Chhattisgarh, in different capacities starting from Labour Welfare Officer, Personnel Officer to General Manager. He joined Coal India on 21.06.2011 at Western Coalfields Limited (Headquarter), Nagpur as General Manager (Personnel) and further worked as General Manager (Personnel/Admn.) at Mahanadi Coalfields Limited, Sambalpur, from December, 2011 where he headed the departments like Manpower, Recruitment, Executive Establishment, Skill Development, General Administration, etc. He has also worked as CPIO/Grievance Officer of the Company.

He is a versatile human resource executive with hands-on-experience in diverse industries in all facets of personnel functions. Everywhere he has proved to be a strategic professional who displays participative management style in fast-paced diverse work force. He has been instrumental in Manpower Rationalization, Skill Development initiatives and other challenging assignments of HR Department. He has also attended Advanced Management Programme for General Managers of CIL at Indian Institute of Management, Kolkata; Frankfurt School of Finance & Management, Germany and Stockholm School of Economics, Sweden.

Dr. Jha is also a member on the Board of two subsidiaries of SECL, viz. Chhattisgarh East Railway Ltd. (CERL) and Chhattisgarh East-West Railway Ltd. (CEWRL). He is also Board of Trustee (BOT) member of Coal Mines Provident Fund Organization (CMPFO).

Dr. Jha received the award for 50 Most Influential HR Professionals in Asia from Asia Pacific HRM Congress in September, 2015 and the award for 100 Most Influential HR Leaders in India from World HRD Congress in February, 2016.

Shri Kuldip Prasad (w.e.f. 01.06.2016)

Director (Technical) Operations



Shri Kuldip Prasad (58 years), has joined as Director (Technical)/Project & Planning in South Eastern Coalfields Ltd. on 10th February, 2016. He assumed the charge of Director (Technical) Operations on 1st June, 2016 with Additional Charge of Director (Technical)/Project & Planning till 2nd August, 2016. He has graduated in Mining Engineering (B.Tech. Mining) from India's renowned Mining Institute, the Indian School of Mines, Dhanbad now IIT (ISM) in the year 1982 and holds 1st Class Mine Managers Certificate of Competency.

He started his career as a Junior Executive Trainee (Mining) in Central Coalfields Ltd., Ranchi in the year 1982. He worked in different capacities at various Areas/Fields of Subsidiaries of CIL like CCL & SECL. He has the experience of working with all kinds of mechanization in Underground and Opencast mines of SECL. Shri Prasad has rich and varied experience in the field of Mining Industry and has special focus on Underground mechanization. During his tenure, SECL may be able to touch new heights in the fields of Planning, Production & Productivity with utmost priority in Modernisation, Infrastructural Development and Cutting edge technology. Shri Prasad is a great lover of Books, Cricket, Reading and Writing.

Shri Prasad has attended Advance Management Course at China and presented various Papers on different subjects in Mining Industry. Shri Prasad also visited Czech Republic as Business Delegate of Coal India Limited to Discuss & Identify the possibilities of cooperation between CIL and Czech Companies.

Shri Prasad is also a member on the Board of two subsidiaries of SECL, viz. Chhattisgarh East Railway Ltd. (CERL) and Chhattisgarh East-West Railway Ltd. (CEWRL). He is also a Nominee Director of SECL in the Board of Andhra Pradesh Heavy Machinery & Engineering Ltd. (APHMEL), a subsidiary of The Singareni Collieries Co. Ltd.

Shri Prabhat Kumar Sinha (w.e.f. 03.08.2016)*Director (Technical) Project & Planning*

Shri P. K. Sinha (55 years) graduated in Mining Engineering from Raipur Engineering College, Raipur in the year 1982. He completed his Post-Graduate in Mine Planning & Design from ISM, Dhanbad in the year 1988. Shri Sinha has 35 years of experience in Coal India Ltd. and has worked as the Head of production unit in Opencast and Underground mines of different subsidiaries of CIL since 1998. He has also worked in Science and Technology Dept. of CMPDIL (HQ). Shri Sinha has represented Indian Coal Industry in the World Mining Congress at Poland in the year 2008 and at Istanbul (Turkey) during the year 2011. He also visited Sweden, Switzerland & Germany for training in Advanced Management Development Programme during the year 2014.

He is honoured with many Prestigious Awards viz. Excellence In Environment Management as Project head, from MPCCB, Bhopal for the year 2010-11 and Best Mines Manager at HB Ghosh Memorial Award hosted by MGMI at Kolkata for 2 consecutive years (2012 & 2013). He has also presented Technical Papers titled "Dump Slope monitoring at Jayant – the new perspective" at 4th Asian Mining Congress held at Kolkata in 2012 and "Effect of production blast on dump stability in open pit mines" in the "FRAGBLAST-10" held in 2012 at New Delhi. He has professional affiliation with Mining, Geological and Metallurgical Institute (MGMI) and Indian Mine Manager's Association (IMMA).

Independent Directors

Shri Sunil Kumar (w.e.f. 17.11.2015)*Retd. IAS, Vice-Chairman of Chhattisgarh State Planning Commission*

Shri Sunil Kumar (63 Years), joined as Independent Director on the Board of SECL on 17.11.2015 on being appointed by Ministry of Coal, Govt. of India. Shri Kumar was educated at the Universities of Kerala, Cochin and Harvard and holds Bachelor's degree in Physics, Master's degrees in Management and Public Administration. He was a member of the Indian Administrative Service (1979-2014) and superannuated from the service on 28.02.2014. At present he is the Vice Chairman, Chhattisgarh State Planning Commission since June 2014, in the rank and status of a Cabinet Minister in the State Government. Shri Kumar held a variety of civil administrative positions viz. Chief Secretary and Additional Chief Secretary in the State Government of Chhattisgarh; Additional Secretary, Joint Secretary and Deputy Secretary in the Government of India in the Ministry of Human Resource Development (Department of Higher Education) and the Ministry of Food Processing Industries;

Principal Secretary and Secretary in the State Government of Madhya Pradesh and Chhattisgarh, handling a variety of public policies in information technology, information and public relations, panchayats, social welfare, apart from field assignments at the District and Sub-Divisional levels.

Shri Kumar has a wide ranging managerial experience at the Board level while in the IAS as Managing Director, EdCIL India Ltd., a Mini-Ratna PSU under Ministry of Human Resources Development and Managing Director of Modern Foods Ltd. under Ministry of Food Processing Industries in Government of India; Managing Director, Madhya Pradesh Civil Supplies Corporation; Managing Director, Madhya Pradesh Madhyam and Additional Managing Director, Madhya Pradesh State Cooperative Marketing Federation. Prior to joining the IAS, Shri Kumar has managerial experience in line functions as Deputy Zonal Manager, M/s Hyderabad Alwyn Ltd. and in Staff functions as Executive Assistant (Junior Executive cadre) to CMD, Scooters India Ltd. He held Membership in the Boards of IIM-Indore, IIT-Chennai, IIT-Kharagpur, AIIMS-Raipur and IIM-Raipur and has membership of Professional Institutions and clubs; Indian Institute of Public Administration, India International Centre, India Habitat Centre, Delhi Gymkhana Club, Civil Services Officers' Institute, all at Delhi and is a Founder Member of Police Foundation and Institute, New Delhi.

Shri Sunil Kumar visited various countries such as USA, UK, Japan, France, Sweden, Switzerland, Netherlands, Germany, Norway, Sri Lanka, Pakistan, Bangladesh, Nepal, Thailand, Singapore, Malaysia, PR of China, China-Hong Kong, Mauritius, Australia, Hungary, Mexico and Canada.

Prof. B.S. Sahay (w.e.f. 17.11.2015)

Founder Director, IIM (Raipur)



Prof. B.S. Sahay (58 Years), joined as Independent Director on the Board of SECL on 17.11.2015 on being appointed by Ministry of Coal, Govt. of India. Professor Sahay is an educator, researcher, transformational leader and institution builder; who, sets high standards to create world class institutions with global outlook and national focus. He is the Founder Director of Indian Institute of Management (IIM), Raipur. Prior to joining IIM, Raipur, he was the Director of two top level national institutes, the Management Development Institute (MDI), Gurgaon and the Institute of Management Technology (IMT), Ghaziabad, for about six years. Prof. Sahay was also responsible for setting up IMT, Dubai and for providing strategic guidance to IMT, Nagpur.

Prof. Sahay did his B. Tech. from BIT, Sindri; M.Tech. & Ph.D. in Industrial Engineering from Indian Institute of Technology (IIT), Delhi. He has widely travelled world over and went to Germany and Japan under Fellowship Programmes. He has about 33½ years of experience in teaching, research, consultancy, executive education including over 12½ years in industry. He has worked both in India and abroad on various assignments for manufacturing and service industries. His teaching, research and consulting interests include logistics and supply chain management, production and operations management, project management, productivity management, business modelling, higher education & accreditation.

Prof. Sahay has set up two Innovation & Incubation Centres, one at IIM Raipur and another at MDI Gurgaon and mobilized a research grant of over ₹ 8.5 crores. Prof. Sahay is a top-rated researcher with more than 3050 citations, h-index of 26 and i10-index of 39. He has carried out 21 sponsored research projects and 37 consulting assignments and organized 14 major International Conferences. He has published and presented over 200 research papers in international/national journals and conferences. He has authored/edited 22 books in the area of Supply Chain Management, Humanitarian Logistics, World Class Manufacturing, Total Quality Management and Productivity Management. Prof. Sahay serves on the Editorial Board of many international journals.

Prof. Sahay has received numerous awards for his significant research contributions, teaching and academic administration. Prof. Sahay has been honoured by IIT Delhi Alumni Association and has been given "IIT Delhi Alumni Association Award for Outstanding Contribution to National Development" (2011). Prof. Sahay has been felicitated with "Distinguished Alumnus Award" by BIT Sindri (2010). Prof. Sahay received Honorary Fellow of Indian Institute of Materials Management (2014) and Indian Institute of Industrial Engineering (IIIE), CSR Award for Excellence 2015 and Amity Academic Excellence Award (2016). Recently he was awarded Lifetime Achievement Award 2017 by India CSR. He is the recipient of Award of Excellence in Research (2005), Best Teacher Award (2008), Nurturer of Talent Award (2008) and Best Director Award (2009). His book on Productivity Management was given Escorts Book Award (1998) and ISTD National Book Award (2000) and book on Supply Chain Modelling & Solutions (2007) and World Class Manufacturing received ISTD National Book Award (2001) for outstanding contribution to the understanding of management principles and practices. As a token of excellence for his research work, he received three best paper awards (1996, 1999, 2005).

Prof. Sahay is also on the Board of All India Institute of Medical Science, Raipur under Ministry of Health & Family Welfare; BIT Sindri; Chips (Chhattisgarh Infotech & Biotech Promotion Society), Government of Chhattisgarh and Guru Ghashidas Central University, Bilaspur. He has also served on the Board of IIM Raipur, MDI Gurgaon, Indian Institute of Corporate Affairs under Ministry of Corporate Affairs, National Board of Accreditation; All India Management Association, Association of Management Schools, IMT Ghaziabad, and South Asian Quality Systems and Decision Science Institute. He is on the expert committee of Ministry of Human Resource Development, All India Council of Technical Education, National Board of Accreditation, National Task Force of CII on Skill Development, many universities and organisations. He is a member of Decision Science Institute (DSI) USA; Production and Operations Management Society (POMS), USA; INFORMS, USA.

Shri Vinod Jain (w.e.f. 14.03.2017)*Chartered Accountant*

Shri Vinod Jain is a commerce graduate with Honours from Shri Ram College of Commerce in 1976. He passed his CA Final Examination in November 1977 with 13th All India Rank and became a Fellow Member of The Institute of Chartered Accountants of India (ICAI). Subsequently, Shri Jain qualified in Company Secretary Examination in December 1979 and became a Fellow Member of the Institute of Company Secretaries of India (ICSI). He has also passed his LLB in 1979. One more feather was added in his cap when he qualified in Cost Accountant exam in the year 1983 and became a Fellow Member of the Institute of Cost Accountants of India. He is also a Diploma holder in Information System Audit (DISA) from ICAI. CA Vinod Jain has over 40 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law Education and Strategic Planning and Business Management.

Shri Vinod Jain started his career with Apollo Tyres Limited & BST Limited belonging to Apollo Group of Companies. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants from February 1980 till date. He was Statutory Auditor of different Banks and Insurance Companies. He worked as a Legal Representative and Attorney of various clients before Securities Appellate Tribunal (SAT), Board of Industrial and Financial Reconstruction (BIFR), Appellate Authority under Sick Industrial Companies Act, Company Law Board and Income Tax Appellate Tribunal (ITAT). He is also the Chairman of Inmacs Management Services Limited.

Shri Jain has acted as Secretary, Treasurer as well as Chairman of Northern India Regional Council of ICAI. He was also the Central Council Member of ICAI from 1998 to 2004 and 2007 to 2013, and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of ICAI from 2010 to 2011 being in-charge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He served as Chairman of Financial Market and Investors Protection Committee, Professional Development Committee, Management Accounting Committee & Expert Advisory Committee of ICAI and as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc.

He was the Founder, National Director and Dean of One Year Certificate Course in Finance (MBF) as well as 3 months Certificate Course on Valuation conducted by ICAI and National Director of Certificate Course on Forex Risk and Treasury Management of ICAI. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and various Committees of Securities and Exchange Board of India (SEBI) viz. Committee on Primary Markets Advisory, Secondary Market Advisory Committee, Mutual Fund Advisory Committee, Take-over Code Committee & Sub Committee on Entry Qualification in the Primary Market. Shri. Jain has been elected member of National Council of CII and a former National President of ANMI (Association of National Stock Exchanges members of India). Presently, Shri Jain is a Member, High Powered Committee, appointed by Finance Ministry to simplify Income Tax Law. Shri Vinod Jain has bagged many Awards and Honours.

Permanent Invitee

Shri J.N. Jha (w.e.f. 04.04.2016)

Chief Operations Manager, South East Central Railway



Shri J.N. Jha joined as a Permanent Invitee on the Board of SECL on 04.04.2016. Shri Jha is the Chief Operations Manager, South East Central Railway (SECR), is an Indian Railway Traffic Service officer of 1981 batch. He is a Gold medallist in B.E. (Mechanical) from Government Engineering College, Raipur. In his continuing illustrious career, he has worked in various capacities. As the Chief Operations Manager of South Central Railway (SCR), he was In-charge of freight and coaching operations. SCR is serving Singareni Coal Field, two Ports i.e. Krishnapatnam and Kakinada and large number of cement plants. Shri Jha was instrumental for Turnaround in freight operation of SCR. Earlier, Shri Jha as Chief Commercial Manager of South Eastern Railway, dealt with Coalfields of BCCL/CCL, Port, Steel Plants and Iron ore mines. While working as Divisional Railway Manager of Asansol Division, he received overall efficiency shield for Asansol Division in the year 2012. He has co-ordinated with Eastern Coal Field Ltd among others and freight loading

of Asansol Division increased from 29.7 MT to 31.9 MT during the period. Shri Jha was Chief Freight Traffic Manager of South East Central Railways, the highest freight loading zone for six years. During this period, the originating freight loading increased from 78.2 MT to 132.3 MT. Shri Jha holds rich experience in dealing with coal sector with companies like SECL and MCL, supplying coal to Major Power Houses and Industry. He has the experience of setting up freight Operations wing of new Zonal Railways (S.E.C.Rly) Headquarters from scratch. Shri Jha was Chief Freight Traffic Manager (Iron & Steel) and CFTM/II of undivided South Eastern Railways and worked as Sr. Divisional Operations Manager/Khurda Road and Bilaspur (highest loading division). Coal loading from Talcher (MCL) had a quantum jump during that period.

In recognition of his outstanding performance, he has been bestowed with the "Railway Minister's Award" and many other shields, which included Railway Board Award in 1991, Operating Efficiency Shield (as Sr. DOM/Khurda Road) in 1992, Operating Efficiency Shield (as Sr. DOM/Bilaspur) in 1996 and Overall Efficiency Shield, Asansol Division in 2012.

Chief Vigilance Officer

Shri A. P. Labhane (w.e.f. 01.06.2016)

IRSEE Officer



Shri A.P. Labhane, an Indian Railway Service of Electrical Engineers (IRSEE) officer, took charge of Chief Vigilance Officer of SECL on 01.06.2016 as additional charge to his existing charge of CVO, Western Coalfields Limited. Before joining WCL, Shri Labhane was posted in Indian Railway Institute of Electrical Engineering (IRIEEN), Nasik, as a Professor. Shri Labhane has graduated from VNIT, Nagpur and has done his M. Tech from IIT, Powai. He has served South Eastern Railway, South Eastern Central Railway and Central Railway in different capacities in the field of Electrical Engineering. His core expertise area is head equipments of Railway traction. He has visited to Malaysia & Singapore for high level management training in the past.

Former Board Members/Officials

Shri Vivek Bharadwaj (upto 08.06.2017)

Joint Secretary, Ministry of Coal



Shri Vivek Bharadwaj (50 years), Joint Secretary, Ministry of Coal, Government of India, joined as Part-Time Official Director on the Board of SECL on 20.04.2015 and relinquished the charge on 08.06.2017. Shri Bharadwaj is an IAS Officer of West Bengal Cadre of 1990 Batch. Shri Bharadwaj is an alumnus of Mayo College and Demonstration School, Ajmer. He has done his graduation in Economics from Shri Ram College of Commerce, Delhi University & MBA in Public Policy from University of Ljubjiana, Slovenia.

Shri Bharadwaj has a wide experience spread across various administrative posts in the State of West Bengal. He has also provided his services to various Ministries and Departments of Government of India including Deputy Secretary/Director, School Education (MHRD, GoI) where he formulated the flagship programme of the Government of India to support ICT in education and as Deputy Secretary/Director, Higher Education (MHRD, GoI), he was instrumental in formulation of the draft policy for regulation of foreign Universities in India.

His valuable services were recognised with various honours and awards like 'The Skoch Award 2010' for providing computer-aided education to Scheduled Caste dominated schools in Bankura and Burdwan and the feat of being last 15 finalist in 'The Stockholm Challenge award'. He has authored various Books/Research Studies/Articles and was covered by the Economic Times in the feature "Top View". Shri Bharadwaj is a frequent Speaker in Conferences on Infrastructure, Information Technology and Education.

Shri Ram Prabesh Thakur (Up to 31.05.2016)

Former Director (Technical) Operations



Shri Ram Prabesh Thakur (61 years) took charge as Director (Technical) Operations, SECL, on 01.12.2013 and relinquished the charge on 31.05.2016 upon superannuation. Shri Thakur is a Graduate Mining Engineer from Indian School of Mines, Dhanbad. He has obtained an MBA Degree in Finance and Marketing from BIT, Mesra and also holds a Post-Graduate Diploma in Computer Applications from XISS, Ranchi. He started his career as a Junior Executive Trainee (Mining) in CCL in the year 1977. He has worked in different capacities in the fields as well as in corporate offices and finally relieved of from CCL as Chief General Manager (Operations-Coordination) in November, 2013. Shri Thakur has about 37 years of experience in the mining industry. His able guidance and leadership has helped SECL to reach new heights in the field of production, productivity and profitability with top most priority on Safety, Infrastructure development and Corporate Social Responsibility.

Shri Thakur was also a member on the Board of the two subsidiaries of SECL viz. Chhattisgarh East Railway Ltd. (CERL) and Chhattisgarh East-West Railway Ltd. (CEWRL). He was also a nominee director of SECL on the Board of Andhra Pradesh Heavy Machinery & Engineering Ltd., a subsidiary of The Singareni Collieries Co. Ltd.



Our Management Team (as on 31.3.2017)

Sr. No.	EIS No.	Name (in alphabetical order)	Date Of Birth	Designation	Discipline
1	90134826	Ajit Singh Gour	18-Oct-59	General Manager	Civil
2	90009861	Ajoy Kumar	2-Nov-57	General Manager	Mining
3	90072851	Arvind Kumar	1-Jan-61	General Manager	Mining
4	90176462	Arvind Kumar Singh	18-Sep-59	General Manager	Mining
5	90052242	Ashok Kumar Gupta	23-May-63	General Manager	M&S
6	90151200	Ashok Kumar Udeniya	25-Apr-59	General Manager	Mining
7	90069857	Asit Kumar Pandey	7-Jun-59	General Manager	Mining
8	90026329	Asoke Kumar Goswami	1-Aug-57	General Manager	Mining
9	90176298	Baban Singh	14-Nov-61	General Manager	Mining
10	90112517	Bal Kishan Chandora	16-Aug-60	General Manager	Mining
11	90159989	Binod Prasad Singh	20-Jan-64	General Manager	Mining
12	90107244	Biswajit Choudhury	14-Nov-61	General Manager	Mining
13	90102955	Buddhi Gangadhar	2-Aug-63	General Manager	System
14	90130295	D. C. Saxena	10-Oct-58	General Manager	E&M
15	90112459	Dendukuri Srinath	20-Aug-63	General Manager	Mining
16	90112475	Devendra Kr. Chandrakar	23-Nov-62	General Manager	Mining
17	90112855	Devi Prasad Tiwari	7-Nov-58	General Manager	Mining
18	90119033	Dr. Umesh S. Sathe	30-Nov-64	Chief of Medical Services	Medical
19	90117862	Dr. (Mrs) Kavita A. Ganjre	9-Feb-63	Chief of Medical Services	Medical
20	90113689	Dr. A Surendra Babu	21-Dec-64	General Manager	Mining
21	90122110	Dr. Madhukar T. Tikas	6-Jul-62	Chief of Medical Services	Medical
22	90117656	Dr. Meenakshi Ranjan Deb	19-Aug-60	Chief of Medical Services	Medical
23	90117664	Dr. Nilima P. Ansingkar	19-Sep-61	Chief of Medical Services	Medical
24	90118167	Dr. Sujata Dilip Sharma	3-Dec-58	Chief of Medical Services	Medical
25	90081092	Epari Rabindra Kumar Patro	21-Jul-59	General Manager	Finance
26	90176264	Ghanshyam Singh	8-Dec-62	General Manager	Mining
27	90175480	Jai Govind Singh	15-Dec-60	General Manager	Mining
28	90125725	Jai Prakash Dwivedi	15-Jan-66	General Manager	Mining
29	90074816	Jayanta Bhattacharya	2-Nov-57	General Manager	System
30	90009606	Jitendra Singh	30-Jul-58	Chief General Manager	Mining
31	90194481	Krishna Battula	20-Jun-62	General Manager	M&S
32	90154287	Krishna Kumar Gupta	2-May-61	General Manager	E&M
33	90130204	Krishna Kumar Shukla	2-Feb-60	General Manager	E&M
34	90084047	Kruttibas Samal	11-May-59	General Manager	Mining
35	90060690	Kul Sekhar Jha	21-Apr-59	General Manager	Excavation

Sr. No.	EIS No.	Name (in alphabetical order)	Date Of Birth	Designation	Discipline
36	90186446	Manoj Kumar Agrawal	29-Jul-63	General Manager	Mining
37	90113036	Om Prakash Katare	5-Aug-58	General Manager	Mining
38	90093873	P. K. Singh	5-Feb-59	General Manager	CIVIL
39	90165697	P. N. Rajan	13-Mar-59	General Manager	E & T
40	90027517	Pradip Kumar Poddar	10-Jan-61	General Manager	Mining
41	90185901	Prakash Chandra	15-Nov-64	General Manager	Mining
42	90087008	Prakash Chandra Das	1-Nov-57	General Manager	Excavation
43	90087933	R. Ravi Rajan	2-May-58	General Manager	Finance
44	90125402	Raghavendra Pratap Singh	7-Dec-63	General Manager	Mining
45	90277567	Raj Kishore Manjhi	2-Apr-58	Chief General Manager	Mining
46	90067083	Rajesh Kumar Amar	15-Jul-65	General Manager	Mining
47	90074790	Rajesh Nath Jha	25-Sep-57	General Manager	System
48	90176470	Rakesh Kumar	15-Mar-61	General Manager	Mining
49	90091612	Rama Sankar Mahapatra	1-Jun-60	General Manager	P&A
50	90083403	Ranjan Prasad Sah	3-May-63	General Manager	Mining
51	90186453	Ravikesh Kumar Raju	28-Jul-64	General Manager	Mining
52	90009622	Ravinder Kumar Nigam	2-Oct-60	General Manager	Mining
53	90172248	S. K. Mishra	14-Feb-58	General Manager	Industrial Engg
54	90083981	S. K. Ranu	29-Mar-60	General Manager	Mining
55	90266867	Sanjeev Kumar	17-Aug-62	General Manager	P&A
56	90084039	Santosh Kumar Pal	15-Sep-63	General Manager	Mining
57	90128125	Satya Narain Kapri	1-Jan-65	General Manager	Mining
58	90113960	Shankar Nagachari	22-Feb-66	General Manager	Mining
59	90132887	Sheo Sharma Dubey	10-Dec-59	General Manager	Excavation
60	90132937	Shrikant Sharma	1-Jul-57	General Manager	Excavation
61	90125584	Subodh Shrivastava	13-Sep-58	General Manager	Mining
62	90110578	Sunil Kumar Gupta	25-Dec-57	General Manager	E&M
63	90025974	Swapn Kumar Neogi	15-Aug-57	General Manager	Mining
64	90193855	Uday Kumar Singh	5-Feb-59	General Manager	Mining
65	90112426	Uday Trymbak Kanzarkar	9-May-63	General Manager	Mining
66	90174335	Umesh Choudhary	9-Feb-60	General Manager	Mining
67	90058652	Vani Bhushan Upadhyay	13-Jul-58	General Manager	P&A
68	90107947	Vijay Kumar Jaitak	4-Dec-57	General Manager	Excavation
69	90172107	Vijay Prakash Singh	22-Oct-59	General Manager	Material Mgmt.
70	90034810	Viveka Nand Choubey	26-Feb-59	General Manager	Excavation
71	90110347	Y. V. Subba Rao	29-Jun-58	General Manager	Finance

Our Presence (Coal Mines)



AREAS

1. Gevra
2. Dipka
3. Kusmunda
4. Korba
5. Raigarh
6. Bisrampur
7. Baikunthpur
8. Bhatgaon
9. Chirimiri
10. Hasdeo
11. Sohagpur
12. Jamuna & Kotma
13. Johilla

Gevra Opencast Coal Mine of SECL





Board's Report

Dear Members,

On behalf of the Board of Directors of your Company, it gives me immense pleasure to present before you the **31st Annual Report** on the business and operations of the Company along with its Audited Financial Statements for the year ended **March 31, 2017**, together with the Auditors' Report and Comments on the Accounts by the Comptroller & Auditor General (CAG) of India.

1.0 HIGHLIGHTS OF PERFORMANCE:

The fiscal 2016-17 has been yet another year of sustained performance, success and growth for your Company, which excelled in its endeavours and scaled new heights. The significant milestones achieved by your Company during the year are:

- Highest ever Coal Production of 140.00 Million Tonnes (MT), registering a growth of 1.50% over the previous year.
- Coal dispatch of 137.66 MT which is almost at same level as previous year.
- Highest ever Gross Sales value of ₹ 29,215.53 Crore.
- Profit Before Tax (PBT) of ₹ 3,186.57 Crore.
- Dividend payout @ 593.12% (i.e. ₹ 5,931.24 per share) amounting to ₹ 2,133.47 Crore.

These achievements reflect your Company's proven commitment towards sustained growth and performance excellence. Consistently driven by well-defined growth strategies, performance of your Company improves every year surpassing its own previous record. You will appreciate the fact that your Company is imparting a major thrust to the growth of the energy sector and delivering consistently excellent performance.

2.0 ORGANIZATION:

The coal reserves of SECL are spread over two states, viz., Chhattisgarh (CG) and Madhya Pradesh (MP) and the Company is currently operating 79 mines with 49 mines situated in the State of Chhattisgarh and 30 mines situated in Madhya Pradesh. These 79 mines comprises of 56 Underground mines and 23 Opencast mines. The Company also operates a Coal Carbonization Plant, namely, Dankuni Coal Complex (DCC) at Dankuni, Hooghly District in the State of West Bengal on lease basis from Coal India Limited.

For effective administrative control & operations, the mines have been grouped into three coalfields, namely, 'Central India Coalfields' (CIC), 'Korba Coalfields' and 'Mand-Raigarh Coalfields' with a total of 13 Operating Areas.

The Area-wise details of Underground and Opencast Mines of SECL as on 31st March, 2017 are as under:

(Figures represent No. of mines)

S.N.	Areas of SECL	Underground		Opencast		Total
		CG	MP	CG	MP	
A. Central India Coalfields (CIC):						
1	Sohagpur		6		2	8
2	Johilla		6		1	7
3	Jamuna & Kotma		5		1	6
4	Hasdeo	2	8		1	11
5	Chirimiri	6		2		8
6	Baikunthpur	5				5
7	Bisrampur	5		3		8
8	Bhatgaon	4		2		6
Sub-total (CIC)		22	25	7	5	59
B. KORBA COALFIELDS:						
9	Korba	8		2		10
10	Kusmunda			1		1
11	Gevra			1		1
12	Dipka			1		1
Sub-total (Korba Coalfields)		8		5		13
C. MAND-RAIGARH COALFIELDS:						
13	Raigarh	1		6		7
Sub-total (Mand-Raigarh Coalfields)		1		6		7
TOTAL (A+B+C)		31	25	18	5	79
GRAND TOTAL		56		23		79

2.1 Capital Structure

During the year under review, there was no change in the Authorized share capital of the Company, which stood at ₹1,300.00 Crore. However, the Paid-up share capital of the Company has come down from ₹ 359.700 Crore to ₹ 298.775 Crore consequent upon Buyback of 6,09,250 Nos. of fully paid-up Equity Shares @ ₹ 19,699.47 per Equity share made by the Company in March 2017 through Tender Offer at a total consideration of ₹ 1,200.19 Crore. The entire Paid-up share capital is held by Coal India Limited and its nominees.

3.0 SUBSIDIARIES:

Two (02) Subsidiary Companies of SECL have been formed by incorporation under the Companies Act, 1956 in the form of Joint Venture Companies, viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East-West Railway Limited (CEWRL) with equity shareholding pattern of the promoter entities in each of the Company envisaged as under:

Name of the Promoter entities	Shareholding Pattern
South Eastern Coalfields Limited (SECL)	64%
IRCON International Limited (IRCON)	26%
Chhattisgarh State Industrial Development Corporation Limited (CSIDCL) representing Govt. of Chhattisgarh	Value of land provided by State Govt. or 10%, whichever is more.

A Report on the performance and financial position of each of the subsidiaries, Associates & Joint Venture Companies, pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014, is attached to this report as **Annexure-I**.



3.1 Chhattisgarh East Railway Limited (CERL)

The Company being a joint venture Company of SECL, IRCON International Limited and Government of Chhattisgarh (represented by CSIDC) was incorporated on 12.03.2013 for developing the rail network and to facilitate coal traffic movement from Kharsia to Dharamjaygarh upto Korba with a spur from Gare-Pelma Block in Northern part of Chhattisgarh to meet the logistic challenges foreseen on account of coal evacuation and to meet the growing coal needs of the country. Ministry of Railways (Government of India) has notified the East Rail Corridor in the State of Chhattisgarh as a 'Special Railway Project' to provide national infrastructure for a public purpose and directed for acquisition of land under the Railways Act, 1989.

3.1.1 Capital Structure

During the year under review, the Authorised Capital of the Company has been enhanced from ₹ 400.00 Crore to ₹ 650.00 Crore. The issued share capital of the Company has subsequently been enhanced from ₹ 139.055 Crore to ₹ 306.000 Crore by way of Rights Issue on 21.04.2016 to SECL, IRCON and CSIDCL in their shareholding proportion. The shares have been fully subscribed and fully paid up. The equity shareholding pattern of the promoters companies are as follows:

Name of the Company	Shareholding Pattern as on 31.03.2017	Shareholding Pattern as on 31.03.2016
South Eastern Coalfields Limited	67.23%	71.1086%
IRCON International Limited	27.31%	28.8879%
CSIDCL (representing Government of Chhattisgarh)	5.46%	0.0035%
Total	100%	100%

3.1.2 Performance Highlights

The fiscal year 2016-17 marked the consolidation of the process of achieving the Financial Closure for East Rail Corridor Project (Phase-I) of CERL upon approval of inflated mileage for the first five years of commercial operation, by the Ministry of Railways. Several banks have shown their keen interest to be a part of the Consortium for Debt Financing. Final sanction has been received from Indian Bank, United Bank of India, Indian Overseas Bank, Oriental Bank of Commerce, Corporation Bank and Canara Bank for a considerable amount of term loan required and the Company is in the process of obtaining the remaining sanction required. The tenders amounting to ₹ 555.39 crores have been awarded till 31st March 2017, mainly for construction of major and minor bridges, preparation of road bed and supply, fabrication erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-74 km and 0-28 km spur. The construction work in various segments is going on. The construction of sub-structure of major bridges is nearing completion and about half of the work of preparation of Road Bed is completed.

The significant milestones achieved by your Company during the year are briefly mentioned below:

1. Ministry of Railways (MoR) vide letter No. 2012/Infra/12/5/Pt.1 dated 03rd May, 2016, accorded the approval of inflated mileage of 60% for first five years of commercial operations subject to periodic review.
2. Addendum and Corrigendum to the Original Concession Agreement between CERL and SECR dated 12.06.2015 has been signed and executed on 21st March, 2017 to reflect the revised scope of work due to the incorporation of need based alterations in the project, revised project cost estimate and revenue sharing with Railways including the inflated mileage and terminal charges.
3. Final Sanction has been obtained from six Banks in which Indian Bank has emerged as the Lead Banker and the balance sanction is also expected in the near future.
4. The Lead Bank has appointed Maven Infra & Contractors Pvt. Ltd., Hyderabad as the Lenders Independent Engineer (LIE). The scope of work of LIE encompasses reviewing the project facilities in accordance with the provisions of Concession Agreement, to review the project documentation, vetting of project cost, to review the status of Land Acquisition and Utility Shifting, Vetting of Routine and Major Maintenance Program, O&M Agreement, Utility Agreement and Project Management. LIE is entrusted with the responsibility to review the Construction and Drawdown Schedule and also to review the Operations Monitoring.

5. Shardul Amarchand Mangaldas & Co. (Advocates & Solicitors), New Delhi has been appointed as Lenders Legal Counsel (LLC) by M/s Indian Bank. The scope of work of LLC encompasses drafting and finalizing the finance and security documents, carry out the legal due diligence of the Project Contracts, review all the material permits, approvals, authorizations and consents required by Borrower for development of the project, preparation of various corporate authorizations required in connection with the execution of the aforementioned financing and security documents, furnish legal opinion on the validity and enforceability of the finance and security documents executed by the parties and certify compliance with pre-disbursement conditions (PDCs).
6. India Insure Management & Insurance Broking Services, Secunderabad, has been appointed Lenders Insurance Advisor (LIA) to assess a risk review of the project, indicate the minimum schedule of Insurance, to review and comment upon the current & proposed insurance package, to review and comment on the insurance related provisions in the Loan Documents/Security Documents, to review and comment on secondary insurances effected by the Borrower and/or other project participants, review local insurance law and its implications for the project, comment on the financial integrity of the selected insurance companies, comment on reinsurance and to issue Risk Review and Insurance Compliance Report.
7. Private Land admeasuring 371.827 Hectares in 0-74 KM (Kharsia-Dharamjaigarh) and 0-28 KM (Gharghora-Donga Mahua Spur Line) has been transferred in the name of SECR and right of way for the same has been obtained.
8. The Government Land in 0-74 KM and Spur 0-28 KM has been transferred in the name of SECR.
9. Stage-II Forest Clearance for 76.099 Hectares (10-74 KM) for diversion of Forest Land has been obtained and the process of tree felling has been completed.
10. The proposal for diversion of 26.52 Ha of forest land for 12 Villages in 0-10 KM and Spur 0-28 KM has been submitted and is under active consideration for approval.
11. Tenders amounting to ₹ 555.39 Crore has already been issued for construction of Major Bridges, Minor Bridges, Road Bed and supply, fabrication, erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-10 KM, 10-74 KM and 0-28 KM spur.
12. Detailed survey and requirement of land for feeder lines is being worked out.

3.2 Chhattisgarh East-West Railway Limited (CEWRL)

The Company being a joint venture Company of SECL, IRCON International Limited and Government of Chhattisgarh (represented by CSIDC) was incorporated on 25.03.2013 for developing the rail network and to facilitate coal traffic movement mainly from enhanced production from Gevra, Dipka and Kusmunda Mines of SECL via alternate route from Gevra Road to Pendra Road in Northern Region of Chhattisgarh to meet the logistic challenges foreseen on account of coal evacuation and to meet the growing coal needs of the country. Ministry of Railways (Government of India) had notified the East-West Rail Corridor in the State of Chhattisgarh as a 'Special Railway Project' to provide national infrastructure for a public purpose and directed for acquisition of land under the Railways Act, 1989.

3.2.1 Capital Structure

During the year under review, the Authorised Capital of the Company has been enhanced from ₹ 5.00 Crore to ₹ 1110.00 Crore. During the year under review, the issued share capital of the Company has been enhanced from ₹ 4.05 Crore to ₹ 504.05 Crore by way of Rights Issue of Equity Shares of the Company on 30.09.2016 to SECL, IRCON and CSIDCL in their shareholding proportion. The shares have been fully subscribed and fully paid up. The equity shareholding pattern of the promoter companies are as follows:

Name of the Company	Shareholding Pattern As on 31.03.2017	Shareholding Pattern As On 31.03.2016
South Eastern Coalfields Limited	64.06%	71.02%
IRCON International Limited	26.02%	28.85%
CSIDC (representing Government of Chhattisgarh)	9.92%	0.13%
Total	100%	100%



3.2.2 Performance Highlights

The East-West Rail Corridor project of the Company is spread in Bilaspur and Korba District of Chhattisgarh. The fiscal year 2016-17 has witnessed the beginning of construction of the East-West Corridor. The tenders amounting to ₹ 197.55 crores have been awarded mainly for construction of road bed and major and minor bridges from 98.86 Km to 134.66 Km and Flyover Line from 128 Km to 135.20 Km.

The significant milestones achieved by your Company during the year are briefly mentioned below:

1. The Revised Detailed Project Report (DPR) of East-West Rail Corridor Project from Gevra Road to Pendra Road via Dipka, Katghora, Sindurgarh, Pasan, approximately 135.30 km in length with connectivity to Kusmunda, Junadih and Dipka Sidings along with a provision to construct and integrate with the East West Rail Corridor for about 35 Kms of Feeder lines to connect Kartali, Ambica, Saraipali and Vijay West Mines of SECL prepared and submitted by IRCON and financially appraised by M/s CARE Kalypto Risk Technologies & Advisory Services Pvt. Ltd., Mumbai has been approved at a total Project Cost of ₹ 4,919.28 Crore.
2. The proposal for approval of inflated mileage has been submitted to Railway Board, New Delhi and approval of DPR has also been sought by SECL from Coal India Limited. The observations on the DPR by Railway Board and CIL is under review by IRCON.
3. The Award of Private land for 53 Villages out of total 54 villages in the Korba District has been obtained, of which private land for 43 villages has been transferred in the name of SECR. 20E notification for remaining 1 village has been published and preparation of award is under process. The Private Land in 16 villages of Bilaspur District has been transferred in the name of SECR.
4. The transfer of Government Land in the Korba District (37 Villages out of 42 Villages) has been approved by the Government of Chhattisgarh. The transfer of Government Land in the Bilaspur District for all 13 Villages has been approved by the Government of Chhattisgarh.
5. The proposal for diversion of forest land is under process and the application for the same is likely to be submitted within a short time after necessary compliance.
6. Detailed survey and requirement of land for feeder lines is being worked out.

4.0 PRODUCTION PERFORMANCE:

4.1 Production of Coking Coal & Non-Coking Coal

Production performance of SECL for the financial year 2016-17 as compared to the target and achievement of the previous year is given below:

(Fig. in Million Tonnes)

Raw Coal Production	2016-17		2015-16	Achievement against Target	Growth over previous year
	Target	Actual	Actual		
Coking Coal	0.14	0.11	0.14	78.57 %	-18.52 %
Non-Coking Coal	149.53	139.89	137.79	93.56 %	1.52 %
Total	149.67	140.00	137.93	93.54 %	1.50 %

Note:

Despite best & consistent efforts, constraints that impeded growth of the Company are as under:

1. *Non-commencement of new projects for which targets were already assigned in this FY, i.e. Saraipali OCP, Rampur Batura OCP, Jagannathpur OCP, Ambika OCP & Bijari OCP on account of delays at various levels.*
2. *Poor demand of high grade coal specially from CIC field during 1st half of this FY.*
3. *Delay in Forestry Clearance (Stage II) in Dhanpuri OC of Sohagpur Area & Jampali OC of Raigarh Area.*

4.2 Production from Underground and Opencast Mines

The production of Coal from Underground Mines and Opencast Mines during the year 2016-17 vis-a-vis 2015-16 is tabulated below:

(Fig. in Million Tonnes)

Raw Coal Production	2016-17		2015-16	Achievement against Target	Growth over previous year
	Target	Actual	Actual		
Underground Mines	17.88	14.55	15.51	88.37 %	-6.18 %
Opencast Mines	131.79	125.45	122.42	95.19 %	2.47 %
Total	149.67	140.00	137.93	93.54 %	1.50 %

4.3 Overburden Removal from Opencast Mines

The Overburden removal from Opencast Mines during the year 2016-17 vis-a-vis 2015-16 is tabulated below:

(Fig. in Million Tonnes)

Raw Coal Production	2016-17		2015-16	Achievement against Target	Growth over previous year
	Target	Actual	Actual		
Overburden Removal	220.00	178.79	175.37	81.27 %	1.95 %

4.4 Mechanized Underground Coal Production

The Mechanized Coal Production from Underground Mines during the year 2016-17 was 14.55 Million Tonnes as compared to last year's (2015-16) 15.51 Million Tonnes.

4.5 Productivity

The productivity in terms of Output per Manshift (OMS) is given hereunder:

Productivity	2016-17	2015-16	Growth over previous year
	Actual (in te)	Actual (in te)	
Underground Mines	1.41	1.40	0.7%
Opencast Mines	26.63	23.45	13.5%
Overall	9.29	8.46	9.8%

4.6 Coal Stock

The Stock of Raw Coal as on 31.03.2017 was 14.34 Million Tonnes as compared to stock of 12.00 Million Tonnes as on 31.03.2016.



5.0 FINANCIAL PERFORMANCE:

5.1 Financial Results

The working results for the year 2016-17 as compared to the previous year (2015-16) are given below:

(₹ in Crore)

PARTICULARS	2016-17	2015-16 (Re-stated)
Gross Sales	29215.53	24900.03
Less: Levies	10729.43	6956.16
Net Sales	18486.10	17943.87
Less : Expenditure - Net of Income	14527.87	12014.10
Gross Margin	3958.23	5929.77
Less : Depreciation & Impairment	690.71	715.96
Gross Profit	3267.52	5213.81
Less: Interest & Financial Charges	80.95	64.97
Profit before Exceptional, Extraordinary items and Tax	3186.57	5148.84
Less : Extraordinary Items		
Prior Period Adjustments		
Profit Before Tax (PBT)	3186.57	5148.84
Less : Provision for Taxation		
(a) Income Tax	1444.82	2049.92
(b) Deferred Tax	-187.08	-158.63
Less : Adjustment of Provision for:		
a) Income Tax of earlier years	-109.74	0.00
Profit After Tax (PAT)	2038.57	3257.55
Other Comprehensive Income (Net of Tax)	40.10	64.74
Profit brought forward from previous year	1170.66	5702.03
Adjustment for Depreciation	0.00	0.00
Distributable Surplus	3249.33	9024.32
Appropriations	2016-17	2015-16 (Re-stated)
General Reserve	103.93	162.40
CSR Reserve		
Interim Dividend	2133.47	6390.32
Final Dividend on Equity share	0.00	0.00
Tax on Dividend	434.32	1300.94
Total	2671.72	7853.66
Balance carried to Balance Sheet	577.61	1170.66

5.2 Factors contributing to Increase/Decrease in Profit

The Company has earned a 'Profit before Tax' (PBT) of ₹ 3186.57 Crore in the year 2016-17. The Factors contributing to Increase/Decrease in Profit for the year 2016-17 vis-a-vis 2015-16 is furnished below:

(₹ in Crore)

S. No.	Particulars	Amount	Amount
1	Profit Before Tax for the Financial Year 2015-16		5,173.46
2	Factors contributing to Decrease in Profit:		
i)	Decrease in e-auction premium, FSA and Other sales due to decrease in despatch & grade mix, Silo charges and DCC sales	510.65	
ii)	Decrease in Dividend/Interest income from Mutual Funds, FDs, CIL	453.72	
iii)	Increase in Salaries and Wages due to increase in NCWA-X provision, Executive Pay revision, Acturial valuation for Gratuity and Leave Encashment and Other Retirement benefits	994.18	
iv)	Decrease in profit due to Stock adjustment	653.27	
v)	Increase in Power & Fuel, Contractual Exp., Provisions, OBR Adjustment, Finance Charges and Others	1567.73	4179.55
3	Factors contributing to Increase in Profit:		
i	Increase in e-auction sales (basic value), Increase in Incentives and Crushing charges	974.00	
ii	Increase in Other Operating Income and Non Operating Income	532.73	
iii	Saving due to reduction in Manpower and Exgratia	341.93	
iv	Increase in profit due to decrease in consumption of material cost, Depreciation and CSR Expenses and Repairs Cost	368.62	2217.28
4	Profit Before Tax for the Financial Year 2016-17		3,186.57

5.3 Dividend

An Interim dividend of 551.42% (₹ 5514.23 per share) on the paid-up Equity Share Capital of ₹ 359,70,00,000 (Rupees Three hundred fifty nine Crore and Seventy lakhs) consisting of 35,97,000 (Thirty five lakh Ninety seven Thousand) Equity Shares of ₹ 1,000.00 (Rupees One Thousand) each fully paid-up, was declared for the Financial Year 2016-17, thus absorbing ₹ 1983,46,85,310.00 as Interim dividend and ₹ 403,78,75,240.00 as dividend tax (including Surcharge & Education Cess) thereon.

Further, Second Interim Dividend of 41.70% (₹ 417.01 per share) on the paid-up Equity Share Capital of ₹ 359,70,00,000 consisting of 35,97,000 Equity Shares of ₹ 1,000.00 each fully paid-up, was declared for the Financial Year 2016-17, thus absorbing ₹ 149,99,84,970.00 as Interim dividend and ₹ 30,53,66,940.00 as dividend tax (including Surcharge & Education Cess) thereon.

Hence, a total dividend of 593.12% (i.e. 5,931.24 per share) amounting in aggregate ₹ 2133,46,70,280.00 as dividend and ₹ 434,32,42,180.00 as dividend tax thereon has been declared and paid during the Financial Year 2016-17.



The details of the dividend paid for the year 2016-17 vis-a-vis 2015-16 is tabulated below:

Particulars	2016-17	2015-16
Rate of Dividend	593.12%	1776.57%
Dividend per Share	₹ 5,931.24	₹ 17,765.68
Total Dividend	₹ 2133.47 Crore	₹ 6390.32 Crore
Dividend Tax	₹ 434.32 Crore	₹ 1300.94 Crore

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

5.4 Capital Expenditure

During the year under report, ₹ 1532.68 Crore was incurred as capital expenditure on the Projects under construction as well as on the existing Mines/Units for augmenting and maintenance of production.

5.5 Unsecured Loan

During the year under review, the balance of the Unsecured loan remained NIL.

5.6 Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

There was no loans, guarantees or investments made by the Company exceeding the limits specified under Section 186 of the Companies Act, 2013 during the year under review and hence, the said provision is not applicable.

5.7 Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

5.8 Sundry Debtors

The position of Sundry Debtors (Gross), Debtor turnover and the Provision for doubtful debts as on 31st March, 2017 vis-a-vis 31st March, 2016 is as under:

Particulars	Unit	31.03.2017	31.03.2016
Sundry Debtors (Gross)	₹ in Crore	4019.12	2984.93
Debtor Turnover	No. of months	1.44	1.46
Provision for Doubtful debts	₹ in Crore	1297.24	334.32
Sundry Debtors (Net)		2721.88	2650.61

5.9 Particulars of Contracts or Arrangements made with Related Parties under Section 188 of the Companies Act, 2013

There was no contract or arrangements made with related parties which would come under the purview of Section 188 of the Companies Act, 2013 during the year under review.

5.10 Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

5.11 Contribution to the Government Exchequer

The Company has contributed to the Government Exchequer a total of ₹ 15,279.91 Crore during the financial year 2016-17. During the year under report, the Company has paid ₹ 11,646.73 Crore to the exchequer both Central and State by way of Royalty, Sales Tax, Excise Duty, Cess, Service Tax, etc., as per details given below:

(₹ in Crore)

S. No.	Mode of Contribution to Exchequer	2016-17	2015-16
A	Royalty:		
	- Chhattisgarh	1836.73	1794.20
	- Madhya Pradesh	365.8	409.00
	Total	2202.53	2203.20
B	State -Sales Tax / VAT /Entry Tax/Commercial Tax:		
	- Chhattisgarh	830.85	640.77
	- Madhya Pradesh	79.41	105.78
	- West Bengal	0	0.06
	Total	910.26	746.61
C	Central Sales Tax:		
	- Chhattisgarh	193.62	198.50
	- Madhya Pradesh	62.04	52.35
	- West Bengal	0	0.00
	Total	255.66	250.85
D	Central Excise Duty:		
	- Chhattisgarh	431.55	760.78
	- Madhya Pradesh	37.68	76.16
	- West Bengal	0.17	0.96
	Total	469.4	837.90
E	Cess/Service Tax/Other Taxes	7808.88	3705.11
	Grand Total	11646.73	7743.67

Further, the Company has also paid ₹ 3633.18 Crore to the Income Tax Department on account of Advance Tax, Self Assessment Tax, Demand, Tax on Buyback of equity shares and Dividend Distribution Tax.

6.0 COAL MARKETING:

6.1 Demand Satisfaction

The demand of coal during the year under report from various sectors was 149.67 Million Tonnes and the Off-take against the demand was 137.66 Million Tonnes, thereby registering a demand satisfaction of 91.98%.The details of the sector-wise demand and off-take are tabulated below:

(Fig. in Million Tonnes)

Sector	Demand	2016-17		2015-16		Growth over previous year
		Off-take	Demand Satisfaction	Off-take		
Power	113.73	108.48	95.38%	105.40	2.92 %	
Fertilizer	1.25	0.82	65.60%	1.02	-19.61 %	
Cement	3.50	2.25	64.29%	2.96	-23.99 %	
Others	31.17	26.10	83.73%	29.35	11.07 %	
Colliery Consumption	0.02	0.01	50.00%	0.01	0.00 %	
Total	149.67	137.66	91.98%	138.74	0.78 %	

Note: AAP Target has been taken as Demand.

6.2 Dispatches by Various Modes of Transport

The dispatches of coal by various modes of transport during the year 2016-17 were 137.66 Million Tonnes as compared to 138.73 Million Tonnes during 2015-16. The details of the mode-wise target and dispatches are tabulated below:

(Fig. in Million Tonnes)

Mode of transport of dispatch	2016-17		% age achievement against target	2015-16 Actual	% age growth over previous year
	Target	Actual			
Rail	55.48	52.93	95.4%	46.69	13.4%
Road	56.01	52.53	93.8%	57.13	-8.1%
Belt	6.63	7.34	110.7%	7.13	2.9%
MGR	27.75	22.73	81.9%	25.07	-9.3%
Consumers' own Wagons	3.78	2.13	56.3%	2.71	-21.4%
Total	149.65	137.66	91.97%	138.73	-0.8%



6.3 Supply and Loading of Wagons

The details regarding supply and loading of wagons during the year 2016-17 are given below:

(Fig. in Rakes/Day)

Supply & Loading of Wagons			
	2016-17	2015-16	Growth (%)
Daily Average Target	40.44	39.00	3.69%
Daily Average Offer	46.54	38.54	20.76%
Daily Average Supply	38.62	34.02	13.52%
Daily Average Loading (Raw Coal)	38.62	34.02	13.52%



6.4 New Coal Distribution Policy (NCDP)

The New Coal Distribution Policy (NCDP) was pronounced and circulated by the Ministry of Coal, Government of India vide O.M. No. 23011/4/2007-CPD dated 18.10.2007. As per the NCDP, previous 'Linkage System' of distribution of coal has been replaced with the system of distribution of Coal through 'Fuel Supply Agreement' (FSA) as executed between Coal Companies and the erstwhile valid linked consumers.

The Cabinet Committee on Economic Affairs at its meeting held on February 3, 2016, decided that the allocation of Coal linkages/Letter of assurances for the non-regulated sectors shall henceforth be done through an auction based mechanism. Subsequently, as per the Policy of Linkage Auction circulated by Ministry of Coal vide OM no. 23011/51/2015-CPD (PT-I) dated 15.02.2016, CIL advised to hold such auctions for all consumers of non-regulated sectors. Accordingly, Auctions for Linkages are being held and FSAs are being executed.

The details of FSAs entered between SECL and consumers are as under:

(Fig. in Nos.)

FSAs entered with consumers	FSAs existed/valid during the year		FSAs Renewed during the year		New FSAs entered during the year	
	Pre NCDP	Post NCDP	Pre NCDP	Post NCDP	Pre NCDP	Post NCDP
Power Sector	20*	39**	0	0	0	0
Non-Power Sector	216#	46#	1	0	0	158

Note:

* 01 Pre-NCDP IPP (Lanco Amarkantak Power Ltd.) has been signed through LOA route and not included in table above. 01 Pre-NCDP TPP (Ramagundam) has been transferred to SCCL as per IMTF recommendation.



- ** 39 Post-NCDP FSAs include 30 FSAs which are effective and exclude 09 FSAs which are yet to be effective. Apart from these, 08 FSAs stands null and void in pursuance of MoC OM dtd. 30.06.2015, upon being expired on completion of Tapering period/ transferred to other subsidiary/ terminated, etc.
- # 115 Nos. Pre-NCDP FSAs and 49 Nos. Post-NCDP FSAs did not remain valid during the year 2016-17 due to various reasons, such as, FSA expired due to completion of tapering period, FSA stands null & void in pursuance of MoC OM dtd. 01.07.2015, FSA terminated due to booking of coal less than 30%, Documents not submitted for renewal of FSA, etc.

6.5 e-Marketing of Coal

In accordance with the NCDP as approved by the Ministry of Coal, Govt. of India, CIL communicated 'e-Auction Scheme 2007' (Spot e-Auction) for sale of coal under the scheme to the extent of around 10% of the planned production. Forward e-Auction for consumers is also in vogue in SECL, wherein coal distribution is aimed at providing access to coal for such consumers who wish to have an assured supply over a long period, say, one year.

SECL has successfully offered 129.37 Lakh Tonnes of coal for sale through e-Auctions. Performance of the Spot e-Auction and Forward e-Auction during the period 2016-17, is as under:

Scheme	Offered Qty (Lakh tes)	Booked Qty (Lakh tes)	Gain over notified price (₹ in Crore)	% Gain over notified price
Spot e-Auction	467.39	194.16	625.57	25.25 %
Forward e-Auction	14.89	2.12	0.64	0.95 %

In addition to the above, 03 (Three) new e-Auction schemes have been introduced by MoC/CIL, details of which are as under:

Scheme	Offered Qty (Lakh tes)	Booked Qty (Lakh tes)	Gain over notified price (₹ in Crore)	% Gain over notified price
Special Forward e-Auction	270.49	123.98	271.83	20.16 %
Exclusive e-Auction	59.37	14.18	17.13	6.98 %
Special Spot e-Auction	59.99	10.05	24.56	13.97 %
Grand Total	872.14	344.49	939.73	21.78 %

6.6 Consumer Satisfaction

The availability of imported coal and other alternative sources of coal and fuel is now a competitive reality. In this changed scenario, coal quality and consumer satisfaction has become all the more relevant than ever before. During the year under report, 137.66 million tonnes of weighed coal was dispatched out of the total dispatches of 137.66 million tonnes. Thus a growth of (-) 0.8% in the dispatch of weighed coal was achieved whereas 100% sized coal was dispatched.

The dispatch to power houses are covered under 3rd party sampling by the Independent 3rd party Sampler i. e. CSIR-CIMFR as per the Standard Operating Procedure (SOP) issued on 26.11.2015 by Ministry of Coal, Government of India and MOU/ Tripartite Agreements signed between Coal Company, CSIR-CIMFR & Power Utilities 100% sampled coal was dispatched to power houses covered under FSA. SECL is still continuing the same fully variable Gross Calorific Value (GCV) based system for grading and pricing of Non-Coking coals which has been adopted w.e.f. January 1, 2012 as per Gazette Notification No. 2440 dated 30.12.2011 of Ministry of coal and bills are raised and realized accordingly. The GCV based system for coal grading is an international practice for trading of coal which has been recommended for adoption by a number of high level committees including the integrated energy policy committee. This system ensures a high degree of consistency in quality of coal supplies and result in high consumer satisfaction. The determination of GCV is being ensured through Bomb Calorimeter in order to have optimum accuracy to gain the consumer confidence in this system. Further, this has also resulted into high degree of consumer satisfaction so far as sampling and analysis is concerned because the Bomb Calorimeter is automatic and results are communicated by BCM directly once the Bomb Calorimeter is charged with sample.

The availability of imported coal and other alternative sources of coal and fuel is now a competitive reality. In this changed scenario, coal quality and consumer satisfaction has become all the more relevant than ever.

7.0 PERFORMANCE OF MAJOR EQUIPMENTS:**7.1 Population and Performance of HEMMs****(A) Performance of HEMM under CMPDIL Norms:**

Availability and Utilization of HEMM (in %) against Central Mine Planning & Design Institute Limited (CMPDIL) norms during the year 2016-17, is shown as under:

Name of HEMM	Population (in Nos.)		Availability (in %)		Utilization (in %)			
	2016-17	2015-16	Norms	2016-17	2015-16	Norms	2016-17	2015-16
Dragline	9	9	85	84	88	73	48	41
Shovel	68	71	80	74	72	58	43	47
Dumper	377	361	67	77	75	50	38	42
Dozer	170	169	70	70	67	45	29	30
Drill	117	107	78	85	85	40	22	25

Percentage availability of Dumper and Drill during the year 2016-17 is higher than the CMPDIL norms. The availability of Dragline, Shovel and Dozer has been 99%, 93% and 100% respectively of the CMPDIL norms. The availability of shovels is less due to ageing of some of the equipment and un-reliability of 10 CuM shovels due to frequent breakdown. Scarcity of imported spares of P&H Shovels and non-availability of indigenous sources of supply have also contributed for less availability of shovels.

The utilization of dragline, shovel & dumper are 66%, 74% & 76% respectively of CMPDIL Norms. There is acute shortage of land for operation of draglines at Jamuna, Rajnagar, Bistrampur & Dhanpuri OCMs which has affected utilization of draglines. Shortage of land has affected utilization of HEMM at Dhanpuri OCM. The utilization of HEMM is also less due to old & depleting OC mines like Rajnagar, Kurasia and Manikpur.





(B) Performance of HEMM under MARC:

The availability and utilization of HEMMs under MARC against guaranteed availability during the year 2016-17 is shown as under:

Name of HEMM	Population (in Nos.)		Guaranteed Availability in MARC (%)	Availability (in %)		Utilization (in %)	
	2016-17	2015-16		2016-17	2015-16	2016-17	2015-16
42.0 M ³ 495 HD Shovel	3	3	85	83	90	47	62
42.0 M ³ 4100C Shovel	2	2	85	87	94	52	64
15.0 M ³ RH120 (HS) Excavator	2	2	85	88	87	54	62
240 Te CAT 793D Dumper	22	22	85	84	87	53	59
850 HP D475A-5 Dozer	7	7	78	80	75	43	48
850 HP CAT D11T Dozer	2	2	78	80	77	28	39

(C) System Capacity Utilization of Opencast Mines:

The System Capacity Utilization of Opencast Mines during the year 2016-17 vis-a-vis 2015-16 is tabulated below:

Capacity Utilization (in %)	2016-17	2015-16
Departmental Capacity Utilization	73.43	76.72
System Capacity Utilization (including Contractual capacity)	91.92	84.60

The System Capacity of Opencast mines (including Contractual Capacity) assessed by the CMPDIL as on 01.04.2016 was 280.56 Million Cubic Mtrs. The System Capacity Utilization of Opencast mines of the year 2016-17 has been 91.92%. The capacity utilization has been affected by less utilization of draglines. During the year 2016-17, capacity utilization of draglines was only 42% due to non-availability of suitable patches for operation of draglines.

7.2 Coal Handling Plants (CHP)

The Company has a total of 28 Nos. of Coal Handling Plants (CHP) which include 14 Major CHPs and 14 Minor CHPs. The capacity and utilization of Major and Minor CHPs during the year 2016-17 vis-a-vis 2015-16 are given below:

CHP	2016-17				2015-16			
	Nos.	Annual capacity (MT)	Coal Handled (MT)	Capacity Utilization (%)	Nos.	Annual capacity (MT)	Coal Handled (MT)	Capacity Utilization (%)
Major CHPs	14	64.39	79.66	123.70	14	64.40	69.59	108.06
Minor CHPs	14	3.21	3.00	93.75	15	3.39	3.34	98.53
Total	28	67.60	82.66	122.28	29	67.79	72.93	107.58



8.0 PLANNING & PROJECT MONITORING:

8.1 Project formulation/Capital projects/Schemes

A. Formulation of PRs during the year :

1. Batura West OC
2. Mahamaya OC
3. Jhiria West OC

B. Approval of Projects/Major Schemes during the year under review by SECL/CIL Board:

1. Revised DPR of East West Rail corridor
2. Saraipali OC RCE
3. Jaganathpur OC RCE

C. Completion of Projects: NIL

D. Projects Dropped/Closed/Frozen during the year : NIL

E. Commissioning of Projects during the year:

Commissioning of Continuous Miner package at Khairaha UG

8.2 Project Monitoring and Status of Implementation

In SECL, 117 major coal projects (79 Underground Projects and 38 Opencast Projects) have been approved for a total ultimate capacity of 260.52 MTY with sanctioned capital of ₹ 36,101.12 Crore (excluding pre-nationalized mines and dropped/shelved projects). Out of the 117 projects, 34 projects (09 UG & 25 OC) are On-going Projects, 59 projects (48 UG & 11 OC) are completed projects as on 31.03.2017, 10 UG Mines are Existing Mines and 14 projects were dropped/shelved till date.





The following table exhibit Investment-wise/Technology-wise implementation status of 103 coal projects comprising of On-going projects, Completed mines and Existing mines as on 31.03.2017:

Category	Total No. of Projects	Capacity (MTY)	Sanctioned Capital (₹ Crs)	Implementation Status of Projects			
				Completed Mine	Existing Mine	On-going Projects	
						On Sch.	Delayed
A. On Investment basis :							
i) ₹ 100 Crore & above	29	226.06	33887.62	02	-	19	08
ii) ₹ 50 Crore & above but less than ₹ 100 Crore	13	11.47	1008.22	09	-	02	02
iii) ₹ 20 Crore & above but less than ₹ 50 Crore	26	13.59	892.69	23	-	02	01
iv) Less than ₹ 20 Crore	35	9.40	312.59	25	10	-	-
TOTAL	103	260.52	36101.12	59	10	23	11
B. On Technology basis :							
i) Opencast	37	236.20	33413.90	12		18	7
ii) Underground	66	24.32	2687.22	47	10	5	4
TOTAL	103	260.52	36101.12	59	10	23	11

8.3 Delayed Projects/ Schemes:

i) Vindhya UG AUG: (0.705 MTY)

Project is delayed due to non-finalization of Continuous Miner (CM) Package. CM working at Pinoura UG project was to be deployed at Vindhya UG Project after exhaustion of reserve at Pinoura UG. However, introduction of another CM package on hiring basis has been approved by Competent Authority and tendering is under process. Due to exhaustion of reserve, CM package of Pinoura UG is expected to be shifted to Vindhya UG August in 2017-18. Project completion could not be ascertained at this stage as production criteria can only be achieved after deployment of CM package.

ii) Mahan OC RPR: (0.36 MTY)

Project is delayed due to delay in land acquisition/ possession and disbursement of compensation as villagers were demanding employment beyond norms. However, the matter has now been resolved and the RCE approved by SECL Board on 30.01.2013. The Project is expected to be completed in 2017-18.

iii) Rani Atari UG: (0.48 MTY)

Project is delayed due to delay in construction of residential colony and EMP Clearance. EMP for 0.48 MTY was obtained in April, 2010 and possession of land for construction of residential colony has been obtained in January 2017. Project is to achieve its rated capacity.

iv) Khairaha UG: (0.585 MTY)

Project is delayed due to delay in land acquisition, getting consent to operate from the State Govt. & deployment of CM package. Land has been acquired and consent to operate has been obtained on 12.10.2011. CM on hiring basis has been commissioned in February 2017. Project is expected to be completed in 2017-18.

v) Mahan-II OC RCE: (1.00 MTY)

Project is delayed due to delay in physical possession of land, construction of coal transportation road and construction of residential colony. RCE has been approved by the SECL Board on 26.05.2014. Enhanced EC under clause 7(ii) of EIA has been obtained on 30.01.2015. Rated production capacity has been achieved, however, land is yet to be finalized for residential colony. The project is expected to be completed in 2017-18.

vi) Manikpur OC Expn: (3.50 MTY)

Project is delayed because of delay in Environmental clearance due to CEPI Moratorium. EC has been obtained on 22.08.2014. Project construction activities like in-pit crushing and transporting by belt conveyor and ROB etc. got delayed due to delay in getting possession of the forest land. NIT for In-pit crushing and conveying is under

preparation at CMPDI. Rated production capacity has been achieved. The project is expected to be completed in 2017-18.

vii) Kartali East OC: (2.50 MTY)

Project is delayed due to delay in land acquisition and forestry clearance. Zero date has not yet commenced. Acquisition of land and forestry clearance is under process.

viii) Bagdeva UG RPR: (0.75 MTY)

EMP approved on 15.7.2009 for 0.76 MTY. RPR envisages enhancement of production by addition of one district and surface right of land for depillaring. Land compensation is under preparation.

ix) Baroud OC Expn RCE (3.0 MTY):

Project is delayed due to delay in possession of land and delay in stage-I FC. Work of disbursement of compensation is under progress. Application for stage-I FC is to be submitted after issuance of Sub divisional committee resolution and CA scheme from State Authority. Rated production capacity has been achieved. The project is expected to be completed in 2017-18.

x) Amlai OC Expn - "Sec-B" (1.5 MTY)

Project is delayed due to delay in acquisition of forest land. EMP approved on 28.06.2011 for Dhanpuri Amlai group of mines (4.75 MTY). MOEF issued stage-I on 01.04.2016 and consent to Operate obtained on 02.08.2016. Compliance of stage-I FC submitted to MOEF on 29.11.2016. MOEF raised 5 point query on 16.03.2017.

xi) Jampali OC RCE (2MTY)

Project is delayed due to delay in stage-II FC. FC stage-II for 251.646 Ha was issued on 20.10.2016. Letter for handover issued by APCCF (LM), Raipur on 25.03.2017. Handing over of forest land is under process. The project is expected to be completed in 2017-18.

8.4 Performance/Achievements

Major parameters representing Performance/Achievements for the year 2016-17 are given below:

Sl. No.	Performance Parameters	Unit	Actual Achievement
1	Land Acquisition		
1.1	Acquisition of land u/s 9(i) of CBA	Ha	1390.607
1.2	Acquisition of land u/s 11(i) of CBA	Ha	1390.607
1.3	Possession of Land (incl. Forest Land)	Ha	1588.657
2	Approval of Projects		
2.1	Saraipali OC RCE	Date	04.09.2016
2.2	Jaganathpur OC RCE	Date	25.07.2016
3	Major capacity Building/Infrastructure development activities of ongoing projects		
3.1	Commissioning of CM Package of 0.585 MTY at Khairaha UG	Month	Feb'17

9.0 EXPLORATION:

During the year under report, the status of exploration is as follows:

- 441366.20 Mtrs drilling was undertaken through CMPDI in SECL/CIL blocks.
- Geological Reports for Tulsi Block E (Haripur Coal Block) & Shivsagar Coal Block of Bistrampur Coalfields, Shahdol Coal Block of Sohagpur Coalfields and Bhalumuda Coal Block of Mand-Raigarh Coalfield were prepared thereby proving 1001.44 Million Tonnes coal reserves.

10.0 RESEARCH & DEVELOPMENT:

The Research & Development (R&D) activities in the Coal sector are undertaken through Science & Technology (S&T) activities administered through an Apex scientific body known as 'Standing Scientific Research Committee (SSRC)'. This high level committee is entrusted with the vital task of planning, programming, budgeting and overseeing the implementation of the S&T programs in Coal Sector. CMPDIL acts as nodal agency and co-ordinates S&T activities in Coal/lignite sectors.

In addition to the above, R&D Board of Coal India Ltd. is also approving certain R&D projects/schemes for the Coal Sector. SECL also has R&D Cell of its own, which is undertaking small R&D projects/ Schemes. A review meeting for coal PSUs in this regard was held on 21.12.2016 at New Delhi.

11.0 EMBRACING MODERNISATION & TECHNOLOGY ABSORPTION IN MINING:

11.1 Surface Miner

Surface Miners have been deployed on hiring basis for coal production at Gevra OC Expansion, Dipka OC Expansion projects, Kusmunda OC Expansion, Chhal OC and Baroud OC. The total coal production from Surface Miners in the year 2016-17 was 91.28 Million Tonnes. Mine wise production from surface miners is enumerated below:

(Fig. in MT)

Sl. No.	Mine	2016-17	2015-16
1	Gevra OC Expn	36.65	36.52
2	Dipka OC Expn	28.44	27.72
3	Kusmunda OC Expn	20.39	17.41
4	Chhal OC	2.88	2.97
5	Baroud OC	2.92	3.14
Total		91.28	87.76



11.2 Continuous Miner

The efforts of the Company to modernize its underground mining operations resulted in successful introduction of Continuous Miner (CM) at several UG mines like Kurja-Sheetaldhara mine, Kapildhara mine, Pinoura UG mine, Churcha UG, Vijay West UG and Haldibari UG, also a Low Capacity Continuous Miner at Rani Atari UG mine. Continuing this modernization effort, one more mine namely Khairaha UG mine has been added to this list by introduction of Continuous Miner in Feb'17. The total coal production from Continuous Miner in the year 2016-17 is 32.417 LTe. registering a growth of 77.3% over 18.282 LTe. of 2015-16. Mine-wise production from Continuous Miner is enumerated below:



(Fig. in Tes)

Sl. No.	Mine	2016-17	2015-16
1	Rani Atari LCCM	1,23,300	1,75,400
2	Pinoura CM	5,70,002	5,00,000
3	Kurja CM	4,71,445	3,06,928
4	Kapildhara CM	4,16,450	3,94,067
5	Vijay west CM	4,35,300	2,51,600
6	Haldibari CM	2,93,180	97,600
7	Churcha UG	8,38,299	1,02,575
8	Khairaha CM	93,770	-
Total		32,41,746	18,28,170

The Company has taken steps for introduction of Continuous Miner at other Underground mines, namely Ketki UG, Gayatri UG, Rehar UG, Shivani UG and Pandavpara UG have also been identified for introduction of Continuous Miner in future.

11.3 Highwall Mining Technology

This method is a remotely operated system to extract coal from thin seams or coal from underlying coal seams in the highwall of an Opencast mine which has reached the final highwall position due to un-economic stripping ratio or due to surface constraints which limits further mining operations. Highwall Technology has been successfully commissioned in April, 2011 at Sharda mine of Sohagpur Area of SECL, for the first time in Coal India Ltd.

During the year 2016-17, 5.20 LTe of coal has been produced from Sharda mine through this technology. Another New project namely Batura highwall is under implementation.



11.4 Man-riding System

In underground specified mines where long or arduous travel is involved, arrangement for transport of men has been introduced. The Man-riding System has been operating in the Company at Churcha, Singhali, Bagdeva, Beheraband, Pinoura, Sheetaladhara-Kurja, Kapildhara, Bangawar, Shivani and Nawapara mines of SECL. Two (02) Nos. of Man-riding Systems have been commissioned during the year under report at Nawapara and Pinoura UG and commissioning of another 04 Man-riding Systems at Rajendra, Jhilimili, Jhiria & Churcha mines is under process.



12.0 SAFETY & RESCUE:

The Company believes that good safety performance is an integral part of efficient & profitable business management and is fully committed to total safety in all aspects of its operations. The Company attaches prime importance to safety of the employees which will not be compromised for any other considerations.



12.1 Safety Measures

During the year under report, the following steps were taken to improve the safety standards in the mines of SECL:

1. Safety Audits of all mines of SECL were completed during the year by inter-subsidiary multi-disciplinary teams.
2. Safe Operating Procedures for each activities prepared in Safety Management Plan (SMP) have been implemented in all working mines. Regular monitoring, review and updating of SMPs were being done.
3. All the provisions of the Mines Act & Rules, Coal Mines Regulations, etc. and the Circulars issued there under in this regard were being complied with to ensure occupational safety of the employees/workers at their workplaces.
4. All the recommendations/suggestions made by the Standing Committee on Safety in coal mines, National Safety Conference, Court of Inquiries, Safety Boards, Tripartite, Bipartite & Pit Safety Committees were implemented.
5. Special attention was given to all possible measures being adopted to ensure safety in mines as well as the persons employed thereat with due consideration to the implementation of recommendations of findings of the enquiries and deliberation of the same in the safety committee meeting & at pit top.
6. Thrust were given on publicity, propaganda & demonstration at pit top in addition to training at training centres & on the jobs on various practical aspects to generate a safe, effective & productive working environment in mines.
7. All the operational hazards and safe operating procedures with due consideration to statutory provisions laid therein were made afresh and were brought into acquaintance all concerned through public address system at the starting of shifts at pit top to avoid any slackness in their compliance with a view to ensure occupational safety at their workplaces with a feeling of responsibility.
8. Awareness programs were organized at each mine to pin-point the cause of accidents with a view to achieve zero accident potentiality. All persons were made aware of Safe Operating Practices for activities performed in mines to avoid inadvertent unsafe act & practice or any supervisory lapses.
9. Workers including contractor's workers were being re-trained at VTC and on job as per need to make them aware with the changing new technologies and method of workings with due consideration to the safety norms.
10. Safety Forums such as, Workmen Inspectors and Pit Safety Committee at Unit level, Safety Committee/Board at Area level, Bipartite and Tripartite Safety Committee at Area and Corporate level have been activated with responsibility to enhance & ensure safety standards for the workers employed in mines.
11. In addition to the Mine & Area Management, rigorous inspections of the mines were being done by Senior Management officials, ISO officials, Union Representatives & Pit Safety Committee to check & review safety status. Frequency of inspection has been increased for timely highlighting and rectification of deficiencies, malpractices & inadvertent mistakes performed, if any.
12. All the accidents / incidents were inquired into by the Unit/Area & ISO officials and based on their findings corrective measures were taken and with the approval of competent authority the disciplinary action was taken against the persons found responsible for the accident. Also based on the findings of enquiry report, ISO circulars were issued for taking immediate corrective measures.
13. All operators of HEMM & other machineries were being trained afresh on safe operating issues. 125 Nos. of departmental dumper operators were also trained through Simulator.
14. Awareness on scientific strata monitoring activities were developed amongst all concerned in addition to traditional practices to closely monitor the strata behavior in underground mines.
15. Thrust was given on reduction of deployment in areas of high risk with regard to danger of roof and side falls through mechanization by introducing Continuous Miner & High Wall Mining to reduce exposure of persons to risk areas.
16. The major areas of risk were assessed for each mine and preventive actions were also provided to educate workers. DO's and DON'Ts with posters publicity and propaganda was adopted. All the accident affected persons were called before the Pit Safety Committee Meeting and the cause of accident as well as the mistake / defect

in the system was analysed to avoid such accidents. All the resources were made available at the worksite with its know-how to avert accidents in future.

17. Before monsoon the high level review was done to assess the status of monsoon preparation with apprehended danger due to UG / surface waters and accordingly action plan was prepared for implementation & monitoring.
18. Fully equipped and well established rescue station / rooms were made available for round the clock emergency services.

12.2 Safety Training

1. To enhance and maintain the safety awareness among workers Safety Fortnights and special safety drives were observed in mines of SECL. Awareness and Safety talks in each shift were practiced on regular basis to develop a safety culture in accordance of "Code of Safe Practices" for various operations.
2. The initial training was imparted to all new entrants and refresher training was given to all employees as per statute. Thrust on training and retraining of Supervisors, Support Personnel, HEMM operators and contractor's workers was maintained as a strategy to reduce accidents due to slackness in awareness in underground & opencast mines as well as at surface of mines.

12.3 Accidents Statistics

The accidents statistics for the year under report are tabulated as under:

Particulars	2016-17	2015-16
Fatal Accidents	9	9
Fatalities	12	9
Serious Accidents	22	35
Serious Injuries	24	37
Fatality rate per MT output	0.086	0.065
Fatality rate per 3 lakh Manshift	0.237	0.167
Serious injury rate per MT output	0.172	0.268
Serious injury rate per 3 lakh Manshift	0.475	0.688

Note: Figs. for the year 2016-17 are subject to reconciliation with DGMS.

12.4 Status of Rescue Services

The Company has teams of active rescue trained personnel (Field Volunteers) as per statute to serve in emergency calls for rescue & recovery operations. Initial trainings for rescue and recovery work were imparted at the MRS, Manendragarh to employees of mines, who voluntarily applied for and found physically fit. During the year 2016-17 initial training was imparted to 26 persons. Regular refresher trainings in rescue & recovery work were imparted to Rescue Trained Persons (RTPs) at the Mines Rescue Station (MRS), Manendragarh of Hasdeo Area and five other RRRTs of different Areas.

The Company is also having in operation, 05 Rescue Rooms (one each at Johilla, Sohagpur, Bisrampur, Baikunthpur & Kusmunda Areas) with Refresher Training facilities (RRRT) to impart refresher training and 05 Rescue Rooms (one each at Chirimiri, Bhatgaon, Jamuna-Kotma, Raigarh & Korba Area).

The Rescue Station / Rescue Rooms are situated within 35 Kms. of every underground mine as per statute to facilitate rescue & recovery work as early as possible in emergency situations.

All the MRS, RRRTs & RRs are well equipped with Rescue Apparatus like Self Contained Breathing Apparatus (SCBA) namely BG-174, BG-4, P-30, Reviving apparatus like Maxaman, and Short Duration Breathing apparatus and maintained per statute. Self Contained Self Rescuers (SCSR) have also been provided for safe escape of persons in case of irrespirable atmosphere caused due to sudden irruption of noxious gases or outburst of fire in mines. CPR mankims are available at MRS for providing initial and practical demonstrations on Cardio-Pulmonary Resuscitation.

The services of the Mines Rescue Station, Manendragarh and other Rescue Units of SECL were utilized not only for mining related activities but also for the rescue activities involving the general public and other Government & Private properties.

Rescue services of SECL also performed other jobs such as Ventilation Pressure Quantity Survey / Mine Gas Survey, Inspection of mines and Training of mine personnel in fire fighting, First Aid, Gas testing, use of Self Contained Self Rescuer & Mine Air Analysis (by Gas Chromatograph at MRS) on regular basis.

Rescue Team of SECL participated in International Rescue Competition held in Canada, in August, 2016 on behalf of CIL.

12.5 Achievements during the year 2016-17

- a) Installation of Slope Stability Radar – 3 Nos. in mega OCPs (one each at Gevra, Dipka & Kusmunda).
- b) Commissioning of Gas chromatograph – 3 Nos. (one each at Manendragarh, Sohagpur and Korba).
- c) Safety Management Plan – framed & executed for all mines of SECL.
- d) Refractive harness - provided to all persons employed in the mine.

13.0 ENVIRONMENTAL MANAGEMENT-CONSERVATION & SUSTAINABILITY:

Clean environment for sustainable development is the prime concern of SECL and it is achieved by every employee's contribution and responsibility towards environmental performance. To achieve this objective, various participative initiatives are being practised and promoted. A three-tier system for environmental monitoring and audit is followed in compliance with the environmental protection statutes, from planning to production and mine closure. SECL takes pride in having excellent track record in implementing the Environmental Management Plans (EMPs). At the time of project planning itself, environmental measures are embedded as an integrated sub-system of Mine Management.



Coal is transported by closed conveyors and loaded into wagons through Silos at its mega mines namely Gevra & Dipka OC Projects. The same has been proposed for Kusmunda OCP. Moreover, massive multi-species plantation for bio-diversity conservation, top soil management, rain water harvesting, introduction of new mining technologies like high wall mining, surface miner, etc. have been undertaken by the Company.

Considering the importance of clean air for all its stakeholders, the Company has undertaken several measures to mitigate the aspect of dust in its mining Areas. More than 114 mobile water sprinklers have been deployed for dust suppression. About 38 KMs of the fixed water sprinklers are functioning in and around the coal handling plants, coal stock yards and transportation roads for dust suppression. In first phase, 04 nos. of Continuous Ambient Air Quality Monitoring Systems (CAAQMS) have been installed in four opencast projects for constant monitoring of ambient air quality. For reducing the dust levels, Sweeping machines have also been procured in 2016-17 for 04 Areas namely Sohagpur, Jamuna & Kotma, Johilla and Hasdeo.

Further, for efficient monitoring of effluent from mines, Online Effluent Monitoring Systems have been installed in the year 2016-17 for 9 Mines/Projects of SECL namely Amara OC, Amgaon OC, Bistrampur OC, Gayatri UG, Rehar UG, Balrampur UG, Kumda UG, Nawapara UG and Dankuni Coal Complex.



13.1 Afforestation/ Plantation

The Company has undertaken road side plantation and grass bedding/Plantations on overburden dump slopes to ensure clean environment and minimize pollution in and around Coal Mines.



In order to minimize pollution and to ensure clean environment, the Company has planted 649675 saplings during the year 2016-17 and more than 2.5 crore no. of saplings have been planted since inception of the Company in 1986.

SECL has entered into MoU with Chhattisgarh Rajya Van Vikas Nigam (CGRVVN) Limited, Raipur and Madhya Pradesh Rajya Van Vikas Nigam (MPRVVN) Limited, Bhopal for afforestation works for five years i.e. from the year 2013-14 to 2017-18.

13.2 Functions/ Seminars for awareness of Environmental Conservation

The Company, through its Environment Department organized functions to celebrate World Environment Week (3rd-7th June, 2016) at SECL Hqrs and other administrative Areas also. The function at Bilaspur was attended by the CMD, Directors, HoDs, Officers and Staffs.

The Officials present administered the oath to ensure, 'the beauty of the planet Earth is not affected by our mining activities especially with regard to air, water and other environmental attributes'.

In pursuance of the oath, Plantations & Environmental awareness programs were held across the Company. The Company constantly sensitizes the decision makers/project officials, exclusively as an aspect of compliance to the statutory provisions relating to the environment.

13.3 Water Conservation

To conserve the scarce resource of water, SECL has undertaken water conservation and Rain water harvesting in its mines and colonies. Company proactively implemented steps to augment the ground water levels by commissioning rain water harvesting schemes. For treatment of mine effluent, SECL has commissioned sedimentation tanks /settling



ponds in all the opencast mines, which act as water recharge basins. To reduce the biological contamination of streams, Five Domestic Effluent Treatment Plants (DETP) are functioning in SECL having a capacity of 7.13 MLD.

13.4 Energy Saving

Energy saved is energy generated. Recommendations given by Energy Audit regarding measures to save energy are being implemented, considering practical needs. Assessment of scope for energy savings has been given due importance by the Company. In line of implementing measures to save energy, installation of timers in street lights in main colonies and office premises have been completed in all the Areas of SECL. The replacement of HPSV/HPMV/ Metal Halide Lamps with LED/CFL Lamps in Street Lights of residential areas of SECL are under process.

14.0 ENVIRONMENTAL & FORESTRY CLEARANCES:

14.1 Environmental Clearance (EC)

Environment Impact Assessment and its management is a priority subject for the Company. The EMPs are comprehensive action plans with requisite inputs of technology, manpower, equipment, capital outlay and organizational structure for implementation of abatement measures. Environmental Clearance from the Union Ministry of Environment, Forests & Climate Change (MoEFCC) has been secured for 112 numbers of Environment Management Plans.

During the year under report, Terms of Reference (ToR), for 06 projects have been granted by the Ministry of Environment, Forests & Climate Change (MoEF&CC), Government of India. Public Hearing for Jagannathpur OCP, Bhatgaon Area has been conducted successfully in the process of obtaining Environmental Clearance from Ministry of Environment, Forests & Climate Change (MoEF&CC), Government of India. Enhanced availability of ECs acts as a bank and helps in achieving the set target in times when some projects under perform due to constraints like geological disturbances, land acquisition, Industrial Relation problems etc.

14.2 Forestry Clearance

During the year 2016-17, following Forestry clearances have been obtained:

1. Forestry clearance (Stage-I) has been accorded by MoEF & CC, New Delhi for diversion of 166.920 Ha. of forest land for Amlai OC vide no. 8-12/2015-FC dtd. 01.04.2016.
2. Forestry clearance (Stage-II) has been accorded by MoEF & CC, New Delhi for diversion of 87.612 Ha. of forest land for Dhanpuri OC vide no. 8-47/2010-FC(pt) dt. 02.08.2016
3. Forestry clearance (Stage-II) has been accorded by MoEF & CC, New Delhi for diversion of 251.646 Ha. of forest land for Jampali OC vide no. 8-08/2013- FC Dtd 20.10.2016
4. Forestry clearance (Stage-II) has been accorded by MoEF & CC, New Delhi for diversion of 18.611 Ha. of forest land for Sharda OC vide no. 6- MPC026/2015-BHO/1197 dtd. 23.12.2016.

15.0 TELECOMMUNICATION:

Telecommunication plays a pivotal role in today's business environment, assisting in globalizing markets, reducing transaction costs, expanding productivity and directly increasing economic well-being. The use of telecommunications is vital in the production and dispatch of coal. SECL endorses the significance of telecommunications in today's scenario and its likely importance in the future by equipping itself with requisite new technologies. Steps undertaken by the Company during the year under report are as under:

1. 75 Nos. New IP Based Telephone Exchanges have been procured and the same are under installation stage at Areas as well as Hqtrs for improvement in inter/intra communication.
2. Video Conferencing system has been installed for effective & reliable real time Video communication between Company Hqtrs & Areas.
3. Establishment of Wide Area Network through MPLS VPN is under implementation for extending seamless connectivity in weighbridges, Regional Stores, Area Offices with main data center at Company Hqtrs.
4. Implemented technology based coal transportation monitoring system using GPS-GPRS based vehicle tracking, IP radio networking for integration of road weighbridges along with RFID based Boom Barrier for access control at entry/exit point of Mine & Siding end & Weighbridge Centering System.

5. 06 Nos. upgraded versions of CDS Exchanges for surface to UG Communication in UG Mines are under procurement stage.
6. Walkie-Talkies Sets: 131 Nos. have been provided in different Areas of SECL to strengthen the wireless communication in mines & 112 Nos. have been provided to CISF personnel for enhancement of Security of men & machine in Mines.

16.0 INFORMATION TECHNOLOGY:

SECL has strived to put its best efforts with regard to adoption, deployment and integration of Information Technology (IT) in the organization, with special reference to its needs in order to establish the vital links across the Company's many locations and varied workforce. The IT infrastructure and services 'Implemented' in SECL and those 'Under Implementation' are mentioned below:

16.1 Implemented

➤ LAN at HQs:

A structured Local Area Network has been established at HQs connecting 500 PCs in the corporate Building, annexe building and HRD campus along with Network security and management features.

➤ Local Area Networks at all Areas / Regional Stores:

LAN has been established at all Areas, Central Stores, Regional Stores and Workshops for extending COALNET application to respective places.

➤ Centralised Data Processing:

New Main Data Centre (MDC) at HQs and Near Data Centre (NDC) at Korba has been installed and is working. Both the Centers are in synchronized mode. The present hardware across the organization shall be replaced in a phased manner with centralized data processing to be done at Main Data Centre (MDC) at HQs and Near Data Centre (NDC) at Korba. These Data Centres are equipped with HP servers and latest Oracle database and web logic for migrating present legacy system working in COBOL at Areas to Oracle based COALNET ERP software.

➤ Digital Database of Executives of SECL:

As part of creating Digital database, the PIS details, email-id, mobile number of all executives of SECL have been consolidated into a single database. All executives of SECL are being provided e-mail IDs with Coalindia. in on NIC domain.

16.2 To be Implemented

➤ COALNET at Areas along with LAN at HQ:

Presently, major modules of COALNET have been implemented at HQ and Material Management System at Central Stores Korba. It is being planned to extend it to all areas and stores, ensuring data connectivity.

Now, with the installation of LAN at HQs, Hardware & Oracle database at MDC & NDC, COALNET shall be implemented at all Areas and Regional Stores in phases.

With the implementation of LAN, it is being ensured that all concerned users are able to share information on network and use e-services like internet, e-mail through LAN. The COALNET application is being extended to many departments and new value added services like file tracking, bill tracking, and employee intranet services shall also be started.

➤ Establishing New Main Data Centre (MDC) and Near Data Centre (NDC) at Korba:

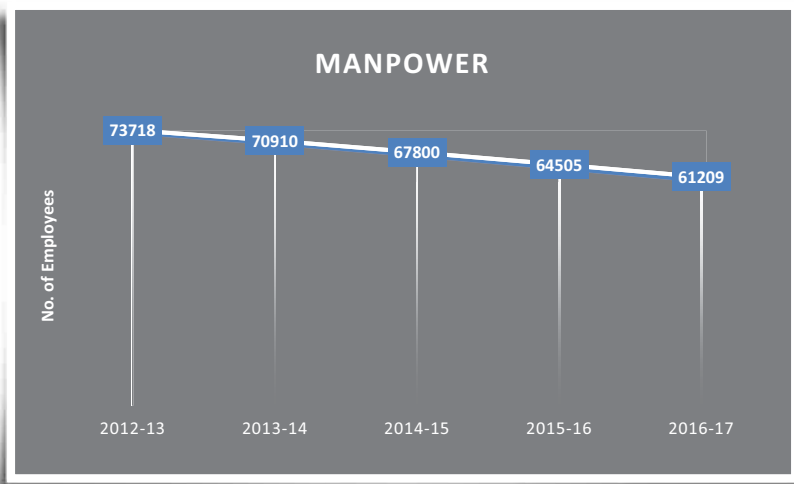
The present hardware across the organization shall be replaced with centralized data processing now in phases as Main Data Centre (MDC) at Hqs and Near Data Centre (NDC) at Korba has started functioning. The new Hardware and the Oracle Database has been installed at MDC & NDC, in the process SECL has taken its first big leap towards centralized processing through its own private network with the help of LAN and WAN operated through existing BSNL MPLS-VPN connecting all its Area offices, Workshops and Stores.

➤ **Mobile Apps:**

As part of technology empowered citizen services, Mobile Apps shall be developed in house. However apps like 'e-Salary' for SECL employees has already been developed and is available in Play Store. The development of more Apps as per requirement shall be expedited once the audit of application is completed. The same shall be ported on NIC cloud, for which working storage has already been purchased/rented from NIC.

17.0 MANPOWER/HUMAN RESOURCE (HR):

Your Company takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company to its present elevated position. The Company has always believed that human resource is its most important asset and continues to work for its development and realization of its potential. To achieve growth and to foster motivational climate, several initiatives were undertaken in the HR Area during the year. The thrust on optimal utilization of manpower with focus on improvement in productivity continued. The Manpower of SECL as on 31st March, 2017 is 61,209. Category-wise status is indicated below:



The Manpower of SECL as on 31st March, 2017 is 61,209. Category-wise status is indicated below:

Sl. No.	Category	Manpower (in Nos.) as on	
		31.03.2017	31.03.2016
i.	Executives	3243	3323
ii.	Supervisory Staff	7610	7744
iii.	Highly skilled & skilled	30344	31948
iv.	Semi-skilled & unskilled	16985	17689
v.	Clerical Staff	1942	1972
vi.	Piece Rated	390	1366
vii.	Trainee	695	463
	Total	61209	64505

17.1 Employment of SC/ ST/ OBC

The policies and directives of the Central Government on recruitment and promotional schemes of Scheduled Castes/ Scheduled Tribes and Other Backward Classes (OBC) are being strictly implemented by the Company. The manpower strength of SC/ST/OBC as on 31st March, 2017 vis-a-vis 31st March, 2016 is tabulated below:

Category	Manpower Strength (In Nos.)		% age to Total Manpower	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
SC	10044	11850	16.41%	18.37%
ST	12184	13279	19.91%	20.59%
OBC	13587	13985	22.20%	21.68%
OTHERS	25394	25391	41.48%	39.36%
TOTAL	61209	64505	100.00%	100.00%

17.2 Employment of Female

Employment of Female (in Nos.) as on 31.03.2017 is detailed as under:

Executive	Monthly Rated	Daily Rated	Piece Rated	Company Trainee	Total
146	964	1981	12	55	3158

17.3 Employment of Project Affected Persons, Compassionate employment & fresh Recruitment

Status of sanction of employment of Project Affected Persons, Compassionate employment, Fresh recruitment & against Special Female VRS Scheme during the year 2016-17 is as under:

Particulars	Nos.
Project Affected Persons	360
Compassionate Employment (Against Death / Medically unfit)	618
Fresh Recruitment (Dy. Surveyor)	58
Employment under Special Female Voluntary Retirement Scheme, 2014	15
Total	1051

17.4 Compensation

Particulars	Nos.
Monetary Compensation in lieu of Employment (Compassionate ground)	19
Live Roster	26

18.0 HUMAN RESOURCE DEVELOPMENT:

Your Company has a policy of continuously investing in training and development of its employees. The Company facilitates the development of all-round competence of its employees by providing practical and theoretical knowledge, skills and behaviour and values to improve the overall performance of the Company. The Company has four primary Training Institutes where various programmes are organized.

- 1) Management Development Institute (MDI) : Bilaspur
- 2) Central Excavation Training Institute (CETI) : Gevra
- 3) Basic Engineering Training Institute (BETI) : Korba
- 4) Regional Training Institute (RTI) : Bistrampur

Apart from the above, 17 Vocational Training Centres (VTC) are situated in the Areas where Statutory Training as per VT Rules are imparted, besides conducting other need based special training programmes.

18.1 Training Programmes for the Executives

Initiatives were taken to organise and provide opportunities to different categories of Executives in various training programmes at Area Training Centres / MDI / IICM besides Outside training programmes. The total no. of executives who were provided training are as under:

Sl. No.	Category	Total No. of Executives Trained
1	General	1005
2	OBC	229
3	SC	225
4	ST	94
5	Category Not mentioned	153
	TOTAL	1706



Special emphasis on safety related training programmes

Keeping safety on top priority, Senior Executives of Mining discipline were imparted Safety Training at MDI, Bilaspur and other Institutions outside the Company as well, the details of which are furnished below:

SI. No.	Name of Training Programme	Duration	Organized by	No. of Executives Trained
1	Strata Control	5-days	NIRM, Bangalore	32
2	Best Blasting Practices for Improved Productivity and Safety	10-days	IIT (ISM) Dhanbad	20
3	Mine Managers Orientation Training Programme for Newly Appointed Mine Managers	2-days	MDI, Bilaspur	35

Emphasis has also been given to train Supervisory Staff on Safety Related Training. A special training programme for Electrical Supervisors has been organised at MDI, Bilaspur with the help of Shri S.P. Singh, Former Director (Technical) wherein total 42 Electrical Supervisors were trained.

The Company has taken adequate steps to bring improvement in skill and knowledge of Executives for which quality training programmes have been organized at MDI, Bilaspur with the help of National Productivity Council, Hyderabad, as detailed below:

SI. No.	Name of Programme (Duration)	Duration of Programmes	No. of Executives benefitted
1	Developing Critical mass of Leaders through a system of career planning & development	5-days	25
2	Analytical Ability Ability & Strategic Orientation/Result Orientation	3-days	36
3	Team Leadership Development & Interpersonal Effectiveness	6-days	39
4	Managerial Skill Development	5-days	37
5	Competency Mapping & Communication & Presentation Skills	6-days	33
6	Leadership Development	5-days	36
7	Enhance Productivity through Grid	5-days	24
8	Emotional Intelligence & Mentoring	5-days	32
9	Leading & Managing Organisational Change	5-days	26
10	Creative Thinking, Systematic Problem Solving and Decision Making	5-days	48
TOTAL			336

Soft skills and other training programmes conducted at MDI, Bilaspur with local/outside faculty members are as under:

SI. No.	Name of Programme	No. of Prog.	Duration of Prog.	No. of Executives got benefitted
1	Training on "Soft Skills"	03	2-days	88
2	Self Development through Soft Skills	01	5-days	34
3	Equipment Management/Env't. Management, Emotions, Health Knowledge & Safety	01	3-days	25
4	Awareness of Simple & Common Health Tips and its Implementation in day to day life	01	1-day	28
5	Planning for Retirement	01	5-days	21
6	Disciplinary Proceedings & Departmental Enquiry	03	1-day	170
TOTAL				366

Other Workshops conducted at MDI, Bilaspur during 2016–17:

Sl. No.	Name of Workshop	No. of Prog.	Duration of Prog.	No. of Executives benefitted
1	Workshop on RTI Online	01	2-days	18
2	Workshop on Land & Revenue	01	1-day	55
3	Workshop on Slope Stability Analysis Prevention and Monitoring in Opencast Projects.	01	2-days	40
4	Workshop on Ethics & Values	01	2-days	50
TOTAL				163

18.2 Career development Programmes

To keep pace with the present scenario, several Career Development Programmes have been organised at MDI, Bilaspur with a view to develop necessary competency among potential employees for required categories in higher/supervisory levels. Coaching Class for 1st and 2nd Class Mine Managers Certificate of Competency was conducted with the help of DGMS officials and other distinguished faculties in this field wherein total 185 employees got benefitted.

18.3 Skill Development Programmes

National Skill Development Corporation (NSDC), New Delhi has certified 08 VTCs of the Company (CETI Gevra; BETI Korba; VTC Rajnagar, Hasdeo Area; VTC Chirimiri Area; VTC Jamuna & Kotma Area; VTC Johilla Area; RTI Bishrampur Area and VTC Sohagpur Area) as Centre of Excellence. During the year under report, programmes for Skills Training in Mining Sector has been organised at these Centres under Pradhan Mantri Kaushal Vikas Yojana (PMKVY), the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE) with the objective to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills are also assessed and certified under Recognition of Prior Learning (RPL). A total of 6943 employees were trained under this scheme.

Details of various Skill Development Programmes conducted during the year under report, are indicated below (No. of beneficiaries shown in bracket):

- 1) Skill /Knowledge Upgrade on Strata Management (56 Nos.)
- 2) Computer Awareness (247 Nos.)
- 3) Auto Plotter (33 Nos.)
- 4) Unicode-Hindi (55 Nos.)

Further, 2-days program on Recognition of Prior Learning (RPL) was also conducted in all the 13 Areas in the Company with a total of 6564 beneficiaries.

18.4 Supervisory Development Programmes

Training Programmes on Supervisory Development were conducted in all Areas, with a view to improve knowledge and skill of Supervisors (Mining, Electrical and Mechanical). During the training programme, they were made aware about the legal status and obligations of supervisor in a mine, role of supervisors, role of specialists like surveyors and role of others for better working. The programmes were conducted by IMME Kolkata at MDI, Bilaspur and at Area Level.

Sl. No.	Supervisory Development Programmes	No. of employees benefitted
1	Supervisory Development	363
2	Training for Pit Safety Committee Members	281
3	Workmen's Inspector (Mining)	43
4	Workmen's Inspector (Electrical)	29
5	Workmen's Inspector (Mechanical)	32



18.5 Special Training Programme

Special training programme for up-gradation of Knowledge & Skill, and Technical Update for Workers have also been organized by HRD Department, keeping in view their better future and to meet the shortage of employees in different disciplines in the Company. This concept of providing training to the potential employees has been started for the first time in the Company during the year under report, wherein following trainings were imparted:

SI. No.	Name of Training Programme	No. of employees benefitted
1	Data Entry Operator (Trainee)	117
2	Ward Boy/Aaya	34
3	Cook/Cook helper	13
4	E.C.G. Technician	18
5	Hospital Dresser	14
6	Security Guard	61
7	General Duty Assistant	54
TOTAL		311

18.6 Knowledge and Skill Upgradation of Para Medical Staff

Following Training Programmes were conducted for Paramedical Staff to make them aware about the latest development in their field (No. of Employees benefitted shown in bracket):

- 1) Master Training Programme on HIV/AIDS (81 Nos.)
- 2) Training Programme for Phamacist (18 Nos.)

18.7 Training imparted to Women Employees

Women employees participated and benefitted in various training programmes at MDI, Bilaspur and at Area Level, as under:

SI. No.	Name of Training Programme	Participants
1	Skill Upgradation in Computer (MDI)	33
2	Workshop on Sexual Harassment (MDI)	83
3	Training Programme for Women Security Guards (MDI)	35
4	Mahila Health Awareness Sanwad (MDI)	56
5	Women Development	344

18.8 Training imparted at Institutions outside SECL/CIL:

593 employees were provided training during the year at IICM, Ranchi and 483 employees at Institutions outside SECL/CIL.

18.9 Training imparted to Contractors' workers

6628 Contractors' workers were imparted training by the Company during the year under report.

18.10 Achievements

Training was imparted to total 25,803 employees as against the target of 22,576 employees set for the year 2016-17.

SI. No.	Description	Target	Achievement	% of Achievement
1	Executives	1,163	1,706	146.68
2	Non-Executives	21,413	24,097	112.53
TOTAL		22,576	25,803	114.29

19.0 HUMAN RESOURCE MANAGEMENT (HRM) INITIATIVES:

Human Resource Strategies seek to manage the human capital in order to achieve the organizational goals. It focuses on what the organization intends to do in relation to its Human Resource policies and practices. Hence, the way human resource is deployed, motivated, managed and retained impacts the Business Strategy implementation. Human Resource Strategies play an implementation role and are valuable means of forming operational linkages to fit Human Resource Management with the strategic thrust of the organization.

The HR function intends to focus on uniquely configuring processes and practices and deliver a setup conducive to attainment of organizational goals. The Our HR Strategies and Initiatives in SECL flow from the Company's Organizational Vision and Goal.

Your Company values its human capital the most and thus, has taken several initiatives for all round development and benefit of the employees. Key HRM initiatives of your Company include:

- **AAGMAN:** SECL has launched this project for smooth introduction of new members into the SECL family and facilitation of the joining process for smooth inclusion.
- **MENTORING:** Mentor provides professional guidance, shares practical knowledge, skills and supports the new entrants to assimilate them into the organizational culture and system.
- **K-MINING:** K-Mining (Knowledge-Mining) is a Knowledge Management System to manage scattered knowledge in the Company. It involves integration of islands of information and best practices for sharing across the organization, to cultivate a culture of continuous learning & improvement.
- **QUALITY CIRCLE:** Quality Circle initiative has been successfully implemented across the Company for continuous improvement in the business process through employee involvement. SECL is a life member of "Quality Circle Forum of India" (QCFI). Three teams from SECL won in 'Gold' category at National convention and were nominated for international Quality Circle competition held at Bangkok, Thailand in August 2016, all the 3 teams won in 'Gold' category at International level.
- **MANTHAN:** Manthan is a project, which involves managing expectation through open discussions. It consists of a session wherein young managers get an opportunity to interact directly with Top Management.
- **SHIKHAR:** Shikhar is a formal Employee Reward & Recognition Program of the organization, wherein all key operations of all units/Areas have been benchmarked and award functions are organized at unit, area and corporate level.
- **GEN NXT:** Gen Nxt is an initiative to provide a platform to young executives to have a more involved and transformational role in the growth of the organization. With new ideas and perspectives, the involvement of young minds in decision-making and implementation process in various areas such as Cultural transformation, Digitalization, Branding, Technical and Developmental interventions etc. can effectively contribute to success of the organization and greater value addition.

20.0 WOMEN EMPOWERMENT THROUGH WIPS-SECL:

Forum of Women in Public Sector (WIPS) was created under the aegis of Standing Conference of Public Enterprises (SCOPE) in the year 1990 having a Central Apex Forum in Delhi and four regional Forums in Mumbai (Western Region), Chennai (Southern Region), Kolkata (Eastern Region) and Delhi (Northern Region) respectively. The formation of WIPS represents the first ever initiative made by the single largest organized sector in focusing the issues related to advancement of women.

20.1 WIPS-SECL

SECL is a Corporate Life Member of WIPS. The women workforce of SECL during the year 2016-17 was 3158 constituting 146 Executives and 3012 Non-Executives. WIPS-SECL is committed towards Women empowerment, maintaining health & hygiene, and Skill development in the Company as well as in nearby rural areas. Smt. Kirti Tiwari, Sr. Manager (Civil), SECL has been acting as President, WIPS-APEX and Smt. Anupama Anand Temurnikar, Manager (P) has been working as Coordinator, WIPS-SECL.



20.2 Various Activities by WIPS-SECL:

WIPS is socially active in SECL and engaged in different Training and Development activities during the year, thus benefiting a large number of people in the adjoining areas, besides SECL employees. Programmes were conducted for gainful deployment of Female workers who have been recruited under dependent employment or land oustees to motivate them to work in workshops, security, gota making, cap lamp room and even shovel operation and blasting. Besides these, various Welfare/Social activities have also been undertaken by WIPS-SECL, as detailed below:

- Blood donation by WIPS members.
- Observance of World Environment Day.
- Awareness and motivation drive to participate in World Yoga Day on 21-06-2016.
- Distribution of Woollen clothes and blankets to needy persons of nearby Villages.
- Health Check-up camps and distribution of medicines.
- Awareness and active participation in Swachh Bharat Abhiyan.
- Arrangement of drinking water at public places during summer.

20.3 Awards to WIPS

WIPS SECL has been awarded 2nd Best Enterprise Award in Miniratna and others - PSUs category at 'National Meet of WIPS' in February-2017.

21.0 INDUSTRIAL RELATIONS (IR):

SECL has laid down clear Industrial Relation policy providing for mechanism to discuss the various issues under bilateral forums for which a 'Code of Conduct' has been signed between the management of SECL and the Unions affiliated to 5 Central Trade Unions, i.e. INTUC, BMS, HMS, CITU & AITUC. Under the aforesaid 'Code of Conduct' the following bipartite forums are functioning in SECL:

1. Steering Committee at Company level.
2. Welfare Board at Company Level.
3. Safety Committee at Company Level.
4. Joint Consultative Committee at Area Level & Sub-Area Level.
5. Welfare Committee at Area level & Sub-Area Level.
6. Safety Committee at Area level & Sub-Area Level.

In addition to above, structured I.R Meetings at regular intervals as per pre-drawn and circulated calendar are held with the following operating unions which are affiliated to 5 Central Trade Unions:

Sl. No.	Name of Union	Affiliated to
1	South Eastern Koyla Mazdoor Congress	INTUC
2	Akhil Bhartiya Koyla Mazdoor Sangh	BMS
3	Koyla Mazdoor Sabha	HMS
4	Koyla Shramik Sabha	CITU
5	Samyukt Koyla Mazdoor Sangh	AITUC

The periodicity of the above said structured meetings with the unions under IR system is as under:

Unit	Periodicity of Meeting
Sub-Area Level	Monthly
Area Level	Bi-monthly
Company Level	Quarterly

The operating unions submit their agenda at Sub-Area Level which is discussed in the monthly Sub-Area Level meetings and unresolved issues, if any, arising out of such meetings are referred to Area HQ where such unresolved issues received from various Sub-Areas are discussed in Bi-monthly meetings. Unresolved issues, if any, arising out of Bi-monthly IR meetings at Areas are referred to SECL Hqtrs. where such unresolved issues received from all the Areas are discussed in Company level Quarterly IR Meetings with each of the above said unions separately.

Grievances/demands raised by the respective Unions are discussed in IR meetings under the IR system to maintain industrial peace and harmony. There is an established system in vogue whereby daily feedback of industrial relations and Law and Order situation is obtained from the Areas and communicated to CIL.

With the introduction of above measures, harmonious Industrial Relations are being maintained resulting in cost reduction, increase in production, productivity, improvement in quality of work, safety, industrial peace and overall improvement in the quality of life.

Steering Committee is established with nominated representatives of Five operating Trade Unions and CMOAI and all the Functional Directors & HODs of Safety, P&A, Medical, Civil/Welfare, IR & Finance Departments on behalf of Management. It is the highest Bipartite Forum and is headed by the Chairman-cum-Managing Director of the Company. It meets once in every quarter for discussing various issues related to production, productivity, safety and welfare.

With the above mentioned efforts/activities, SECL has been successfully achieving the feat of highest ever coal production year on year.

The information pertaining to Strike, Mandays loss, Production loss are as under:

Particulars	2016-17
No. of Strikes (No. of event)	01*
Law & Order disturbances (No. of event)	NIL
Mandays Lost (in Lakh)	0.138
Coal Production loss (Lakh tonne)	Negligible
<i>*A nationwide strike on 02.09.2016 was called by affiliates of 4 Central Trade Unions i.e. INTUC, HMS, AITUC & CITU over the Ministry level/ CIL level issues, viz. de-nationalization of coal industry, delay in constitution of JBCCI for NCWA-X for employees of coal industry, etc. The overall Industrial Relations scenario for the year 2016-17 was normal and harmonious in the Company.</i>	

CIL's Contract Labour Information Portal (CLIP)

CIL's Contract Labour Information Portal (CLIP) has been launched on 04.05.2016 at New Delhi by Hon'ble Minister of State (I/c), Ministry of Coal & MNRE and the same has been adopted in all the 13 Areas, 2 Central Workshops, DCC and SECL HQ. All the contractors of SECL have registered in the Portal and also submitted details of the workers deployed by them. All the contractors have started uploading wages payment, PF details, etc. of the contractor workers on regular basis in the Portal w.e.f. November 2016. The above information is also available in Public Information section of the Portal.

22.0 WELFARE ACTIVITIES:

The status of welfare amenities, facilities and schemes provided by the Company such as schools, dispensaries, hospitals, workers institutes, clubs, including sanitation, water supply, Scholarships, Financial assistance, etc. is as under:

22.1 Amenities provided

Apart from the statutory welfare facilities, the Company provides housing, medical and other facilities for its employees and schooling facilities for the employees' children at all the Areas and Coalfields. The relevant information is indicated below:

1) Housing:

a) Number of houses available as on 31.03.2017	69,330
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2) **Water Supply:**

a) Population covered as on 31.03.2017	3,46,650
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3) **Education:**

a) Schools (Only Project Schools where deficit grant is given)	17
b) School Bus	159

4) **Sports & Recreational:**

a) Playground	55
b) Officer's Club	37
c) Worker's Club	41
d) Community Centre	28
e) Stadium	21
f) Gymnasium	26
g) Children's Park	42

5) **Other Amenities:**

a) Canteens (including 28 AC Canteen)	88
b) Co-operative Credit Societies	04
c) Co-operative Stores	11

22.2 **Scholarships & Financial Assistance to Employees' wards**

Scholarship under Coal India Scholarship Scheme-2001 is given to the meritorious wards of employees from Class 5th onwards. Financial Assistance is being given to the employees' wards pursuing professional education in Govt. Engineering College and Govt. Medical College to the extent of actual Tuition Fee and Hostel Charges. Cash reward is also given to the employees' wards securing 90% and above in Class 10th and 12th.

Sl. No.	Particulars	No. of Beneficiaries	Amount (₹ in Lakh)
1	Coal India Scholarship	1862	36.29
2	Financial Assistance:		
2.1	Engineering Students	249	97.75
2.2	Medical (MBBS) Students	51	19.70
3	Cash Reward:		
3.1	Class 10 th	174	8.70
3.2	Class 12 th	71	4.97
	TOTAL	2407	167.41

22.3 **Health and Family Welfare**

The medical services in SECL are provided through a 3-tier system of Dispensary, Regional Hospital & Central Hospitals, which are located in different Areas. All Hospitals are equipped with Operation Theatre, Labour Room, Laboratories, ECG, X-ray Machines, etc. 'Rainbaseras' for Stay facility of patients and attendants are available at Burhar Central Hospital, Sohagpur and Indira Vihar Health Centre, Bilaspur. Bio-medical Waste Disposal is carried out

as per recommendations of the State Pollution Control Board. A brief information on health related facilities in SECL are as under:

SI. No.	Health Facility	Nos.
a)	Hospitals	11
b)	Dispensaries	56
c)	Hospital beds	845
d)	Ambulances (Departmental 66 & Hiring 63)	129
SI. No.	Medical Personnel	Nos.
a)	Medical Officer (142) + Specialist (69)	211
b)	Staff Nurse	280
c)	Pharmacist	99
d)	Lab. Technician	56
e)	X-Ray Technician	37

22.4 Facilities at SECL Hospitals

- Most of the SECL hospitals are equipped with X-Ray, Ultrasonography, ECG, TMT, C-Arm and Pathological laboratories.
- Licensed Blood Banks are functioning at Central hospitals of Sohagpur and Gevra Area. Another Blood Bank is under construction at Central Hospital Manendragarh, Hasdeo Area.
- CT Scan and Bronchoscope are available at Burhar Central Hospital, Sohagpur Area.
- Mammography is available at Central Hospital, Manendragarh, Hasdeo Area.
- 03 Dialysis centers have been started, one each at Central Hospital Manendragarh of Hasdeo Area, Burhar Central Hospital of Sohagpur Area and Nehru Centary Hospital of Gevra Area in collaboration with Ramkrishna Care Hospital, Raipur and Balaji Hospital, Raipur.
- Joint replacement surgeries are performed at Burhar Central Hospital of Sohagpur Area and Laparoscopic surgeries are performed at Nehru Centary Hospital of Gevra Area.
- Visiting Consultants like Orthopaedician and Cardiologists from tertiary care hospitals are providing their services monthly or bi-monthly basis in Central Hospitals and at Bilaspur.
- Video Endoscope, Laparoscope, ICU & Ventilator, NICU are being provided at Central hospitals of the Company under Vision-2020.
- Critical Care Ambulance (ALS-Advanced Life Support) equipped with Ventilator is being provided at three Central Hospitals namely Burhar Central Hospital of Sohagpur Area, Central Hospital Menendragarh of Hasdeo Area and Nehru Centary Hospital of Gevra Area.
- Three Central hospitals of SECL, i.e. NCH-Gevra, BCH-Sohagpur, CHM-Hasdeo and One dispensary i.e. IVHC-Bilaspur are certified for ISO 9001-2008.

22.5 Preventive Healthcare

- **Wellness Centres:**

To overcome the challenges of new life diseases like obesity, diabetes, hypertension, stress etc., Wellness Centres at various SECL hospitals are being run, wherein health education is given to our employees by our doctors via lectures and slideshows. The participants are informed about the importance of healthy diet, exercise, yoga, etc.



- Awareness Programme:**

Various awareness programmes are organized by Areas viz. HIV AIDS programme, Pulse polio programme, Anti Leprosy Day, World Health Day, No Tobacco Day, World Population Day, Breast Feeding Day, Healthy Baby show. Wellness programme for stress management is also conducted.

22.6 Medical Services / Health Camps

In its endeavour to achieve the desired result, the Company organizes village health camps, Health awareness camps, family welfare camps, etc. in and around its Coalfields. The Below Poverty Line (BPL) families are provided free OPD facilities in our hospitals and dispensaries. At CSR dispensaries, 14035 persons availed medical treatment during the year under report. Details of various Health Camps organized during the year 2016-17 are as under:

Name of the Activity/Camp	No. of Camps	No. of Beneficiaries
Village Camp	315	15414
CSR Dispensary	-	14035
Family Welfare	2	49
Immunization	48	621
School Health Camp	10	983
World Diabetic Day	8	825
Multi Specialty camp	48	1678
AIDS Awareness	31	2124
Blood Donation	13	810
Ogan Donation	13	3229
Healthy Baby Show	8	419
Breast Feeding	2	482
BMD Camp	3	285
Orthopedic camp	2	503
Vector Borne Disease	5	449
TOTAL	508	41906

22.7 Performance against Target related to Health Screening

The target assigned for Excellent rating in respect of "Health Screening Test for Respiratory diseases for all employees of CIL and its subsidiaries" has been achieved by conducting Health Screening Test of 21395 Nos. employees i.e. 33.33% of total employees.

22.8 Sports

Your Company is paying special attention to develop Games & Sports amongst the employees and their wards. Besides organizing various Sports / Games activities for the employees, sports events for wards of employees are also organized to identify the children who can excel at State / National level. Inter-Area Sports competitions are also conducted every year for the employees. The employees are sponsored for Inter-Company sports events at State/ National level. Dronacharya Indoor Stadium, first of its kind in Chhattisgarh, is located in Gevra where the wards of the employees, PAPs, etc. are imparted training by Coach, in Lawn Tennis, Badminton, Carrom, Table Tennis etc.

SECL teams have performed excellently in various games at CIL Inter Company tournaments during 2016-17 and emerged Winner in Volleyball, Chess, Lawn Tennis, Table Tennis, Badminton and Runner-up in Weightlifting.

22.9 Social / Cultural Activities

Your Company strives to bring out talent in the employee community in all the possible forms whether it is music, dance, theatre, literary skills, sketching or other fine art styles. In order to showcase these talents, various Cultural events are calendared throughout the year. Various festivals are also organized to sensitize all towards the wide spectrum of beliefs which have harmoniously coexisted in India and spreading the message of peace and brotherhood

which have transpired since ages through these festivals. To enrich the employees and wards with various hobbies such as theatre, dance, instrumental and vocal music, art etc. workshops and competitions are conducted which act as a platform for nurturing budding talent.

23.0 CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company has always appreciated its social responsibility as a part of Corporate Governance philosophy. SECL aims at making CSR a key business process for sustainable development of the society. We supplement the role of the Government in enhancing welfare measures of the society based on the immediate and long-term social and environmental consequences of our activities. Engaging with our community and working towards their development is an integral part of our business.

We are committed to sustainable development and inclusive growth in the surrounding areas of our mining projects. The obvious impact of the introduction of any production activity in such areas changes the traditional lifestyle of the original inhabitants and indigenous communities and also changes the socio-economic profile of the Area. Hence, the primary beneficiaries of CSR are primarily the land oustees, Project Affected Persons (PAPs) and those staying within the radius of 25 Kms of the Project. Poor and needy section of the society living in different parts of states in which the Company is operating are the second beneficiaries. In view of the above, a CSR Policy has been approved by Coal India Limited for all its subsidiaries and the same is implemented in your Company.

This commitment is translated into action through a network of CSR Projects through which we are dedicated to play a pivotal role in the journey from poverty to prosperity of villages of Chhattisgarh and Madhya Pradesh and thus to bridge the rural-urban gap.

An 'Annual Report on CSR Activities' pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as (Annexure-II) to this report.

24.0 IMPLEMENTATION OF OFFICIAL LANGUAGE (RAJBHASHA):

Your Company makes concerted efforts to spread and promote the Official Language (Rajbhasha Hindi). In pursuance of Official Language Policy/Act/Rules/Orders of the Govt. of India, efforts are continuing towards increasing the use of Hindi in Official work. Some of the important steps taken in this regard during the year are as under:

- During the year under report, the Company made special efforts to promote Hindi in official work in Headquarters and Units. In this connection, Hindi Workshops were organized on quarterly basis at Management Development Institute (MDI) HQ Bilaspur. 101 employees availed benefit out of these workshops. The Hindi Workshops were especially focused towards usages of Hindi in day-to-day official correspondence using simple & colloquial words in writing.
- During the year under report, Hindi Unicode Computer training programs were also conducted at MDI to promote & facilitate the employees who were not conversant for usages of Rajbhasha. Under the said training programs, 60 employees were imparted training.
- The 'Rajbhasha Pakhwada' (15th September to 29th September) of the year witnessed enthusiastic participation of employees across by all cadre employees. During Rajbhasha Pakhawada, Hindi noting and drafting competition, Hindi Essay, Hindi elocution, picture based Hindi story writing, Hindi vyakaran gyan, Hindi Typing on computer, Hindi quiz, Hindi letter-writing, Swarachit Hindi Kavita Path, Hindi antakshari, Hindi shrutlekhan, Open Rajbhasha slogan & Open Hindi article competition etc. were organized to develop/promote/accelerate the use of simple official Hindi. A total no. of 13 different competitions were held and 501 employees participated. In most of the competitions, the entries for employees were given in two segments i.e. of Hindi and non-Hindi background. The winners in all the competitions were suitably rewarded. In addition to this, rest of the participants, who did not score for any prizes in any of the competitions were given Hindi Books to mark their participation and also to boost up their morale so as to bring out their maximum official work in Hindi.
- On the occasion of Hindi Pakhawada- 2016, All India Hindi Kavi Sammelan was organized on 24th September, 2016 in SECL headquarter, Bilaspur, for the purpose of promoting & propagating Hindi in the official work, motivating & encouraging all employees to work in Hindi.
- Hindi Implementation Committee meetings, were held quarterly to monitor and review the progress of the Hindi implementation programs at the Area / Headquarters level.



- A book titled "Koyala Ratna" is published by Rajbhasha Dept. at SECL HQ. The book has broadened its popularity by publishing remarkable articles in the form of short stories, write-ups, essays etc. ranging in tastes from literature to health, meditation & many others. Apart from providing a literary arena to all sections of Coal society, this magazine also provides the details of all ongoing Hindi Implementation programs and publishes details of useful policies pertaining to employees in general.

25.0 VIGILANCE:

SECL Vigilance department is functioning in a fair and transparent manner as per the guidelines of CVC. During the year 2016-17, Vigilance Department made all possible efforts to check and prevent corruption at all levels in the Company. The main focus of Vigilance department during the year was to create awareness and sensitize the officials & stakeholders through various programmes to work within the ambit of rules and regulations of the Company. Through Regular and Surprise Inspections, system lapses and other irregularities were brought forward to the notice of higher management and necessary system improvement measures to prevent such irregularities were also suggested.

The main functions of the department are verification of the complaints received either directly or routed through CVC, Ministry, CBI, Coal India etc. and taking systemic improvement measures wherever required to pluck the loopholes and necessary punitive action by registering Regular Departmental Cases against the erring officials. Vigilance department through Periodic / regular and surprise inspections keep a watch on sensitive posts. To create awareness among the officials, Vigilance department is arranging in-house training programmes regularly for the executives working in the Company.

25.1 Preventive Vigilance

a) Organizing Vigilance Awareness Week - 2016

Vigilance Awareness Week 2016 was observed in SECL from 31.10.2016 to 05.11.2016 as per the directives of CVC.

- All the members of SECL Board took integrity pledge during the Board meeting held on 28.10.2016.
- Oath taking ceremony was held at SECL Hqrs., Bilaspur as well as at 13 Areas of SECL & DCC/Kolkata on 31.10.2016.
- Approx. 2500 employees took e-Pledge.
- Around 300 employees raising anti-corruption slogans participated in the rally organized at SECL HQ Bilaspur.
- 27 such Rallies were organized at SECL colonies in coalfield Areas. Nearly 150-180 employees participated at each Area.
- In customers meet, Senior Executives of SECL and around 75 stakeholders participated.
- Essay and Debate competitions were organized separately for the Executives, Non-Executives and Female employees of SECL HQ as well as in 13 command Areas of the Company.
- Essay, debate and drawing competitions were organised at 10 schools and 5 colleges of Bilaspur, besides 223 institutions at 13 command Areas of SECL, wherein around 4200 participants had taken part.
- CEWRL (a joint venture Company of SECL, IRCON & CSIDC) having its office at Raipur organized Essay & Debate competitions at 5 schools and 7 colleges of Raipur, the state capital of Chhattisgarh. This also included reputed institutions like AIIMS, IIM, NIT, GMC, HNLU etc. where more than 500 participants took part in the events.
- An Essay competition was also organised at CSVTU, Bhilai which has as many as 44 Engineering, 40 Polytechnic, 1 Architecture and 11 pharmacy colleges affiliated to it.
- During observance, Vigilance workshop on "Probity in Public Procurement" was organized at MDI, Bilaspur in which all HOD's of SECL HQ participated.
- A Guest-Lecture-cum-Workshop was organized for all Area General Managers and Senior officers of SECL HQ in the CMD's Conference hall, which was addressed by Shri P.K. Pandey, SP, ACB, CBI, Jabalpur.

- On this occasion, different types of posters/banners were prepared. Do's & Don'ts on 2400 nos. Flex banners, Slogans on 5500 posters, 4180 Picture posters and 1330 placard were displayed at various public places.
- Messages and slogans were also spread through SMS to all corporate mobile numbers of SECL throughout the week.
- CMDs message on this occasion was broadcast by All India Radio (AIR) from Raipur, Bilaspur, Raigarh, Ambikapur and Shahdol. The interview of GM (Vigilance), SECL was also broadcast by My FM Chanel Bilaspur, on this occasion.
- The status of above activities were also posted on SECL Website, Facebook and twitter. The link for taking e-pledge by all associated with SECL was shared on SECL webpage.
- Skit by Agraj Natya Dal was also organized.
- On this occasion, a Souvenir named "Spandan-2016" containing various articles written by different employees was brought out and 3700 copies were prepared for distribution among all executives.

b) E-Pledge

As per the directives of CVC apart from Integrity Pledge required to be administered to the employees during observance of Vigilance Awareness Week 2016, it was also stressed upon all either as individual employee, family member, other citizens including students of various schools located in the vicinity of SECL Areas & Stakeholders associated with the business of the organization to take e-pledge online available on CVC website as well as link available on SECL website. Approx 7000 mass e-pledges besides individual e-pledge of employees were registered with the initiatives of Vigilance Department.

c) Ethics & Integrity Club Activities at SECL

- SECL Chapter of CIL Ethics & Integrity Club has been formed at corporate HQ. Bilaspur. The Area level chapters have also been formed. All the chapters have elected their executive committee during the General Body Meeting.
- WhatsApp group and Facebook group have been formed for the members of the club for communicating the articles on Ethics, Integrity and Value Systems.
- A two day workshop was conducted on "Ethics and Integrity in Public Governance" on 7th and 8th March 2017 at MDI, SECL, Bilaspur. Mr. Vinod Jindal, Retd. Director MoUD and National Facilitator for training on Ethics and Integrity was the faculty for the said workshop. Shri C.L. Srivastava, Retd. Director (Technical), SECL was invited for sharing his experience on ethical conduct. The workshop was attended by 50 executives from all Areas and HQ across all disciplines and grades. 3 executives from NTPC, Sipat also attended the programme on our invitation. The participants were intensely benefitted by the interactive session, as gathered by the feedback from them.

d) Publication

A Souvenir titled "SPANDAN" containing articles related to irregularities observed during investigation and systemic improvement measures besides CVC guidelines on disciplinary matters and tender, etc. was released by the dignitaries on the closing ceremony of Vigilance Awareness Week, 2016.

e) Organising Vigilance Training-cum-Awareness Programmes

Vigilance Training Programs are being conducted regularly in Areas and Corporate Head Quarters. Senior executives of various disciplines like Mining, E&M, Finance, Materials Management, Sales etc., are attending such programs. Experienced faculties from CBI, Police, Indian Railways and IICM are being called to address on various corruption related matters. As stress and work-life balancing have a role in corrupt practices, training sessions in overall personality development and attitudinal changes required in the background of vigilance awareness have been felt necessary and clubbed with Vigilance awareness Programme. During 2016, 24 (Twenty four) programmes were organized by engaging professional trainer besides vigilance officials & other experienced speakers having rich experience in contracts.



f) **System Improvements Undertaken**

On the basis of periodic/surprise inspections, many system improvement measures were suggested to the Management for implementation. The following system improvements have been implemented as per vigilance advice.

- i. **Inspection of Safety & Rescue material:** Field trial to be conducted before accepting the material.
- ii. **Authorisation submitted by bidders:** The authorization certificate to be issued by authorized signatory with name, designation and contact number. In case authorization is sent by mail, it should be sent from domain id of the issuing authority.
- iii. **Accountal of copper scrap:** Copper scrap being high value item shall be kept properly accounted at workshops.
- iv. **Record keeping:** Proper record keeping of machineries to be made and the custodian should not be issued LPC without proper ensuring handing over of the custodial charge.
- v. **Functioning of time office and lamp room:** Proper record to be maintained in time office and lamp room to ensure underground attendance.
- vi. **Release and monitoring of Bank Guaranty**

As per CVCs directive for acceptance, confirmation and release of BG, a Structured Financial Management System (SFMS) has been implemented with the help of SBI & ICICI Bank.

25.2 Investigative Vigilance

a) **Preliminary Investigation**

During the year 2016-17, 34 new complaints were taken up for verification along with 13 complaints carried forward from the previous years. Verification of 29 complaints has been completed. After preliminary verification and subsequent investigation, disciplinary action has been initiated wherever necessary.

During the year, 04 fresh vigilance cases were registered and taken up for investigation besides 05 vigilance cases carried forward from the previous years. Investigation of all the 09 cases has been completed.

b) **Departmental Proceedings/Inquiries**

During the year under reference, total 09 Regular Departmental cases (major penalty – 03 cases and minor penalty – 06 cases) were registered in addition to the 23 RDA cases for major penalty and 01 RDA case for Minor Penalty which were carried forward from the previous years. During the year, 24 cases have been finalized in which Major penalties were imposed on 70 officials and Minor penalties on 08 officials.

c) **Routine/Surprise/Major Work Inspection conducted**

During the above period, 13 regular, 42 surprise and 04 Major Work inspections were carried out by the Vigilance Department, SECL. On the basis of these inspections, systemic improvement measures have been suggested besides Regular Departmental Actions registered against erring officials.

d) **CTE Type Inspection**

During 2016-17, 04 CTE Type inspections were carried out and where required, suitable action/systemic improvement measures were suggested to the management.

25.3 Participative Vigilance

- a) **Stakeholders Meet:** In order to enhance the level of transparency in working, Stakeholders Meet were organized at regular intervals to know the problems faced by the stakeholders like customers/contractors/service providers etc. so as to take corrective steps. Accordingly, 06 Stakeholders Meets were organized at different locations. The problems raised by the stakeholders were resolved as far as possible at the venue itself. However, some issues related to Company's policy have been addressed after reference to the management. It reduced the complaint drastically.

- b) State officials like IG/Collector/SP/DFO/Add Collector/Addl. SP of the respective mining operational Districts are invited/associated from time to time to ease out the operational difficulties.

25.4 Leveraging of Technology

Technology plays an utmost important role in combating & curbing the threat of corruption. Use of Information Technology would go a long way in ensuring greater transparency & accountability in public service. It is also the endeavor of the Government to adopt e-governance by way of e-procurement/e-payment systems which not only decreases the human intervention, risk of fraud & corruption but simultaneously it also increases the efficiency & reduces the transaction cost in dealing. The following web-enabled technological initiatives have been emphatically taken-up by the management in the recent past at the behest of Vigilance Department:

- a) Integrated system of GPS/GPRS, RFID & Boom Barriers have been installed in all Areas of SECL. This system works through a network of RFID readers, weighbridges, GPS instruments, CCTV cameras and controlling monitors. To monitor the movements of vehicles, control rooms have been provided at all Area headquarters as well as at Company headquarters, Bilaspur. Close monitoring of movements of vehicles from mine stock to siding and vice-versa is maintained round the clock. Appropriate action is taken as soon as any exception report is generated due to route violation. The existing system also generates system alert through mobile app.
- b) Electronic weighbridge has been installed in the mines for weighment of coal so as to check misappropriation of coal.
- c) E-procurement with reverse bidding, E-payment & E-auction has been implemented in the Company.
- d) Online vigilance complaint system, coal consumer grievance handling system is in vogue.
- e) Online submission and monitoring of APRs.
- f) Aadhar based Biometric system of attendance.
- g) Stock measurement through 3D laser scanner.
- h) For survey purpose conventional theodolite, has been phased out with the inception of ETS (Electronic Total Station).
- i) Online confirmation of Bank Guarantee through Structured Financial Management System(SFMS).
- j) Integrated Fuel Management System is under process of commencement in Mega mines.
- k) CCTV/PTZ cameras are being provided at coal heaps/coal stocks at all Areas.
- l) Customized ERP of Coal India ie. Coal Net has been implemented.
- m) ERP & e-Office under implementation.

25.5 Steps taken to activate the Vigilance Machinery

The vigilance department is headed by Chief Vigilance Officer assisted by General Manager (Vigilance) and other experienced Officers from various specialized disciplines like Mining, Materials Management, Excavation, E&M, E&T, Civil, Survey and Personnel. The activities of Vigilance department are mainly focused on preventive and participative vigilance and on enhancement of vigilance awareness among all stakeholders.

Vigilance department aims to maintain fair & transparent systems, management processes and corruption free governance. Vigilance department is also focused on suggesting system improvement measures to control the menace of corruption and other malpractices in the Company.

26.0 SECURITY:

Security Department has been relentlessly striving to achieve the assigned tasks to protect the assets and properties of the Company. SECL security comprises of departmental security personnel, Central Industrial Security Force (CISF) personnel and Ex-servicemen/Civilians guards deployed through Directorate General of Resettlement (DGR), Ministry of Defence sponsored security agencies. CISF is deployed in the projects of Gevra, Dipka & Kusmunda Areas and at Banki Surakchar main explosive magazine of Korba Area & combined explosive Magazine at Gevra Area.

Security personnel have prevented illegal mining of coal in the lease hold areas of SECL and their endeavors have minimized theft/pilferage of coal and Company's properties.

Security personnel besides performing routine security duties have also participated in other activities. Contingents comprising of departmental security personnel including lady security guards and junior wing NCC boys and girls of DAV School, Vasant Vihar displayed magnificent parade on the beats and patriotic tunes of band on the grand occasion of Independence Day-2016 and Republic Day-2017, thereby demonstrating their patriotic feeling, high morale, motivation and discipline.



27.0 PUBLIC RELATIONS:

Public Relations (PR) has a vital role in establishing and maintaining the goodwill amongst its stakeholders. The Company continued to make deliberate, planned and sustained efforts to reach out to its stakeholders and continue the two way communication. Press & Media supported enthusiastically and SECL news featured extensively in newspapers, television channels and the local cable TV, round the year. SECL website served as a powerful mode to communicate with the society at large and give wider publicity of the organizational initiatives.

SECL's facebook page & Twitter, garnered excellent response from employees & society. All recent happenings were instantly uploaded on SECL's facebook page & Twitter, which made communication faster.

Euphoria was set in right at the start of the financial year with the news of SECL having impressive coal production and dispatch figures. The news was well taken by all and an elated enthusiasm geared up the new financial year with a firm resolve to further the winning streak. The mood was appropriately captured as the miners were awarded on the Miner's Day i.e. on 1st May, for recognition of their hard work and commitment, it strengthened the feeling of belongingness and the miners surged towards the new targets with renewed vigor and dedication. Celebration of Environment Day once again reiterated Company's commitment to Clean & Green surroundings.

The Rajbhasha, Hindi, is always a priority for SECL. This message reverberated as 'Rajbhasha Fortnight' witnessed an over whelming response. This was followed by the Vigilance Awareness Week, an effort to revise and recall the innate human values of truth and honesty. The week started with an exclusive audio message on Radio from CMD and CVO, SECL, broadcasted by Akashwani Bilaspur, Raipur, Raigarh, Ambikapur, Shahdol and by 'MY FM' Bilaspur. Day to day events during the Vigilance week, were well covered each day by newspapers thus taking the message across.

SECL was deeply immersed in the colours of national pride as the Indian tricolor fluttered on the Independence Day. The day was celebrated by SECL in great pomp with the cultural program by school children embellishing the celebrations.

A number of branding initiatives were taken during this period. An important initiative being SECL stall in 6th Coal Summit & Expo at Pragati Maidan, New Delhi and during the Rajyotsav in Raipur, Chhattisgarh. SECL stall won 2nd & 3rd prize respectively at the exhibitions. It had also put a stall at the Vyapar Mela in Bilaspur. It was an attempt to interact with the people on one to one basis as they could see the working model of a coal mine. The stall was largely appreciated by the general public as the PR personnel interacted with them.

The society witnessed an extravaganza of Chhattisgarhi folk music and dance, spell binding a huge crowd, as SECL celebrated the CIL and Chhattisgarh State Foundation Day on 1st November, 2016. The event precisely conveyed, SECL's efforts to appreciate and promote the Chhattisgarhi culture and the local artist preserving the folk arts.

On the Republic day, the waves of nationalism overtly swept the entire SECL family with the hoisting of the flag at the headquarters. Cultural events by the school students triggered the wave further. The celebrations ended with the presentation of tableau by SECL areas, exhibiting their achievements in Mining, Environment Conservation and Corporate Social Responsibility.

Efforts were made to make people aware of good work and achievements by SECL. With this in view, hoardings were displayed at Bilaspur Railways station. The initiative was further widened by display of messages through banners on the road side beside SECL office & colony premises. Short videos were also created to show case SECL achievements and the same was posted on facebook for viewing. SECL advertisements also featured in several newspapers and magazines. The efforts are being made to further strengthen the efforts and create better brand image of SECL.

In SECL, the internal communication is strengthened by a newsletter 'SECL Samachar' and a quarterly magazine 'Pratibimb'. The publications encapsulate information regarding various events, achievements, technological know-how and at the same time provides literary platform to employees.

28.0 MOU WITH TRANSPARENCY INTERNATIONAL AND INTEGRITY PACT:

SECL is one of the early institutions who have signed the Memorandum of Understanding with the Transparency International India. The body is the Indian Chapter of Berlin based "Transparency International", a not-for-profit and non-government organization committed to curbing corruption in any form.

Arising out of the MOU signed with the Transparency International India, the Integrity Pact has been implemented for (1). Procurement Tenders having estimated value of ₹ 2.00 crores and above and all global tenders for purchase contracts and ₹ 1.00 crore and above in respect of other contracts; and (2). Service Contract Tenders of Estimated value of ₹ 5.00 Crore and above. Independent External Monitors (IEMs) have also been appointed to monitor the tenders covered under the Integrity Pact in line with the Standard Operating Procedure (SOP) circulated by the CVC.

29.0 e-PROCUREMENT

- At SECL, e-procurement for materials have been introduced since 01.04.2014 for all the tenders above ₹ 2.00 Lakh. This e-procurement is done through CIL's own e-procurement portal www.coalindiatenders.gov.in which is hosted by NIC.
- Even the limited tenders are also hosted on the portal with provision that all bidders meeting eligibility criteria whose name does not appear in NIT are allowed to quote.
- Reverse e-bidding have been introduced in all the tenders above ₹ 1.00 Crore.
- In total procurement process, anonymity of the number of bids & name of bidder is maintained till L-1 is declared automatically by the system with minimum human intervention in the tender evaluation process.
- Furthermore , for procurement of high value HEMM through Reverse Auction shall now be in two bid systems whereby evaluation of documents is done first and financial bid is opened only for those firms who are technically and commercially qualified. This system is in compliance of Rule 152 of GFR and also in line with the draft Manual for procurement of goods of Ministry of Finance, Govt. of India. In this system also, Reverse Auction will be done among the techno-commercially acceptable bidders maintaining the anonymity of prices offered by the bidders.
- Recently Coal India Limited has also formulated a policy for procurement of various materials by placing online orders through Government e-Market place (GeM portal – www.gem.gov.in). Standard Operating Procedure for procuring various materials from Government e-Market (GeM) has been provided by CIL and the same are under implementation.



30.0 RIGHT TO INFORMATION (RTI):

Your Company has set an elaborate mechanism throughout the Organization to deal with the requests received under the Right to Information (RTI) Act, 2005. To assist and facilitate the citizen in obtaining information, detailed guidelines have been placed on SECL's website, spelling out the procedure for securing access to information and filing of first appeals under the Act.

Proactive disclosures have been made on SECL's website in line with Section 4(1)(b) of the Act, disseminating various categories of information so that citizens have minimum need to resort to the Act for the purpose of obtaining information.

SECL has set an elaborate mechanism throughout the organization to deal with the requests received under the Right to Information Act (RTI) 2005. At SECL, each Area has its own CPIO and an Appellate Authority to deal with the RTI applications in a more transparent, efficient and systematic way. The CPIOs and the other stakeholders involved are sensitized about their obligations under the Act through training and workshops. During the year under report, an "Online portal" has been introduced for access to information by Indian Citizens and filing of 1st appeal under the Act. The portal is connected to National portal of DOPT. Three training programmes were also conducted to sensitize the obligations under the act. . 142 participants got benefitted from these programmes in total.

The statistics of Information asked under RTI and its disposal during the year 2016-17 is as under:

SI. No.	Particulars	Nos.
1	No. of applications received during the year 2016-17	3032
2	No of applications disposed of during the year 2016-17	2727
3	No. of application under process for reply as on 31.03.2017	455

31.0 ISO ACCREDITATION:

Central E&M workshop, Korba and Central Excavation Workshop, Gevra have been accredited with ISO 14001:2004 Certification and OHSAS 18001:2007 Certification by Certification International(UK). Central Excavation Workshop, Gevra, is also accredited with ISO 9001:2008 Certification for implementation of Quality Management System in the activities of Overhaul and Repair of Mining Machinery and Manufacture of related parts in 2005-06 and renewed during 2014-15 with validity up to 14.08.2017.

32.0 AWARDS AND RECOGNITION:

SECL has always registered record breaking performances which has been possible by the virtue of superior working culture and dedicated collective hard work of its employees. Consistent with the trend in preceding years, your Company & its Senior Management Officials have got various awards and recognitions in the year 2016-17, as detailed hereunder:

32.1 Awards / Recognitions in Corporate Capacity

1. SECL bags the 1st Prize in Safety

SECL bagged the 1st Prize in Safety for the year 2015-16 at the Award ceremony held on 42nd Coal India Foundation Day on 01.11.2016. The award was presented by Shri Babul Supriyo, Honb'le Minister of State for Heavy Industries and Public Enterprises, Gol to Shri B. R. Reddy, CMD, SECL.

2. SECL bags the 2nd Prize in Corporate Performance

SECL also bagged the 2nd Prize in Corporate Performance for the year 2015-16 at the Award ceremony held on 42nd Coal India Foundation Day on 01.11.2016. The award was presented by Shri Babul Supriyo, Honb'le Minister of State for Heavy Industries and Public Enterprises, Gol to Shri B. R. Reddy, CMD, SECL.

3. SECL bags the 2nd Prize in Coal Quality

SECL also bagged the 2nd Prize in Coal Quality for the year 2015-16 at the Award ceremony held on 42nd Coal India Foundation Day on 01.11.2016. The award was presented by Shri Babul Supriyo, Honb'le Minister of State for Heavy Industries and Public Enterprises, Gol to Shri B. R. Reddy, CMD, SECL.

32.2 Awards/ Recognitions in Individual or Team Capacity

1. N. Kumar Technical Innovation Award

A team from CWS, Korba and another team from Chirimiri Area of SECL were rewarded with 'N. Kumar Technical Innovation Award' at the Award ceremony held on 42nd Coal India Foundation Day on 01.11.2016.

2. CIL Award for Bravery

'CIL Award for Bravery' was awarded to Shri Birbrat Sagar Mahanto, Mining Sirdar, and Shri Binod Tandy, Gen. Mazdoor, Jampali, Raigarh Area at the Award ceremony held on 42nd Coal India Foundation Day on 01.11.2016.

33.0 INTERNAL AUDIT FUNCTIONS:

There are 15 Audit Firms of Chartered/Cost Accountants registered with Institute of Chartered Accountants of India/ Institute of Cost Accountants of India who have conducted Internal Audit in SECL for the year 2016-17 in 13 Areas of SECL in addition to audit of Company HQ, Central Stores & Central Workshop, Korba, Central E&M Workshop, Gevra, SECL Kolkata Office and Dankuni Coal Complex. 23 Audit Firms of Chartered/Cost Accountants have been appointed for the year 2016-17 for conducting Physical verification of Stores & Spares in all the Areas of SECL.

Suitable and corrective actions wherever necessary were taken based on the observations of the Internal Auditors. Internal Audit Reports have been reviewed by the Audit Committee along with necessary feedback on action taken.

The Internal Audit Department also co-ordinates the 'Transaction Audit' as well as 'Thematic Audit' conducted by the C&AG, and reply to Audit Paras raised from time to time.

34.0 STATUTORY AUDITORS' REPORT:

The Statutory Auditors' Report on the Financial Statements of the Company for the year ended 31st March, 2017 along with the Management's replies is placed elsewhere in the Annual Report.

35.0 COMMENTS OF CAG:

The comments by the Comptroller & Auditor General of India (CAG) under Section 143(6)(b) of the Companies Act, 2013 on the accounts of the Company for the year ended 31st March, 2017 are also placed in the Annual Report.

36.0 RATING OF SECL VIS-A-VIS MOU TARGETS:

Performance of SECL for the year 2016-17 has been rated by DPE as "Very Good" in terms of the MoU 2016-17.

37.0 INFORMATION TO SHAREHOLDERS:

Annual Accounts of South Eastern Coalfields Limited (SECL) and the related detailed information shall be available to the shareholders of the holding Company and SECL. Any shareholder seeking any such information at any point of time, can inspect the same during business hours in a working day at the registered office of the Company at Seepat Road, Bilaspur, Chhattisgarh - 495006.

38.0 COST AUDIT:

Pursuant to the directions of the Central Government for audit of Cost records, the proposal for appointment of 4 firms of Cost Accountants as Cost Auditors for auditing the Cost records of your Company for the year ended 31st March, 2017 was approved by the Central Government and they have accordingly been appointed.

The particulars of Cost Auditors as required under Section 148 of the Companies Act, 2013 read with General Circular No. 15/2011 dated 11.04.2011 issued by the Ministry of Corporate Affairs, are given below:

- 1) M/s. Niran & Co. (FRN 00113) Esen Den, 475, Aiginia, Asiana Plaza Entry, Khandagiri, Bhubaneswar, Odisha – 751 019
- 2) M/s. Datta Ghosh Bhattacharya & Associates (FRN 000089) 37, Gobindo Bose Lane, Kolkata (West Bengal) - 700 025
- 3) M/s. Phatak Paliwal & Co. (FRN 000105) GS-20, Ground Floor, Amarjyoti Palace, Wardha Road, Dhantoli,



Nagpur (Maharashtra) - 440012

- 4) M/s. SN & Co. (FRN 00309) 69, 2nd Floor, Mahalaxmi Cloth Market, Pandri, Raipur (Chhattisgarh)

The Cost Audit Report for the year 2015-16 has been filed under XBRL mode within the due date of filing. The Cost Audit Report for the year 2016-17 is being finalized and will be filed as per the schedule.

39.0 SECRETARIAL AUDIT:

The Secretarial Audit of the Company for financial year 2016-17 pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been conducted by M/s. AGR Reddy & Co., Practicing Company Secretaries, Hyderabad. The Secretarial Audit Report has been attached to this report as **Annexure-III**.

40.0 EXPLANATION OR COMMENTS UNDER SECTION 134(3)(f) OF THE COMPANIES ACT, 2013 ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective reports. As such, the explanations/comments by the Board in terms of the provisions of Section 134(3)(f) of the Companies Act, 2013 is not applicable.

41.0 PARTICULARS OF INFORMATION UNDER SECTION 129 OF THE COMPANIES ACT, 2013 RELATING TO SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY COMPANIES:

The particulars of information under proviso to Section 129(3) of the Companies Act, 2013 relating to 'Salient features of the Financial Statement of Subsidiary companies' has been attached with the Financial Statements of the Company in Form AOC-1, in pursuance to Rule 5 of the Companies (Accounts) Rules, 2014. The Annual Accounts of the Subsidiary Companies are available with the Company Secretary, SECL and are open for inspection by any shareholder at the Registered Office of the Company during working hours.

42.0 INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREX EARNING & OUTGO:

The Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology absorption and Foreign Exchange earnings and Outgo is given in Annexure-IV to this Report.

43.0 INFORMATION UNDER SECTION 134(3)(n) OF THE COMPANIES ACT, 2013 CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

An Enterprise Risk Management Programme of the Company is under formulation by the holding Company, CIL, for all its subsidiaries. The Board will review and implement the same once it is formulated and approved. However, a 'Risk Management Charter' has been approved by the CIL and accordingly, a 'Chief Risk Officer (CRO)' has been appointed in SECL. A Risk Management Committee of SECL Board has also been formed on 25.07.2016 in compliance with requirements of Section 134(3)(n) read with Section 177 of the Companies Act, 2013; Clause 49 of Listing Agreement as per SEBI Guidelines and the DPE Guidelines on Corporate Governance for CPSEs. The main purpose of Risk Management Committee is to assist the Board in fulfilling its Corporate Governance oversight responsibilities with regard to the identification, evaluation and mitigation of various risks. There are, however, no elements of risk threatening the Company's existence.

44.0 INFORMATION UNDER SECTION 134(3)(q) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(VII) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:

There were no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status in future. Further, except Interim Order dated 15.12.2016, passed in W.P. No. 3076/2016 and 45 other connected Writ petitions whereby the Hon'ble High Court of Chhattisgarh has directed to maintain status quo on the land acquisition proceedings at "Saraipali Project" of Korba Area of SECL, no other significant and material orders

have been passed by the Regulators or Courts or Tribunals impacting the Company's operations in future.

45.0 INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 REGARDING EMPLOYEES REMUNERATION:

Information as per Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to your Company as per exemption granted to Govt. Companies by MCA vide GSR 463(E) dtd. 05.06.2015.

46.0 BOARD OF DIRECTORS:

46.1 The Board of Directors of the Company as on 31.03.2017 are as under:

Sl. No.	Name	Designation	Category/ Designation
1	Shri B. R. Reddy	Chairman	Whole-Time Functional Director / Chairman-cum-Managing Director
2	Shri A. P. Panda	Member	Whole-Time Functional Director / Director (Finance)
3	Dr. R. S. Jha	Member	Whole-Time Functional Director / Director (Personnel)
4	Shri Kuldip Prasad	Member	Whole-time Functional Director / Director (Technical) Operations
5	Shri P. K. Sinha	Member	Whole-time Functional Director / Director (Technical) Project & Planning
6	Shri Vivek Bharadwaj	Member	Government Nominee Director / Joint Secretary, Ministry of Coal
7	Shri C. K. Dey	Member	Government Nominee Director / Director (Finance), CIL
8	Shri Sunil Kumar	Member	Independent Director/ Retd. IAS, Vice Chairman, Chhattisgarh State Planning Commission
9	Shri B. S. Sahay	Member	Independent Director / Director, IIM Raipur
10	Shri Vinod Jain	Member	Independent Director / Chartered Accountant & Director, Inmacs
11*	Member	Independent Director
12	Shri J. N. Jha	Permanent Invitee	Invitee / Chief Operations Manager, South East Central Railway

Notes:

* The position of 01 Independent Director is vacant w.e.f. 21.02.2014.

46.2 The following persons were appointed as Director/KMP during the year under Report:

Sl. No.	Name of Director	Designation	Date of Appointment
1	Shri P. K. Sinha	Director (Technical) (Project & Planning)	03.08.2016
2	Shri Vinod Jain	Independent Director	14.03.2017

46.3 The following persons ceased to be Director/KMP during the year under report:

Sl. No.	Name of Director	Designation	Date of Cessation
1	Shri R. P. Thakur	Whole-time Functional Director	31.05.2016

46.4 Board Meetings

Thirteen (13) Board Meetings were held during the Financial Year 2016-17 on 01.04.2016, 13.05.2016, 23.05.2016, 14.06.2016, 25.07.2016, 04.09.2016, 22.09.2016, 26.10.2016, 17/18.11.2016, 13.01.2017, 31.01.2017, 27.02.2017 and 10.03.2017.

47.0 AUDIT COMMITTEE:



The constitution of the Audit Committee of Board of Directors in your Company dates back to the year 2002 and the committee is committed to good Corporate Governance with best discharge of its assigned duties. The Audit Committee inducted Independent Directors on 26th September, 2007 in compliance of Corporate Governance Guidelines.

The Audit Committee has functioned during the year 2016-17 in terms of the provisions of the Companies Act, 2013 and the Mandatory Corporate Governance Guidelines for CPSEs. The Audit Committee constitutes of the following members as on 31.03.2017:

Sl. No.	Name	Designation	Category
1	Prof. B. S. Sahay	Chairman	Independent Director
2	Shri Sunil Kumar	Member	Independent Director
3	Shri Vivek Bharadwaj	Member	Government Nominee Director
4	Shri C.K. Dey	Member	Government Nominee Director
5	Shri Kuldeep Prasad	Member	Director (Technical) Operations, SECL
6	Shri A. P. Panda	Permanent Invitee	Director (Finance), SECL

The Terms of Reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the Guidelines dated 14th May, 2010 on Corporate Governance of CPSEs issued by Department of Public Enterprises. The list of functions inter-alia includes the following:

- To hold discussion with Auditors periodically about:
 - Internal control systems compliance and adequacy thereof.
 - Scope of audit including observations of the Auditors.
 - Review of the quarterly, half-yearly and annual financial statements before submission to the Board.
- To perform the following functions:
 - Overseeing the Company's financial reporting process and system for disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Directors Responsibility Statement, changes, if any, in accounting policies, major accounting entries, significant adjustments made, disclosure of related party transactions and qualifications in the Draft Audit Report.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Carrying out any other function as mentioned in the 'Terms of Reference' of the Audit Committee as per Section 177(4) of the Companies Act, 2013 and Rules made thereunder, which inter-alia include:
 - i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - iii) examination of the financial statement and the auditors' report thereon;
 - iv) approval or any subsequent modification of transactions of the Company with related parties;
 - v) scrutiny of inter-corporate loans and investments;
 - vi) valuation of undertakings or assets of the Company, wherever it is necessary;
 - vii) evaluation of internal financial controls and risk management systems;
 - viii) monitoring the end use of funds raised through public offers and related matters.

The Company Secretary is the Secretary to the Audit Committee.

The Audit Committee had Eleven (11) meetings during the year under report.

47.1 Vigil Mechanism u/s 177(9) of the Companies Act, 2013:

The Company has already in place an established vigil mechanism and oversees through the committee, the genuine concerns expressed by the Directors and other employees. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. SECL has in place a well-established Vigilance Department headed by an IRSEE officer, and is functioning in a fair and transparent manner as per the guidelines of the CVC. The main functions of the department are verification of the complaints received either directly or routed through CVC, Ministry, CBI, Coal India etc. and taking punitive action and systemic improvement measures wherever required.

Further, the "Coal India Whistle Blower Policy 2011" as approved by the Board of Directors of Coal India Limited has been implemented by the Company. The policy has been formulated to provide an opportunity to employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct.

48.0 NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee as required under Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 could not be constituted during the year under review owing to the requirement/need of full Board with Independent Directors. The Committee will be constituted in terms of the provisions of the act as soon as all the Independent Directors are appointed by the Ministry of Coal. Coal India Ltd. (Holding Company) however, has constituted the Remuneration Committee for all its Subsidiaries. Being a CPSE, the criteria for qualifications and remuneration of Directors, Key Managerial Personnel and other employees, is decided by the Govt. of India.

49.0 STATEMENT UNDER SECTION 134(3)(p) OF THE COMPANIES ACT, 2013 REGARDING FORMAL ANNUAL EVALUATION MADE BY BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Nomination & Remuneration Committee could not be constituted during the year under review owing to the requirement/need of full Board with Independent Directors which would have finalized the manner of annual evaluation and subsequent formal evaluation made thereunder. The requirement under section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 will be complied as soon as all the Independent Directors are appointed by the Ministry of Coal.

50.0 INFORMATION UNDER SECTION 134(3)(q) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(viii) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has well-established Internal Control systems and procedures commensurate with its size and nature of business with an approved and well laid down delegation of authority at various levels for ensuring appropriate authorization and approval of transactions. Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual, defining the practices & procedures to be adopted for procurement and award of contracts are in place. The Internal audit is conducted by the external firms of Chartered/Cost Accountants covering all the Offices/Areas/Units of operation. The Statutory Central/Branch Auditors while reporting on the financial statements of the Company also issue a separate and specific report on the adequacy and operating effectiveness of Internal financial controls, titled as "Report on the Internal Financial Controls under Clause (i) to Sub-section 3 of Section 143 of the Companies Act, 2013". Such report has been given on both standalone and consolidated accounts of the Company.

51.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESAL) ACT, 2013:

The Company has constituted Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. All employees (viz. permanent, contractual, temporary, probationer, trainee and apprentices) are covered. 01 complaint of sexual harassment was received and the same was disposed-off during the year.

52.0 CORPORATE GOVERNANCE:



Your Company is committed towards maintaining high standards of Corporate Governance to ensure transparency and accountability at all levels protecting the interest of all the stakeholders. The Company complies with the conditions of Corporate Governance as stipulated under the Companies Act as well as Listing Agreements.

Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries & Public Enterprises, Government of India, have been made mandatory from May, 2010 and SECL has implemented the same to the maximum extent possible.

52.1 Report on Corporate Governance

A "Report on Corporate Governance" for the year ended March 31, 2017, supported by a Certificate from the Practicing Company Secretary confirming compliance of conditions, forms part of the Annual Report, and is attached to this report as **Annexure-V**.

52.2 Management Discussion & Analysis Report

In terms of Clause 7.5 of the Guidelines on Corporate Governance for CPSEs issued by the DPE, a "Management Discussion and Analysis Report" on the operations and performance of the Company for the year ended March 31, 2017, is attached to this report as **Annexure-VI**.

52.3 Voluntary Compliance

Apart from the mandatory measures required to be implemented as a part of Corporate Governance, SECL has gone the extra mile in this regard for the benefit of the stakeholders by implementing the Whistle Blower Policy, Code of Business Conduct & Ethics for Board Members and Senior Management, MCA Voluntary Guidelines on Corporate Governance to the extent possible and the Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent possible.

53.0 DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submit its Responsibility Statement and affirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, as applicable, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts for the financial year ended 31st March, 2017, on a going concern basis; and
- e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

54.0 STATUTORY DISCLOSURE BY DIRECTORS:

None of the Directors of your Company is disqualified as per provisions of Section 164 of the Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

55.0 ANNUAL RETURN:

The extract of Annual Return (in Form MGT-9) pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is furnished as **Annexure-VII** to this Report.

56.0 ACKNOWLEDGEMENT:

Your Directors acknowledge with deep sense of appreciation the co-operation received from the Government of India, and in particular, the Ministry of Coal, Ministry of Environment & Forest, Ministry of Corporate Affairs, Department of Public Enterprises, Coal India Limited, State Governments of Chhattisgarh & Madhya Pradesh, Regulatory and Statutory Authorities from time to time.

Your Directors also appreciate the contribution of consultants, expert agencies, contractors and vendors in the implementation of various projects of the Company. Your Directors also appreciate the valuable and persistent trust of all the consumers.

Your Directors also acknowledge the constructive suggestions received from the Statutory Auditors, Cost Auditors, Secretarial Auditors and Comptroller, & Auditor General of India (CAG) and are grateful for their continued support and co-operation.

Your Directors would like to place on record its appreciation for the untiring efforts and steadfast contributions made by the employees at all levels that have made the continued achievement of an excellent performance possible.

57.0 ADDENDA:

The following documents are annexed:

- 57.1 'Report on the performance and financial position of each of the subsidiaries, Associates & Joint Venture Companies' is attached to this report as **Annexure-I**.
- 57.2 'Annual Report on CSR Activities' is attached to this report as **Annexure-II**.
- 57.3 'Secretarial Audit Report' of the Company is attached to this report as **Annexure-III**.
- 57.4 'Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo' is attached to this report as **Annexure-IV**.
- 57.5 'Report on Corporate Governance' is attached to this report as **Annexure-V**.
- 57.6 'Management Discussion and Analysis Report' is attached to this report as **Annexure-VI**.
- 57.7 'Extract of Annual Return of the Company' is attached to this report as **Annexure-VII**.

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(Kuldip Prasad)
Director (Technical) Operations
DIN: 07463640

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

**Annexure-I****Report on the Performance and Financial position of each of the Subsidiaries, Associates & Joint Venture Companies**

[Pursuant to Section 134(3)(g) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014]

There are two (02) Subsidiary Companies of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East-West Railway Limited (CEWRL) in the form of Joint Venture with IRCON International Limited (IRCON) and Chhattisgarh State Industrial Development Corporation (CSIDC, representing Govt. of Chhattisgarh) formed in terms of the Memorandum of Understanding (MoU) signed between SECL, IRCON International Limited and Government of Chhattisgarh, for establishment of the two Railway Corridors viz. East Corridor and East-West Corridor. The equity shareholding pattern of the promoter entities in each of the Company as per MOU is as under:

Name of the Promoter entities	Shareholding Pattern
South Eastern Coalfields Limited (SECL)	64%
IRCON International Limited (IRCON)	26%
Chhattisgarh State Industrial Development Corporation (CSIDC)	Value of land provided by State Govt. or 10%, whichever is more.

The performance and financial position of each of the Subsidiary companies are as under:

1. CHHATTISGARH EAST RAILWAY LIMITED (CERL)

[CIN: U45203CT2013GOI000729]

Chhattisgarh East Railway Limited (CERL) was incorporated on 12.03.2013. The East Rail Corridor has been given the status of a "Special Railway Project" on 17.12.2013 by the Ministry of Railways. This rail corridor will facilitate coal transport from Mand-Raigarh coalfields of SECL as well as cater to the passenger services. A Project Execution Agreement was signed between CERL and IRCON on 18.01.2014 to carry out the execution of the Project. The East Rail Corridor is expected to be completed in two phases:

Phase-I: Kharsia to Dharamjaygarh (0 to 74 KM) and with a Spur to connect mines of Gare Pelma Block.

Phase-II: Dharamjaygarh to Korba (approx 62 KM)

HIGHLIGHTS OF PERFORMANCE:

The fiscal year 2016-17 marked the consolidation of the process of achieving the Financial Closure for East Rail Corridor Project (Phase-I) of CERL upon approval of inflated mileage, for the first five years of commercial operation, by the Ministry of Railways. Several banks have shown their keen interest to be a part of the Consortium for Debt Financing. Final sanction has been received from Indian Bank, United Bank of India, Indian Overseas Bank, Oriental Bank of Commerce, Corporation Bank and Canara Bank for a considerable amount of term loan required and the Company is in the process of obtaining the remaining sanction required. The tenders amounting to ₹ 555.39 Crore have been awarded, till 31st March 2017, mainly for construction of major and minor bridges, preparation of road bed and supply, fabrication, erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-74 km and 0-28 km spur. The construction work in various segments is going on. The construction of sub-structure of major bridges is nearing completion and about half of the work of preparation of Road Bed is completed.

The significant milestones achieved by your Company during the year are briefly mentioned below:

1. Ministry of Railways (MoR) vide letter No. 2012/Infra/12/5/Pt.1 dated 03rd May, 2016 has accorded the approval of inflated mileage of 60% for first five years of commercial operations subject to periodic review.

2. Addendum and Corrigendum to the Original Concession Agreement between CERL and SECR dated 12.06.2015 has been signed and executed on 21st March, 2017 to reflect the revised scope of work due to the incorporation of need based alterations in the project, revised project cost estimate and revenue sharing with Railways including the inflated mileage and terminal charges.
3. Final Sanction has been obtained from six Banks in which Indian Bank has emerged as the Lead Banker and the balance sanction is also expected in near future.
4. The Lead Bank has appointed Maven Infra & Contractors Pvt. Ltd., Hyderabad as the Lenders Independent Engineer (LIE). The scope of work of LIE encompasses reviewing the project facilities in accordance with the provisions of Concession Agreement, to review the project documentation, vetting of project cost, to review the status of Land Acquisition and Utility Shifting, Vetting of Routine and Major Maintenance Program, O&M Agreement, Utility Agreement and Project Management. LIE is entrusted with the responsibility to review the Construction and Drawdown Schedule and also to review the Operations Monitoring.
5. Shardul Amarchand Mangaldas & Co. (Advocates & Solicitors), New Delhi has been appointed as Lenders Legal Counsel (LLC) by M/s Indian Bank. The scope of work of LLC encompasses drafting and finalizing the finance and security documents, carry out the legal due diligence of the Project Contracts, review all the material permits, approvals, authorizations and consents required by Borrower for development of the project, preparation of various corporate authorizations required in connection with the execution of the aforementioned financing and security documents, furnish a legal opinion on the validity and enforceability of the finance and security documents executed by the parties and certify compliance with pre-disbursement conditions (PDCs).
6. India Insure Management & Insurance Broking Services, Secunderabad, has been appointed Lenders Insurance Advisor (LIA) to assess a risk review of the project, indicate the minimum schedule of Insurance, to review and comment upon the current & proposed insurance package, to review and comment on the insurance related provisions in the Loan Documents/Security Documents, to review and comment on secondary insurances effected by the Borrower and/or other project participants, review local insurance law and its implications for the project, comment on the financial integrity of the selected insurance companies, comment on reinsurance and to issue Risk Review and Insurance Compliance Report.
7. Private Land admeasuring 371.827 Hectares in 0-74 KM (Kharsia-Dharamjaigarh) and 0-28 KM (Gharghora-Donga Mahua Spur Line) has been transferred in the name of SECR and right of way for the same has been obtained.
8. The Government Land in 0-74 KM and Spur 0-28 KM has been transferred in the name of SECR.
9. Stage-II Forest Clearance for 76.099 Hectares (10-74 KM) for diversion of Forest Land has been obtained and the process of tree feeling has been completed.
10. The proposal for diversion of 26.52 Ha of forest land for 12 Villages in 0-10 KM and Spur 0-28 KM has been submitted and is under active consideration for approval.
11. Tenders amounting to ₹ 555.39 Crore has already been issued for construction of Major Bridges, Minor Bridges, Road Bed and supply, fabrication erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-10 KM, 10-74 KM and 0-28 KM spur.
12. Detailed survey and requirement of land for feeder lines is being worked out.

FINANCIAL POSITION:

Capital Structure:

During the year under review, the Authorised Capital of the Company has been enhanced from ₹ 400.00 Crore to ₹ 650.00 Crore in view of the required equity contribution @ 20% of the total project completion cost of ₹ 3055.15 Crore. During the year under review, the paid up and subscribed capital of the Company has been enhanced from ₹ 1,39,05,50,000.00 to ₹ 3,06,00,00,000.00 by way of Right Issue of 16,69,45,000 Nos. of Equity Shares of ₹ 10/- each



of the Company to SECL, IRCON and CSIDCL in their shareholding proportion of 64%, 26% and 10% respectively on Rights basis on 21.04.2016. The shares have been fully subscribed and fully paid up. The equity shareholding pattern of the promoters companies are as follows:

Name of the Company	Shareholding Pattern As on 31-03-2017	Shareholding Pattern As on 31-03-2016
South Eastern Coalfields Limited	67.23%	71.1086%
IRCON International Limited	27.31%	28.8879%
CSIDCL (representing Government of Chhattisgarh)	5.46%	0.0035%
Total	100%	100%

Loan Fund:

In addition to the existing subordinate debt amounting to ₹ 150 Crore, your Company has agreed to borrow ₹ 500 Crore in the form of subordinate debt from the joint venture partners in proportion to their shareholding pattern to finance the Construction of East Rail Corridor Phase I in Financial Year 2016-17 pending Financial Closure. During the year under review, the Company has entered into the Loan Agreement with SECL, IRCON & CSIDC for obtaining the loan amounting to ₹ 320.00 Crore, ₹ 130.00 Crore and ₹ 50.00 Crore respectively.

SUMMARIZED BALANCE SHEET:

Particulars	INR (Lakh)
Total Equity and Liabilities	
Capital	30,600.00
Reserves & Surplus	(41.05)
Sub-Total	30,558.95
Long Term Borrowings	18,915.81
Short Term Borrowings	31,475.79
Other Financial Liabilities	5,706.27
Other Current Liabilities	147.12
TOTAL	86,803.93
Assets	
Tangible Assets (less Depreciation)	132.67
Capital WIP	73,945.38
Other Non-Current Assets	4,562.99
Other Financial Assets	54.32
Other Current Assets	425.30
Cash and Bank Balance	7,683.28
TOTAL	86,803.93

SUMMARIZED STATEMENT OF PROFIT AND LOSS:

Particulars	INR (Lakh)
Total Revenue	0.00
Total Expenses	14.77
Profit before Taxation	(14.77)
Provision for Taxation	-
Profit after Taxation	(14.77)
Other Current Liabilities	147.12
Proposed Dividend	-
% of Shareholding of SECL	67.23%

2. CHHATTISGARH EAST-WEST RAILWAY LIMITED (CEWRL)

[CIN: U45203CT2013GOI000768]

Chhattisgarh East-West Railway Limited (CEWRL) was incorporated on 25.03.2013. The East-West Rail Corridor i.e., Gevra Road-Pendra Road new line project (121.70 KM) has been given the status of a "Special Railway Project" on 17.12.2013 by the Ministry of Railways. This rail corridor will facilitate coal transport from Gevra coalfields of SECL as well as cater to the passenger services. A Project Execution Agreement has been signed between CEWRL and IRCON on 05.04.2014 to carry out the execution of the Project.

HIGHLIGHTS OF PERFORMANCE:

The East-West Rail Corridor project of the Company is spread in Bilaspur and Korba District of Chhattisgarh. The fiscal year 2016-17 has witnessed the beginning of construction of the East-West Corridor. The tenders amounting to ₹ 197.55 Crore have been awarded mainly for construction of road bed and major and minor bridges from 98.86 Km to 134.66 Km and Flyover Line from 128 Km to 135.20 Km.

The significant milestones achieved by your Company during the year are briefly mentioned below:

1. The Revised Detailed Project Report (DPR) of East-West Rail Corridor Project from Gevra Road to Pendra Road via Dipka, Katghora, Sindurgarh, Pasan, approximately 135.30 km in length with connectivity to Kusmunda, Junadih and Dipka Sidings along with a provision to construct and integrate with the East-West Rail Corridor for about 35 Kms of Feeder lines to connect Kartali, Ambica, Saraipali and Vijay West Mines of SECL prepared and submitted by IRCON and duly independently financially appraised by M/s CARE Kalypto Risk Technologies & Advisory Services Pvt. Ltd., Mumbai has been approved at a total Project Cost of ₹ 4,919.28 Crore.
2. The proposal for approval of inflated mileage has been submitted to Railway Board, New Delhi and approval of DPR has also been sought by SECL from Coal India Limited. The observations on the DPR by Railway Board and CIL is under review by IRCON.
3. The Award of Private land for 53 Villages out of total 54 villages in the Korba District has been obtained, of which private land for 43 villages has been transferred in the name of SECR. 20E notification for remaining 1 village has been published and preparation of award is under process. The Private Land in 16 villages of Bilaspur District has been transferred in the name of SECR.
4. The transfer of Government Land in the Korba District (37 Villages out of 42 Villages) has been approved by the Government of Chhattisgarh. The transfer of Government Land in the Bilaspur District for all 13 Villages has been approved by the Government of Chhattisgarh.
5. The proposal for diversion of forest land is under process and the application for the same is likely to be submitted within a short time after necessary compliance.
6. Detailed survey and requirement of land for feeder lines is being worked out.

FINANCIAL POSITION:**Capital Structure:**

During the year under review, the Authorised Capital of the Company has been enhanced from ₹ 5.00 Crore to ₹ 1110.00 Crore. During the year under review, the paid up and subscribed capital of the Company has been enhanced from ₹ 4.05 Crore to ₹ 504.05 Crore by way of Right Issue of 50,00,00,000 Nos. of Equity Shares of ₹ 10/- each of the Company, to SECL, IRCON and CSIDCL in their shareholding proportion of 64%, 26% and 10% respectively on Rights basis on 30.09.2016. The shares have been fully subscribed and fully paid up. The equity shareholding pattern of the promoters companies are as follows:

Name of the Company	Shareholding Pattern As on 31-03-2017	Shareholding Pattern As On 31-03-2016
South Eastern Coalfields Limited	64.06%	71.02%
IRCON International Limited	26.02%	28.85%
CSIDC (representing Government of Chhattisgarh)	9.92%	0.13%
TOTAL	100%	100%

**SUMMARIZED BALANCE SHEET:**

Particulars	INR (Lakh)
Total Equity and Liabilities	
Capital	50,405.50
Reserves & Surplus	(30.84)
Sub-Total	50,374.66
Long Term Borrowings	16,716.33
Other Financial Liabilities	2,677.40
Other Current Liabilities	390.98
TOTAL	70,159.37
Assets	
Tangible Assets (less Depreciation)	130.91
Capital WIP	27,119.81
Other Non-Current Assets	2,966.03
Other Financial Assets	1,320.49
Other Current Assets	1.10
Cash and Bank Balance	38,621.03
TOTAL	70,159.37

SUMMARIZED STATEMENT OF PROFIT AND LOSS:

Particulars	INR (Lakh)
Total Revenue	0.64
Total Expenses	8.12
Profit before Taxation	(7.48)
Provision for Taxation	-
Profit after Taxation	(7.48)
Other Current Liabilities	390.98
Proposed Dividend	-
% of Shareholding of SECL	64.06%

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(Kuldip Prasad)
Director (Technical) Operations
DIN: 07463640

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

Annexure-II

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) 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:

The mines of South Eastern Coalfields Limited are located in different parts of the States of Chhattisgarh & Madhya Pradesh, and are relatively in isolated areas with little contact to the outside society. Coal mining has profound impact on the people living in and around the areas where the mines are established. The obvious impact of the introduction of any production activity in such areas changes the traditional lifestyle of the original inhabitants and indigenous communities and also changes the socio-economic profile of the Area. Hence, the primary beneficiaries of CSR should be land oustees, Project Affected Persons (PAPs) and those staying within the radius of 25 Kms of the Project. Poor and needy section of the society living in different parts of states in which the Company is operating should be second beneficiaries. In view of the above, a CSR Policy has been approved by Coal India Limited for all its subsidiaries and is available on the Company's website at <http://www.secl.gov.in/forms/list.aspx?lid=745>

The key areas of activities under CIL CSR Policy are as below:

- Healthcare programs like conducting village health camps, construction of special units in hospitals etc. Providing safe drinking water and sanitation by installing hand-pumps, bore-wells, deepening of ponds, construction of community toilets etc.
- Promoting education by developing infrastructure like class rooms, boundary wall, toilet blocks, cultural stage, common room etc. and modernization of library, adoption of school, promoting employment enhancing vocational skills etc.
- Ensuring environmental sustainability by taking up activities like Block/Road side plantation under "Hariyar Chhattisgarh" Scheme of Chhattisgarh Govt. and also by deepening of ponds in drought affected area.
- Protection of art and culture for cultural development through financial assistance to different cultural events.
- Projects to promote Skill Development to address the needs of under privileged sections of society especially Persons with Disability.
- Promoting nationally recognized sports by providing financial assistance.
- Rural development projects like construction of Community building, CC roads, Culverts, Ghats and Safety wall for ponds, Sheds, Boundary walls, Bathrooms, Cultural stage etc.
- Contribution of ₹ 12.00 Crore to Swachh Bharat Kosh set up by Central Government for promotion of sanitation in rural and urban areas.
- Swachh Vidyalaya Abhiyan: SECL has constructed/repared toilets in schools located in different districts of Chhattisgarh, Madhya Pradesh, Odisha states under the Swachh Vidyalaya Abhiyan, a campaign under Swachh Bharat Abhiyan, an initiation from Hon'ble Prime Minister, India.

2. The Composition of the CSR Committee

The SECL Board at its 239th meeting held on 30.11.2015 had reconstituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors of SECL in terms of the provisions of Companies Act, 2013 and the Rules made thereunder with the following members:

Chairman	Shri Sunil Kumar, Former IAS, Ex. Chief Secretary, Govt. Of Chhattisgarh	Independent Director
Members	1) Shri Vivek Bharadwaj, IAS, Joint Secretary, MoC	Govt. Nominee Director
	2) Prof. B.S. Sahay Founder Director (IIM-Raipur)	Independent Director
	3) Dr. R.S. Jha	Director (Finance), SECL
Permanent Invitee	Shri A.P. Panda	Director (Personnel), SECL



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

Profit Before Tax (PBT)	2013-14	₹ 7202.68 Crore
	2014-15	₹ 5659.54 Crore
	2015-16	₹ 5173.46 Crore
	Average PBT	₹ 6011.89 Crore

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

Prescribed CSR Expenditure for the financial year 2016-17 amounts to ₹ 120.24 Crore.

5. Details of CSR spent during the financial year:

- a. **Total Amount to be spent for the Financial Year :** ₹ 120.24 Crore
- b. **Amount unspent :** ₹ 77.74 Crore
- c. **Manner in which the amount spent during the financial year is detailed below:-**

Sl. No.	CSR Project or Activity identified	Sector in which the project is covered	State/District/Block/ Village/ Town	Amount Outlay (Budget) project or programs wise (₹ in Lakh)	Amount spent on the projects or programs (₹ in Lakh)	Cumulative expenditure up to the reporting period (₹ in Lakh)	Implementing Agency (SECL/ PWD/ PHED/ etc.)
1	Organization of Medical Health Camp & Awareness Camp under CSR by Hasdeo Area.	Healthcare	In And Around Villages Of SECL Hasdeo Area	20.00	0.97	0.97	SECL
2	Construction of boundary wall at Primary school Siraula, Korea	Promoting Education	CG /Korea/ Manendragarh/ Chiraipani	5.00	4.57	4.57	SECL
3	Construction of boundary wall at Purva Madhyamik Shala Bhavan, Lai	Promoting Education	CG/Korea/ Manendragarh/ Harra	10.00	7.65	7.65	SECL
4	Construction of boundary wall at Purva Madhyamik Shala Nagpur at Nagpur	Promoting Education	CG/Korea/ Manendragarh/ Nagpur	10.00	1.75	1.75	SECL
5	Construction of community hall at Raipara village	Rural Development Projects	CG/Korea/ Manendragarh/ Semra	10.00	6.00	6.00	SECL
6	Construction of multi-purpose hall at Jawahar Navodaya Vidyalaya at Mau (Beohari) in district Shahdol	Promoting Education	MP /Shahdol/ Beohari/Mau	136.17	45.56	66.98	District Admin. Shahdol
7	Construction of steps in Sagra pond at Patna Kala village	Rural Development Projects	MP /Anuppur/ Jaithari/Patna Kala	7.36	7.76	7.76	SECL
8	Construction of steps in Chhaturiya pond at Patna Kala village	Rural Development Projects	MP /Anuppur/ Jaithari/Patna Kala	7.16	7.26	7.26	SECL
9	Construction of ghat in pond at Mendiyyaras village	Rural Development Projects	MP /Anuppur/ Jaithari/ Mendiyyaras	4.89	5.14	5.14	SECL
10	Construction of ghat at Indira Nagar pond near New Amlai	Rural Development Projects	MP /Anuppur/ Jaithari/ Indiranagar	9.00	7.32	7.32	SECL

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11	Construction of first floor verandah at Maa Sharda Kanya Vidyapeeth Pondki	Promoting Education	MP/Anuppur/ Pushprajgarh/ Pondki	6.03	6.21	6.21	SECL
12	Making of one no. tube well with submercible pump set at Maa Sharda Kanya Vidyapeeth Pondki	Promoting Education	MP/Anuppur/ Pushprajgarh/ Pondki	5.00	5.24	5.24	SECL
13	Multi-speciality Mega Health Camp at Dhanoura Village	Healthcare	MP/Shahdol/ Jaitpur/Dhanoura	0.74	0.74	0.74	SECL
14	Installation of Solar Heater, Solar Pump fabricated Biogas plant at Jawahar Nabodaya Vidyalaya, Bhupdeopur	Promoting Education	CG/Raigarh/ Kharsia/ Bhupdeopur	4.40	4.40	4.40	CREDA
15	Replacement of Batteries of Solar panel installed in 7 nos of Hostels/ Ashrams at Dharamjaigarh	Promoting Education	CG/Raigarh/ Dharamjaigarh	4.00	4.00	4.00	CREDA
16	Solar Dual pump installation	Drinking Water	CG/Raigarh	7.50	7.50	7.50	CREDA
17	Deepening of Naawatarai pond & providing pacheri at Auramuda village under Baroud Aub Area.	Rural Development Projects	CG/Raigarh/ Gharghoda/ Auramuda	4.00	4.40	4.40	SECL
18	Deepening of Pond Gangadharpur	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Gangadharpur	3.00	1.80	1.80	SECL
19	Providing School Bus (2 No, 52 seater) services for unprivileged students near around Gare Pelma Mines in Raigarh District (for 3 months)	Promoting Education	CG/Raigarh/ Tamnar/Sarasmal	7.00	6.24	6.24	SECL
20	Providing School Bus (2 No, 52 seater) services for unprivileged students near around Gare Pelma Mines in Raigarh District (for 11 months)	Promoting Education	CG/Raigarh/ Tamnar/Sarasmal	20.00	5.71	5.71	SECL
21	Construction of community stage at Lotan near Chhal Sub Area	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Lotan	3.50	2.65	2.65	SECL
22	Construction of Community Stage at Navagaon village, Chouda of Chhal Sub Area	Rural Development Projects	CG/Raigarh/ Kharsia/Chodha	3.00	2.63	2.63	SECL
23	Deepening of pond Rumkera	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Rumkera	12.00	0.67	0.67	SECL
24	Heath on Wheels (Basic medical facilities to BPL families surrounding project areas under CSR)	Healthcare	CG/Raigarh/ Different Villages Of Raigarh	24.00	1.32	1.32	SECL
25	Construction of C.C. Road at Bandhapali Village (325 M).	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Bandhapali	6.5	0.22	5.15	SECL



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26	Construction of C.C. Road at Nawapara 250 Mtrs.	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Nawapara	5.50	0.37	4.61	SECL
27	Construction of C.C. Road 250 Metre at Gadainbahari	Rural Development Projects	CG/Raigarh/ Dharamjaigarh/ Gadainbehri	8	0.58	6.76	SECL
28	Construction of new building of PRIMARY SCHOOL Makhurpani instead of ruined old building	Promoting Education	CG/Korba/Korba/ Makhurpani	10.85	10.85	10.85	District Collector, Korba
29	Construction of new building of PRIMARY SCHOOL Pondikhoha instead of ruined old building	Promoting Education	CG/Korba/Korba/ Pondikhoha	10.85	10.85	10.85	District Collector, Korba
30	Construction of new building of PRIMARY SCHOOL Sonpuri instead of ruined old building	Promoting Education	CG/Korba/Korba/ Sonpuri	10.85	10.85	10.85	District Collector, Korba
31	Construction of new building of PRIMARY SCHOOL Hardimauha instead of ruined old building	Promoting Education	CG/Korba/Korba/ Hardimauha	10.85	10.85	10.85	District Collector, Korba
32	Construction of new building of PRIMARY SCHOOL Badgaon instead of ruined old building	Promoting Education	CG/Korba/Korba/ Badgaon	10.85	10.85	10.85	District Collector, Korba
33	Construction of new building of PRIMARY SCHOOL Batati instead of ruined old building	Promoting Education	CG/Korba/Korba/ Batati	10.85	10.85	10.85	District Collector, Korba
34	Construction of boudary wall of Aganbaari No 01 at Sonpuri village under CSR head of KSA	Promoting Education	CG/Korba/ Katghora/Sonpuri Village	3.12	3.15	3.15	SECL
35	Construction of boudary wall of Aganbaari No 04 at Gevra Basti village under CSR head of KSA	Promoting Education	CG/Korba/ Katghora/Gevra Basti Village	2.58	2.64	2.64	SECL
36	Construction of boudary wall of Aganbaari at Churail village under CSR head of KSA	Promoting Education	CG/Korba/ Katghora/Chural Village	3.36	3.45	3.45	SECL
37	Construction of CC road from mandir to House of Pyare Lal at Sonpuri village under CSR head of KSA	Rural Development Projects	CG/Korba/ Katghora/Sonpuri Village	5.29	5.26	5.26	SECL
38	Construction of CC road inside Bhalpahari village under CSR head of KSA	Rural Development Projects	CG/Korba/ Katghora/ Bhalpahari Village	6.47	6.47	6.47	SECL
39	Construction of CC road from main road to Pond at Amgaon village under CSR head of KSA	Rural Development Projects	CG/Korba/ Katghora/ Amgaon Village	3.07	3.05	3.05	SECL
40	Construction of CC road from main road to House of Sarpanch at Padaniya village under CSR head of KSA	Rural Development Projects	CG/Korba/ Katghora/ Padaniya Village	6.12	6.09	6.09	SECL
41	Construction of weekly market shed at Gram Panchayat Kanberi under CSR Head of Kusmunda Area	Rural Development Projects	CG/Korba/ Katghora/Kanberi	10.50	7.47	7.47	SECL

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42	Construction of weekly market shed in Pali Village under CSR Head of Kusmunda Area	Rural Development Projects	CG/Korba/ Katghora/Pali	12.00	7.55	7.55	SECL
43	Construction of Samudayik Bhawan at Padaniya Village unde CSR head of Kusmunda Area	Rural Development Projects	CG/Korba/ Katghora/ Padaniya Village	8.00	6.52	6.52	SECL
44	Construction of Samudayik Bhawan at Pali Village under CSR head of Kusmunda Area	Rural Development Projects	CG/Korba/ Katghora/Pali Village	10.00	6.14	6.14	SECL
45	Construction of Samudayik Bhawan at Sonpuri Village unde CSR head of Kusmunda Area	Rural Development Projects	CG/Korba/ Katghora/Sonpuri Village	10.00	6.25	6.25	SECL
46	Construction of boundary wall of Higher Secondary School at Padaniya Village under CSR head of Kusmunda Area	Promoting Education	CG/Korba/ Katghora/ Padaniya Village	10.00	6.82	6.82	SECL
47	Construction of CC road inside Khairbhawana village under CSR head of Kusmunda area	Rural Development Projects	CG/Korba/ Katghora/ Khairbhawana Village	12.50	6.47	6.47	SECL
48	Providing one no. hand pump including borehole at Kabir Chowk under CSR head of Kusmunda Area	Drinking Water	CG/Korba/ Katghora/Gevra Basti Village	1.50	1.48	1.48	SECL
49	Construction of new boundary wall of primary and middle School at Gevra basti under CSR head of Kusmunda Area	Promoting Education	CG/Korba/ Katghora/Gevra Basti Village	12.00	6.79	6.79	SECL
50	Construction of Samudayik Bhawan at Churail village under CSR head of Kusmunda Area.	Rural Development Projects	CG/Korba/ Katghora/Chural Village	8.38	6.24	6.24	SECL
51	Construction of Samudayik Bhawan at Khodri village under CSR head of Kusmunda Area.	Rural Development Projects	CG/Korba/ Katghora/Khodri Village	8.00	6.28	6.28	SECL
52	Providing and fixing Two no Hand pump including borehole at Khairbhawana Village under CSR head of Kusmunda Area	Drinking Water	CG/Korba/ Katghora/ Khairbhawana Village	3.00	1.85	1.85	SECL
53	Providing and fixing Three no Hand pump including borehole at Pali Village under CSR head of Kusmunda Area	Drinking Water	CG/Korba/ Katghora/Pali Village	4.50	2.63	2.63	SECL
54	Construction of nirmal ghat at Khodary village under CSR head of Kusmunda Area.	Rural Development Projects	CG/Korba/ Katghora/Khodary Village	2.00	1.27	1.27	SECL
55	Construction of samudayik bhawan at Pandripani village under CSR head of KSA	Rural Development Projects	CG/Korba/ Katghora/ Pandripani Village	6.44	0.13	6.35	SECL



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56	Repair / short construction work of pre.mai.sc.caste kanya chatrawas iti korba	Promoting Education	CG/Korba/Korba/ Korba	3.84	2.30	2.30	District Collector, Korba
57	Repair / short construction work of st kanya ashram nonbirra	Promoting Education	CG/Korba/Pali/ Nonbirra	7.30	4.38	4.38	District Collector, Korba
58	Repair / short construction work of pre.mai. St kanya chatrawas bhaisma	Promoting Education	CG/Korba/Korba/ Bhaisma	4.84	2.90	2.90	District Collector, Korba
59	Repair / short construction work of pre.mai. St aashram shyang	Promoting Education	CG/Korba/Korba/ Shyang	9.12	5.47	5.47	District Collector, Korba
60	Construction of toilet, drinking water and kitchen shade in boys hostel kudmura	Rural Development Projects	CG/Korba/Korba/ Kudmura	6.00	3.60	3.60	District Collector, Korba
61	Construction of toilet and drinking water in sohagpur	Rural Development Projects	CG/Korba/ Kartala/Sohagpur	4.00	2.40	2.40	District Collector, Korba
62	Construction of new hall in place of old hall in middle school kachhar	Promoting Education	CG/Korba/Korba/ Kachhar	11.38	6.83	6.83	District Collector, Korba
63	Construction of new hall in place of old hall in middle school kanya ashram kudmura	Promoting Education	CG/Korba/Korba/ Kudmura	11.38	6.83	6.83	District Collector, Korba
64	Construction of new hall in place of old hall in middle school godhi	Promoting Education	CG/Korba/Korba/ Godhi	11.38	6.83	6.83	District Collector, Korba
65	Construction of new hall in place of old hall in middle school chuiya	Promoting Education	CG/Korba/Korba/ Chuiya	11.38	6.83	6.83	District Collector, Korba
66	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) dhaurabhatha (gokanai)	Drinking Water	CG/Korba/Pali/ Dhaurabhanta	5.00	3.00	3.00	District Collector, Korba
67	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) iraf (dadarpara)	Drinking Water	CG/Korba/Pali/Iraf	5.00	3.00	3.00	District Collector, Korba
68	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) chepa (duggupura)	Drinking Water	CG/Korba/Pali/ Chepa	5.00	3.00	3.00	District Collector, Korba
69	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) barisamrav	Drinking Water	CG/Korba/Pali/ Bariumrao	5.00	3.00	3.00	District Collector, Korba

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70	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) baimer (duggupara)	Drinking Water	CG/Korba/Pali/ Baisemar	5.00	3.00	3.00	District Collector, Korba
71	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) pahadgav (basti)	Drinking Water	CG/Korba/Pali/ Pahadgaon	5.00	3.00	3.00	District Collector, Korba
72	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) dhukupakhna (pandarapakhna)	Drinking Water	CG/Korba/Pali/ Dhukupakhna	5.00	3.00	3.00	District Collector, Korba
73	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) batara (sonsari)	Drinking Water	CG/Korba/Pali/ Batra	5.00	3.00	3.00	District Collector, Korba
74	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) kapot (sonardih)	Drinking Water	CG/Korba/Pali/ Kapot	5.00	3.00	3.00	District Collector, Korba
75	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) karanwapara (chanwaripara)	Drinking Water	CG/Korba/Pali/ Karranawapara	5.00	3.00	3.00	District Collector, Korba
76	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) kodar (hardikachhar)	Drinking Water	CG/Korba/Pali/ Kodar	5.00	3.00	3.00	District Collector, Korba
77	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) shivpur (pachpedipara)	Drinking Water	CG/Korba/Pali/ Shivpur	5.00	3.00	3.00	District Collector, Korba
78	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) mudhali (davanpara)	Drinking Water	CG/Korba/Pali/ Mudhali	5.00	3.00	3.00	District Collector, Korba
79	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) ramkachar (sararpara)	Drinking Water	CG/Korba/Pali/ Ramkachhar	5.00	3.00	3.00	District Collector, Korba
80	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) udan (pandopara)	Drinking Water	CG/Korba/Pali/ Udaan	5.00	3.00	3.00	District Collector, Korba
81	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) telsara	Drinking Water	CG/Korba/Pali/ Telsara	5.00	3.00	3.00	District Collector, Korba



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82	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) limpani (jalhalpara)	Drinking Water	CG/Korba/Pali/ Limpani	5.00	3.00	3.00	District Collector, Korba
83	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) limpani (semarpara)	Drinking Water	CG/Korba/Pali/ Limpani	5.00	3.00	3.00	District Collector, Korba
84	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) raha (jamnipara)	Drinking Water	CG/Korba/Pali/ Raha	5.00	3.00	3.00	District Collector, Korba
85	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) puta(linepara)	Drinking Water	CG/Korba/Pali/ Puta	5.00	3.00	3.00	District Collector, Korba
86	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) ratkhandi (raikachhar)	Drinking Water	CG/Korba/Pali/ Ratkhandi	5.00	3.00	3.00	District Collector, Korba
87	Installation of solar duel pump (circumference 125 mm, depth 75 m, capacity 1800 lit / hour) lafa (parvatdan chowk)	Drinking Water	CG/Korba/Pali/ Lafa	5.00	3.00	3.00	District Collector, Korba
88	Construction of Community building at Bishrampur Village at Korba Area, MKP	Rural Development Projects	CG/Korba/Korba/ Bishrampur	5.45	0.11	0.11	SECL
89	Construction of Community building of Bhilai Khurd no. 2 at Korba Area, MKP	Rural Development Projects	CG/Korba/Korba/ Manikpur	6.04	0.19	5.72	SECL
90	Construction of Community Building at Sumedha village	Rural Development Projects	CG/Korba/Korba/ Mongra	7.61	7.52	7.52	SECL
91	Construction of Community Building at Arda village under DSB Sub Area	Rural Development Projects	CG/Korba/Korba/ Arda	7.61	6.85	6.85	SECL
92	Installation of 02 No hand pump at Chhapari Tola near Pinoura Sub Area of Johilla Area -	Drinking Water	MP/Umaria/ Karkeli/Chhapri	1.56	0.78	0.78	SECL
93	Construction of Samudaik Bhavan at Kudri Village	Rural Development Projects	Mp/Umaria/ Karkeli/Kudri	6.09	6.35	6.35	SECL
94	Development of Ghat and beautification of Siddh baba temple near Johilla Area ward No 9	Rural Development Projects	MP/Umaria/ Karkeli/ Nowrozabad	7.77	8.13	8.13	SECL
95	Construction of balance boundary wall along with gurad and store room at Mukti Dham Lalpur Umaria	Rural Development Projects	MP/Umaria/ Karkeli/Lalpur	8.04	7.59	7.59	SECL

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96	Construction of hostel, skill development and health centre for Janjati Kalyan Kendra Mahakaushal Bargaon, Shahpura	Promoting Education	MP/Dindori/ Shahpura/ Bargaon	83.53	70.96	70.96	SECL
97	Construction of hostel, library and health care center for tribal community for Sewa Bharati at Umaria	Promoting Education	MP/Umaria/ Manpur/Umaria Town	73.06	38.83	38.83	SECL
98	Providing shed for cremation ghat ward No-09 at Pali Sub Area	Rural Development Projects	MP/Umaria/Pali/ Pali	8.19	7.89	7.89	SECL
99	Providing Ghat at Ghordha pond of Bartarai Panchayat.	Rural Development Projects	MP/Anuppur/ Anuppur/Bartarai	5.00	4.94	4.94	SECL
100	Bituminous road, Ward No. 01 Jamuna Basti Chowk to Ramkhelawan house	Rural Development Projects	MP/Anuppur/ Anuppur/Jamuna Basti	9.05	8.28	8.28	SECL
101	Construction of road at Pakaria village (from Shramik Nagar road to Shrivastava House)	Rural Development Projects	MP/Anuppur/ Anuppur/Bhadra	18.80	5.58	19.09	SECL
102	Construction of approach road from Thana Tiraha (Pasan) to Murdhwatola at Jamuna Kotma Area	Rural Development Projects	MP/Anuppur/ Anuppur/Pasan	17.93	17.66	17.66	SECL
103	Bituminous road, Ward No. 08 Pasan Dam via hostel to main road	Rural Development Projects	MP/Anuppur/ Anuppur/Pasan	13.36	13.35	13.35	SECL
104	Community Hall at village Dhumma	Rural Development Projects	MP/Anuppur/ Kotma/Dhumma	11.09	9.34	9.34	SECL
105	Renovation of Hostel at Excellence Higher Secondary School Kotma (Roof, Floor, Dining Area)	Rural Development Projects	MP/Anuppur/ Kotma/Kotma	17.91	12.01	12.01	SECL
106	Community hall at village Sakola	Rural Development Projects	MP/Anuppur/ Kotma/Sakola	11.09	7.08	7.08	SECL
107	Construction of Pachri in Bandhawa Talab at Bhilai Bazar.	Rural Development Projects	CG/Korba/ Katghora/Bhilai Bazar	10.00	9.39	9.39	SECL
108	Misc work at Shastri high school Hardi Bazar.	Promoting Education	CG/Korba/Pali/ Hardi Bazar	10.00	5.51	5.51	SECL
109	Construction of cultural munch & other works near Kabir Ashram Naraibodh under CSR scheme of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Naraibodh	10.00	9.64	9.64	SECL
110	Construction of cement concrete road at village Ganga Nagar under CSR scheme of Gevra Area for the year 2013-14.	Rural Development Projects	CG/Korba/ Katghora/Ganga Naga	10.00	8.32	8.32	SECL



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111	Construction of shed at Kabir Dharam Nagar Gevra Kabir Ashram under CSR scheme of Gevra Area for the year 2013-14.	Rural Development Projects	CG/Korba/ Katghora/ Naraibodh	12.22	11.64	11.64	SECL
112	Cement concrete road at village Thakur para, Korbi under CSR scheme at Gevra Area for the year 2013-14.	Rural Development Projects	CG/Korba/Pali/ Korbi	12.00	9.58	9.58	SECL
113	Cement concrete road at village Bandhakhar under CSR scheme at Gevra Area for the year 2013-14.	Rural Development Projects	CG/Korba/Pali/ Bandhakhar	12.67	12.67	12.67	SECL
114	Cement concrete road at village Utarda under CSR scheme at Gevra Area for the year 2013-14.	Rural Development Projects	CG/Korba/Pali/ Utarda	12.67	12.67	12.67	SECL
115	Cement concrete road at village Boida under CSR	Rural Development Projects	CG/Korba/Pali/ Boida	12.30	12.30	12.30	SECL
116	Construction of CC road at Shikshak colony	Rural Development Projects	CG/Korba/Pali/ Hardi Bazar	11.26	11.26	11.26	SECL
117	Repair/minor construction at pre tribal girls hostel at Hardi Bazar	Promoting Education	CG/Korba/ Katghora/Hardi Bazar	2.00	2.00	2.00	District Collector, Korba
118	Construction of new roof at the tribal hostel Tiwarta	Promoting Education	CG/Korba/ Katghora/Tiwarta	9.12	9.12	9.12	District Collector, Korba
119	Title of the project: Construction of new roof at the boy's Ashram Chodha	Promoting Education	CG/Korba/ Katghora/Chodha	8.81	8.81	8.81	District Collector, Korba
120	Water supply and small construction work at boy's hostel at Pondi Lapha	Promoting Education	CG/Korba/ Katghora/Pondi Lapha	3.50	3.50	3.50	District Collector, Korba
121	Water Supply and toilet at pre-matric tribal boys hostel at Hardi Bazar	Promoting Education	CG/Korba/ Katghora/Hardi Bazar	4.00	4.00	4.00	District Collector, Korba
122	Construction of New Building of Primary School instead of ruined old Building, Baggharidandu, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Baggharidandu	10.85	10.85	10.85	District Collector, Korba
123	Construction of New Building of Primary School instead of ruined old Building, Shanti Nagar, Gevra Area	Promoting Education	CG/Korba/ Katghora/Shanti Nagar	10.85	10.85	10.85	District Collector, Korba
124	Construction of New Building of Primary School instead of ruined old Building, Labeled, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Labeled	10.85	10.85	10.85	District Collector, Korba
125	Construction of New Building of Primary School instead of ruined old Building, Ghuidand, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Ghuidand	10.85	10.85	10.85	District Collector, Korba

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126	Construction of New Building of Primary School instead of ruined old Building, Chirra, Gevra Area	Promoting Education	CG/Korba/ Katghora/Chirra	10.85	10.85	10.85	District Collector, Korba
127	Construction of New Building of Primary School instead of ruined old Building, Aloang, Gevra Area	Promoting Education	CG/Korba/ Katghora/Aloang	10.85	10.85	10.85	District Collector, Korba
128	Construction of New Building of Primary School instead of ruined old Building, Dhanpuri, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Dhanpuri	10.85	10.85	10.85	District Collector, Korba
129	Construction of New Building of Primary School instead of ruined old Building, Sakdukala, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Sakdukala	10.85	10.85	10.85	District Collector, Korba
130	Construction of New Building of Primary School instead of ruined old Building, Bhaisma, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Bhaisma	10.85	10.85	10.85	District Collector, Korba
131	Construction of New Building of Primary School instead of ruined old Building, Dhelvadih, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Dhelvadih	10.85	10.85	10.85	District Collector, Korba
132	Construction of New Building of Primary School instead of ruined old Building, Kudrikhar, Gevra Area	Promoting Education	CG/Korba/ Katghora/ Kudrikhar	10.85	10.85	10.85	District Collector, Korba
133	Construction of New Building of Primary School instead of ruined old Building, Dokarmana	Promoting Education	CG/Korba/ Katghora/ Dokarmana	10.85	10.85	10.85	District Collector, Korba
134	Construction of New Building of Primary School instead of ruined old Building, Bankheta	Promoting Education	CG/Korba/ Katghora/ Bankheta	10.85	10.85	10.85	District Collector, Korba
135	Construction of New Building of Primary School instead of ruined old Building, Devarmal	Promoting Education	CG/Korba/ Katghora/ Devarmal	10.85	10.85	10.85	District Collector, Korba
136	Construction of New Building of Primary School instead of ruined old Building, Pahanda	Promoting Education	CG/Korba/ Katghora/ Pahanda	10.85	10.85	10.85	District Collector, Korba
137	Construction of New Building of Primary School instead of ruined old Building, Bengchulbhata	Promoting Education	CG/Korba/ Katghora/ Bengchulbhata	10.85	10.85	10.85	District Collector, Korba
138	Construction of New Building of Primary School instead of ruined old Building, Chhuidhodha(Madanpur)	Promoting Education	CG/Korba/ Katghora/ Chhuidhodha	10.85	10.85	10.85	District Collector, Korba
139	Construction of New Building of Primary School instead of ruined old Building, Navadih	Promoting Education	CG/Korba/ Katghora/Navadih	10.85	10.85	10.85	District Collector, Korba
140	Construction of New Building of Primary School instead of ruined old Building, Aamadand	Promoting Education	CG/Korba/ Katghora/ Aamadand	10.85	10.85	10.85	District Collector, Korba
141	Construction of New Building of Primary School instead of ruined old Building, Khachhar	Promoting Education	CG/Korba/ Katghora/ Khachhar	10.85	10.85	10.85	District Collector, Korba



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142	Construction of New Building of Primary School instead of ruined old Building, Bhaisma (Girls P.S)	Promoting Education	CG/Korba/ Katghora/ Bhaisma	10.85	10.85	10.85	District Collector, Korba
143	Construction of New Building of Primary School instead of ruined old Building, Sangurha	Promoting Education	CG/Korba/ Katghora/ Sangurha	10.85	10.85	10.85	District Collector, Korba
144	Construction of New Building of Primary School instead of ruined old Building, Motisagarpara	Promoting Education	CG/Korba/ Katghora/ Motisagarpara	10.85	10.85	10.85	District Collector, Korba
145	Construction of Community building at village satnami mohalla Jorhadabri under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/Pali/ Jorhadabri	9.99	9.99	9.99	SECL
146	Construction of Community building at village Utarda under CSR head of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/Pali/ Utarda	9.69	9.69	9.69	SECL
147	Construction of Community building at Raul under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/Raul	9.66	9.66	9.66	SECL
148	Construction of Community building at Bhatapara, Hardibazar under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/Pali/ Bhatapara,	9.56	9.56	9.56	SECL
149	Construction of Community building at Bhaisagawan mukhayalaya Chhohiyapara under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/Pali/ Chhohiyapara	9.54	9.54	9.54	SECL
150	Construction of Community building at village Chakabuda under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Chakabuda	9.67	9.67	9.67	SECL
151	Construction of Community building at Umendibhata under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Umendibhata	9.69	9.69	9.69	SECL
152	Construction of Community building at ward No. 17 near saptahik bazar at Hardibazar under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/Pali/ Hardibaza	9.65	9.65	9.65	SECL
153	Construction of Community building at Akharapali under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Akharapali	9.66	9.66	9.66	SECL
154	Construction of Community building near Mononight church at Katghora under CSR activities of Gevra Area for the year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Katghora	9.67	9.67	9.67	SECL
155	Construction of Community building at village Mudali under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/ Katghora/Mudali	10.17	6.00	6.00	SECL

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156	Construction of Community building at Patel Para, Korbi under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/Pali/ Korbi	10.29	6.00	6.00	SECL
157	Construction of Community building at village Salora (Kha) under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/ Katghora/Salora (Kha)	10.14	6.00	6.00	SECL
158	Construction of Community building at village Bhalpahari under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/Pali/ Bhalpahari	10.47	6.00	6.00	SECL
159	Construction of Community building at village Khamhariya under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/Pali/ Khamhariya	10.18	6.00	6.00	SECL
160	Construction of Community building at village Katkidabri under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/Pali/ Katkidabri	10.59	10.59	10.59	SECL
161	Construction of Community building at village Vijay Nagar under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/ Katghora/Vijay Nagar	10.60	10.59	10.59	SECL
162	Construction of Community building at village Mohariyamunda under CSR head of Gevra Area for the Year 2013-14	Rural Development Projects	CG/Korba/ Katghora/ Mohariyamunda	13.36	7.00	7.00	SECL
163	Black topping of Neharunagar approach road under CSR head.	Rural Development Projects	CG/Korba/ Katghora/ Neharunagar	15.50	15.50	15.50	SECL
164	Renovation of pre matric scheduled tribe girls hostel at CHAITMA	Promoting Education	CG/Korba/Pali/ Chaitma	3.95	2.37	2.37	District Collector, Korba
165	Renovation of pre matric scheduled tribe girls hostel at NONBIRRA	Promoting Education	CG/Korba/Pali/ Nonbirra	5.11	3.07	3.07	District Collector, Korba
166	Renewal of ceiling at kanya aashram SIRKI	Promoting Education	CG/Korba/Pali/ Sirki	5.00	3.00	3.00	District Collector, Korba
167	Renewal of ceiling at kanya aashram RAJKAMMA	Promoting Education	CG/Korba/Pali/ Rajkamma	7.20	4.32	4.32	District Collector, Korba
168	Construction of new building for Primary School UDTA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Udta	10.85	6.51	6.51	District Collector, Korba
169	Construction of new building for Primary School JORHADABRI in place of ruined building.	Promoting Education	CG/Korba/Pali/ Jorhadabri	10.85	6.51	6.51	District Collector, Korba



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170	Construction of new building for Primary School KUTELAMUDA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Kutelamuda	10.85	6.51	6.51	District Collector, Korba
171	Construction of new building for Primary School NAVAPARA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Navapara	10.85	6.51	6.51	District Collector, Korba
172	Construction of new building for Primary School RAJKAMMA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Rajkamma	10.85	6.51	6.51	District Collector, Korba
173	Construction of new building for Primary School SAJABAHARI in place of ruined building.	Promoting Education	CG/Korba/Pali/ Sajabahari	10.85	6.51	6.51	District Collector, Korba
174	Construction of new building for Primary School DHODHIPARA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Dhodhipara	10.85	6.51	6.51	District Collector, Korba
175	Construction of new building for Primary School JAYANTI NAGAR in place of ruined building.	Promoting Education	CG/Korba/Pali/ Jayanti Nagar	10.85	6.51	6.51	District Collector, Korba
176	Construction of new building for Primary School BUNDELIPARA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Bundelipara	10.85	6.51	6.51	District Collector, Korba
177	Construction of new building for GIRLS Primary School BOIDA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Boida	10.85	6.51	6.51	District Collector, Korba
178	Construction of new building for GIRLS Primary School UTARDA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Utarda	10.85	6.51	6.51	District Collector, Korba
179	Construction of new building for BOYS Primary School udta in place of ruined building.	Promoting Education	CG/Korba/Pali/ Udta	10.85	6.51	6.51	District Collector, Korba
180	Construction of new building for Primary School DHATURA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Dhatura	10.85	6.51	6.51	District Collector, Korba
181	Construction of new building for Primary School PAKHANAPARA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Pakhanapara	10.85	6.51	6.51	District Collector, Korba
182	Construction of new building for Primary School AAMGAON in place of ruined building.	Promoting Education	CG/Korba/Pali/ Aamgaon	10.85	6.51	6.51	District Collector, Korba
183	Renovation of scheduled tribe KANYA AASHRAM at PALI	Promoting Education	CG/Korba/Pali/ Pali	5.50	3.30	3.30	District Collector, Korba
184	Renovation of pre matric scheduled tribe girls hostel at PALI	Promoting Education	CG/Korba/Pali/ Pali	5.00	3.00	3.00	District Collector, Korba
185	Construction of new building for Primary School JALHAL in place of ruined building.	Promoting Education	CG/Korba/Pali/ Jalhal	10.85	6.51	6.51	District Collector, Korba

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186	Construction of new building for Primary School RAMAKACHCHAR in place of ruined building.	Promoting Education	CG/Korba/ Pali/ Ramakachchar	10.85	6.51	6.51	District Collector, Korba
187	Construction of new building for Primary School GHUICHUAA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Ghuichuaa	10.85	6.51	6.51	District Collector, Korba
188	Construction of new building for Primary School SHIVPUR in place of ruined building.	Promoting Education	CG/Korba/Pali/ Shivpur	10.85	6.51	6.51	District Collector, Korba
189	Construction of new building for Primary School DONGANALA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Donganala	10.85	6.51	6.51	District Collector, Korba
190	Construction of new building for Primary School DHUKUPATHRA in place of ruined building.	Promoting Education	CG/Korba/Pali/ Dhukupathra	10.85	6.51	6.51	District Collector, Korba
191	Construction of Boundary wall for middle School at Jhabar village (280m)	Promoting Education	CG/Korba/ Katghora /Jhabar	8.00	8.18	8.18	SECL
192	Construction of waiting hall and shed at Muktidham in Gandhinagar near Dipka Area.	Rural Development Projects	CG/Korba/ Katghora / Gandhi Nagar	3.83	3.70	3.70	SECL
193	Construction of CC road (360m) from main road to house of Makhan at Bankhetapara of Dipka Area (Under CSR)	Rural Development Projects	CG/Korba/ Katghora /Gandhi Nagar	8.80	8.80	8.80	SECL
194	Deepening of 2 No. Ponds at Gandhinagar near Dipka Area	Environmental Sustainability and Conservation of Natural Resources	CG/Korba/ Katghora / Gandhi Nagar	4.33	4.33	4.33	SECL
195	Construction of Hostel building for sports Authority of India at (SAI) at Ambikapur under CSR 2013-14	Promotion of Sports	CG/Surguja/ Ambikapur/ Ambikapur	179.51	50.00	130.09	Municipal Corporation Ambikapur
196	Supply and fixing of 335 nos. 120 Watt. LED Street lights at Ambikapur under CSR head of Bishrampur Area.	Environmental Sustainability and Conservation of Natural Resources	CG/Surguja/ Surguja/ Ambikapur	36.25	36.25	36.25	Municipal Corporation Ambikapur
197	RCC Culvert near Radha Mandir, Karampur of Kumda Sub Area of Bihramur Area under CSR work, by Shri Manmohan Mishra	Rural Development Projects	CG/Surajpur/ Surajpur/ Karampur	5.00	4.15	4.15	SECL
198	Cement Concrete road 200 mtr. in Balrampur Basti of Bishrampur Area, by Shri Shitikant Swain.	Rural Development Projects	CG/Surajpur/ Surajpur/ Balrampur Basti	7.00	6.38	6.38	SECL



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199	Supplying two nos. submersible pump at Pandawpara & Patelpara in existing borehole at Balrampur	Drinking Water	CG/Surajpur/ Surajpur/ Balrampur	1.00	0.97	0.97	SECL
200	Construction of waiting shed at Bus stop Jainagar Gram Panchayat of Bishrampur Area(Under CSR work) by Ramashankar Pandey	Rural Development Projects	CG/Surajpur/ Surajpur/ Jainagar	3.00	3.00	3.00	SECL
201	Drilling of Borewell and fixing of 3 nos. Handpump at Karampur of Kumda Sub Area of Bishrampur Area, by United Drillers	Drinking Water	CG/Surajpur/ Surajpur/ Karampur	3.00	2.65	2.65	SECL
202	Drilling and Installation of 5 nos. Hand pumps at Gram Panchayat Chandrapur at Ramanujnagar of Bis.-Amgaon Sub Area of Bishrampur area. by Goyal Borewells, Bspr.	Drinking Water	CG/Surajpur/ Surajpur/ Chandrapur	5.00	2.64	2.64	SECL
203	Construction of Bazaar Shed at Getra village under CSR head of RGK Sub Area of Bishrampur Area	Rural Development Projects	CG/Surguja/ Lakhanpur/ Getra	11.00	7.17	7.17	SECL
204	Construction of Boundary wall at Middle and High School at Podi village at RGK Sub Area of Bishrampur Area under CSR work	Promoting Education	CG/Surajpur/ Surajpur/Podi	11.00	10.42	10.42	SECL
205	Construction of Drain at ward no. 10 from Milan chowk to Sahu colony at Shivanandanpur of Bishrampur Area(Under CSR Work)	Rural Development Projects	CG/Surajpur/ Surajpur/ Shivanandanpur	3.50	3.52	3.52	SECL
206	Construction of Drain from Main road to Shri Bed Sai's house, Getra of RGK Sub Area of Bishrampur Area(under CSR)	Sanitation	CG/Surguja/ Lakhanpur/ Getra	10.00	3.75	3.75	SECL
207	Construction of Drain at ward no.01 Gudri Gali in both side of road at Shivanandanpur of Bishrampur Area(under CSR)	Sanitation	CG/Surajpur/ Surajpur/ Shivanandanpur	5.50	4.36	4.36	SECL
208	Construction of 200 mtr C.C. Road from Shri Fool Sai's house to Shri Lal sai's house at Podi	Rural Development Projects	CG/Surajpur/ Surajpur/Podi	7.54	8.24	8.24	SECL
209	Construction of CC road from ward no. 10 Chanda Bal Mandir to Milan Chowk of Shivanandanpur of Bishrampur Area.	Rural Development Projects	CG/Surajpur/ Surajpur/ Shivanandanpur	10.00	5.41	5.41	SECL
210	Construction of Class room at Government Middle school at Dedri village	Promoting Education	CG/Surajpur/ Surajpur/Dedri	11.00	7.78	7.78	SECL
211	Drilling of Borewell and Fixing of 03 nos. hand pumps at Virpur village of Bishrampur Area	Drinking Water	CG/Surajpur/ Surajpur/Virpur	3.00	2.35	2.35	SECL

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212	Construction of CC road from House of Dhanraj Agrawal to Panch Rajkumar at Shivnandanpur of Bishrampur Area	Rural Development Projects	CG/Surajpur/ Surajpur/ Shivanandanpur	12.00	8.95	8.95	SECL
213	Const. of 3 nos. classrooms for Saraswati Shishu Mandir (Higher Sec. school) Korea	Promoting Education	CG/Korea/ Baikunthpur/ Korea	18.63	5.16	18.64	SECL
214	FDR work i.e. Construction of vented cause way over (Rapta Puliya) the Mahan River on Ambikapur-Pratappur Road at KM 23/8-10	Rural Development Projects	CG/Surajpur/ Pratappur/ Ambikapur-Pratappur Road	268.60	53.72	53.72	PWD, Bridge Construction Division
215	Water purification Plant of 1000 LPH digital controlled Semi Auto (CPVC or UPVC) along with installation of 5000 Ltr capacity pvc tank S/pump with pipe fitting in existing tube well, Construction of Tube-well, Pump House, and water purification ,plant room, pipe fitting and electric connection etc.(10 Nos.)@₹ 7Lakh	Drinking Water	CG/Korea/ Korea	74.90	26.90	26.90	SECL
216	Arrangement Of Drinking water by providing Hand pumps for resident of Pando Janjati at different villages of Sonhat Vikas Khand (10 Nos.)	Drinking Water	CG/Korea/Sonhat	8.10	8.10	8.10	SECL
217	Ambulance service under CSR Head by Baikunthpur Area in Korea District	Healthcare	In And Around Villages Of Secl Baikunthpur Area In Korea District	37.92	37.92	37.92	SECL
218	Construction of Rural Technology Park "Gramodaya" in District Bilaspur	Promoting Education	CG/Bilaspur/ Bilha/Nipaniya	210.43	1.00	201.63	SECL
219	Street Lighting work of Nutan Chowk to Mopka Road, Bilaspur for an amount of ₹ 2,19,57,531.00/- under CSR Activities of SECL HQ	Rural Development Projects	CG/Bilaspur	219.57	109.78	109.78	SECL
220	Construction of Community Hall at Amraiya Chowk under CSR activities of SECL HQ. Bilaspur(C.G.) by B.P. Agrawal	Rural Development Projects	CG/Bilaspur	6.00	5.59	5.59	SECL
221	Construction of Roomshed at Assembly Place & Auditorium at Govt. Girls Higher Secondary School Sarkanda under CSR Activities of SECL HQ Bilaspur by M/S Sukhdeo Singh Thakur	Promoting Education	CG/Bilaspur	85.38	4.97	64.47	SECL



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222	Sanction of ₹ 52 Lakhs towards Battery Operated Vehicles at Jungle Safari, Naya Raipur	Environmental Sustainability and Conservation of Natural Resources	CG/Naya Raipur/ Naya Raipur/Naya Raipur	52.00	50.39	50.39	CG Forest Dept
223	Financial Assistance to Programme Officer NSS - CMD College, Bilaspur for construction of toilets in Newasa village	Sanitation	CG/Bilaspur / Kota/Newasa	5.53	5.53	5.53	National Service Scheme of CMD College
224	Deepening of ponds in 36 no. of villages located in Rajnandgaon Districts of Chhattisgarh state	Environmental Sustainability and Conservation of Natural Resources	CG/Rajnandgaon	400.00	345.86	345.86	District Collector, Rajnandgaon
225	Deepening of ponds in 12 no. of villages located in Kabirdham Districts of Chhattisgarh state	Environmental Sustainability and Conservation of Natural Resources	CG/Kabirdham	110.00	96.43	96.43	District Collector, Kabirdham
226	Solar Plant for 10 no. Govt hostel for tribal poor student in Dindori District	Promoting Education	MP/Dindori /Block Bajag Hostel At Chada, Bajag	32.50	29.55	29.55	District Collector, Dindori
227	Construction of Boundary wall of Children Sampresan Griha, Raigarh	Setting up homes for orphans	CG/Raigarh/ Raigarh/Raigarh	17.15	17.15	17.15	PWD, Raigarh
228	Construction of Boundary wall of Indira Gandhi Girls Primary School, Raigarh	Promoting Education	CG/Raigarh/ Raigarh/Raigarh	33.57	33.57	33.57	Nagar Palika Nigam, Raigarh
229	Financial Assistance to Collector Raigarh in respect of Chakradhar Samaroh	Protection of national heritage, art and culture	CG/Raigarh/ Raigarh/Raigarh	5.00	5.00	5.00	District Collector, Raigarh
230	Hariyar Chhattisgarh Programme	Environmental Sustainability and Conservation of Natural Resources	Chhattisgarh	3200.00	99.77	99.77	CG Forest Dept
231	Financial Assistance to Social Welfare Department, Bilaspur for providing support to the Skill development programme for disabled people	Welfare of the differently abled	CG/Bilaspur / Bilaspur/Bilaspur	24.93	24.93	24.93	District Collector, Bilaspur

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232	Construction/repair of toilets in schools located in various districts of Chhattisgarh, Madhya Pradesh, Odisha states under Swachh Vidyalyaya Abhiyan	Swachh Vidyalyaya Abhiyan	CG, MP, Odisha	22618.00	431.36	18393.81	SECL, IRCON, State Govts. of CG, MP, OD states
233	Contribution towards Swachh Bharat Kosh set up by Central Govt.	Swachh Bharat Kosh		1200.00	1200.00	1200.00	Central Govt.
234	Financial Assistance for PALI MAHOTASAV	Protection of National Heritage, Art and Culture	CG/Korba/Pali	25.00	25.00	25.00	District Collector, Korba
235	Financial assistance of ₹ 15 Lakh for providing Rescue Boat for Environment conservation effort in Jungle Safari, Naya Raipur	Environmental Sustainability and Conservation of Natural Resources	CG/Naya Raipur	15.00	15.00	15.00	CG Forest Dept
236	Financial Assistance to District Collector Bilaspur for organizing training camp for FENCING competition	Promotion of sports	CG/Bilaspur / Bilaspur/Bilaspur	3.50	3.50	3.50	District Collector, Bilaspur
237	Financial Assistance for organizing RAWAT NACH Mahotsav	Protection of National Heritage, Art and Culture	CG/Bilaspur / Bilaspur/Bilaspur	1.50	1.50	1.50	Rawat Naach Mahotsav Samiti
238	Payment to TISS	Administrative Expense		9.77	9.77	9.77	
239	Financial Assistance for developing Radiology unit with computerized radiological system at JSS Ganiyari. (Purchasing of instruments).	Healthcare	CG/Bilaspur / Kota/Ganiyari	14.50	14.50	14.50	Jan Swastha Sanghatan, Ganiyari
240	Administrative Overhead	Administrative Expense		17.63	17.63	17.63	
241	Financial Assistance to Chhattisgarh Kabaddi Sangh for organizing state level training	Promotion of sports	CG/Bilaspur / Bilaspur /Bilaspur	5.00	5.00	5.00	Chhattisgarh Kabaddi Sangh
242	Ambulance service under CSR Head by Dipka Area in Korba District	Healthcare	In And Around Villages Of Secl Dipka Area In Korba District	20.00	0.99	0.99	SECL
	TOTAL AMOUNT SPENT				4250.36		



6. Reasons for not spending the amount of prescribed CSR Expenditure:

The total CSR Budget allocated for the FY 2016-17 is ₹ 120.24 Crore against which the Company has spent ₹ 42.50 Crore. In addition to the expenditure, an amount of ₹ 75.86 Crore has also been sanctioned for implementation in FY2016-17; these works are in progress and the expenditure will be booked in next financial year. Further, an amount of ₹ 327.40 Crore was sanctioned for the work of "Establishment of Multi Super Speciality Hospital at Raipur" which was earmarked for allocation in phases. However, the matter regarding the modus operandi is under active consideration and finalization with State Government of Chhattisgarh and Govt. of India. Hence the balance amount is earmarked for the activity in next financial year.

Moreover, an advance amount of ₹ 20.00 Crore has also been sanctioned and given to CG Forest Department under Hariyar Chhattisgarh Program for the year FY 2016-17, against which an utilization certificate of only ₹ 0.99 Crore has been received from CG State Govt. and as confirmed by them the balance will be utilized in the next financial year.

7. Responsibility Statement of the CSR Committee regarding implementation and monitoring of CSR Policy:

The CSR Committee certify that the implementation and monitoring of the CSR policy in respect of all projects/ programs covered under CSR initiatives for the year 2016-17, is in compliance with CSR objectives and CIL CSR Policy framed under the provisions of Companies Act, 2013.

Sd/-
(Dr. R S Jha)
Director (Personnel)
DIN: 07005297

Sd/-
(Sunil Kumar)
Chairman, CSR Committee
DIN: 07379007

Sd/-
(B. R Reddy)
CMD & CEO
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

(Annexure-III)

Secretarial Audit Report

For the Financial Year ended March 31, 2017

(FORM NO. MR-3)

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

The Members,
M/s South Eastern Coalfields Limited
Seepat Road, Bilaspur-495 006
Chhattisgarh, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by South Eastern Coalfields Limited, a Mini Ratna PSU, (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, 2017, ("**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:

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, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(Not Applicable to the Company during the Audit Report)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
(Not Applicable to the Company during the Audit Report)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(Not Applicable to the Company during the Audit Report)
- (v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(Not Applicable to the Company during the Audit Report)
- (viii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(Not Applicable to the Company during the Audit Report)
- (ix) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not Applicable to the Company during the Audit Report)
- (x) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(Not Applicable to the Company during the Audit Report)
- (xi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(Not Applicable to the Company during the Audit Report);
- (xii) Other laws applicable to the Company as per the representations made by the Management.

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

- Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India,



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 constituted as required under the provisions of the Act and letter bearing No. 21/35/2008/ASO(viii) dated June 6, 2008, issued by Ministry of Coal, Government of India.

The Company has represented to Ministry of Coal, Government of India, for nominating Woman Director on the Board of SECL.

Coal India Limited, being the Holding Company as constituted the Remuneration Committee for all its subsidiaries. The Remuneration of Directors/Officers however, is decided by Government of India.

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.

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

All decisions are carried out unanimously while the dissenting members' views, if any, are captured and recorded as part 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.

for **AGR Reddy & Co.**
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
C. P. No.10004
M.No.19445

Hyderabad, May 19, 2017

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

Annexure-A

The Members,
M/s South Eastern Coalfields Limited
Seepat Road, Bilaspur-495 006
Chhattisgarh, India

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

- Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 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 **AGR Reddy & Co.**
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
C. P. No.10004
M.No.19445

Hyderabad, May 19, 2017

(Annexure-IV)

Information under Section 134(3)(m) regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and Outgo for the year ended 31st March, 2017 is as under:

(A) Conservation of Energy**(i) The steps taken or impact on conservation of energy:**

- 1) Regular monitoring of power consumption pattern of all the service connection points and addition of requisite capacitor bank to improve power factor and thereby reducing power consumption. (Capacitor bank capacity enhanced by more than 7122 KVAR to improve PF).
- 2) Replacement of HPSV/HPMV/Metal Halide lamps with LED in street lights of residential areas, official buildings of SECL.
- 3) Re-organization of pumping to avoid stage pumping by laying deliveries through boreholes (6 bore holes made to replace the conventional pumping system).
- 4) Monitoring of load pattern and demand side management of supply points to control maximum demand.
- 5) Construction of strata bunkers in Underground Mines. (1140 te installed /under construction)
- 6) Power supply to underground mines by laying cables directly through bore holes to reduce power losses and voltage drop problem (by reducing overall length of power cable).
- 7) Re-organization of power distribution system by reducing the distance between switchgear and equipment.
- 8) Re-organization of transport system to achieve lowest length of belt conveyors.
- 9) Ariel bunch cables are provided in all the areas to avoid theft and unauthorized hooking at residential areas.
- 10) Automatic timer switches incorporated in all street lights of Residential areas and Mine areas.
- 11) Recommendation of CMPDIL for benchmarking of SPC have been implemented in Kusmunda and Gevra Areas.

(ii) The steps taken by the Company for utilising alternate sources of energy:

Proposal for installation of roof top solar PV plant at SECL HQ administrative building is under process of approval. Action taken to undertake detailed survey to identify other locations for installation of roof top and ground mounted solar PV plants.

(iii) The capital investment on energy conservation equipments:

NIL.

(B) Technology Absorption**(i) The efforts made towards technology absorption:**

Efforts made by the Company towards technology absorption are as under:

- a) **Continuous Miner (CM):** To modernize the underground mining operation, continuous miner technology is in operation at Kurja-Sheetaldhara, Kapildhara and Haldibadi mines of Hasdeo Area, Churha RO of Baikunthpur Area, Pinoura mine of Johilla Area, Khairaha mine of Sohagpur Area and Vijay west of Chirimiri Area. NITs have been floated for introduction of CM in Ketki UG mine of Bishrampur Area, Bangwar UG mine of Sohagpur Area and Vindhya UG mine of Johilla Area. Gayatri UG mine & Rehar UG mine of Bishrampur Area, Behrabandh north block of Hasdeo Area, Pandavapara UG mine and



Jhilimili UG mine of Baikunthpur Area and Shiwani UG mine of Bhatgaon Area have been identified for introduction of Continuous Miner in future.

- b) **Low Capacity Continuous Miner (LCCM):** LCCM has been introduced at Rani Atari UG mine of Chirimiri Area on hiring basis since 2008-09.
- c) **Highwall Mining Technology:** This method is a remotely operated system to extract coal seams with seam thickness ranging from 0.9 m to 1.5 m from underlying in the Highwall of an opencast mine, which has reached the final Highwall position due to uneconomic stripping ratio or due to surface constraints, which limit further mining operations. At present, Highwall mining is operative at Sharada OC mines of Sohagpur Area. Recently, a new project Batura Highwall has also been approved.
- d) **Surface Miner:** Surface miner have been deployed on hiring basis for coal production at Gevra OC expansion, Dipka OC expansion, Kusmunda OC expansion, Chhal OC and Baroud OC.
- e) **Man-riding System:** In underground mines where long and arduous travel is involved, arrangement for transport of men has been introduced. The man-riding system are in successful operation in Churha, Singhali, Bagdeva, Beheraband, Pinoura, Sheetaldhara-Kurja, Bangwar, Kapildhara, Shivani and Navapara mines of SECL. Man-riding system in Jhiria (Hasdeo Area), Churha RO (2nd set), Jhilimili (1st set), Katkona 1&2 (1st set) (Baikunthpur Area), Rajendra UG (Sohagpur Area) are under process of installation. Man-riding system in Khairha mines (Sohagpur Area), Katkona 3&4 (Baikunthpur Area) and 2nd set of Man-riding system at Katkona 1&2 are under process of tendering. Scheme for introduction of Man-riding system at Dhelwadih mines (Korba Area) has been approved and Man-riding system in Bijuri and Haldibari mines of Hasdeo Area is under approval stage.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

With the implementation of these technologies, production and productivity has improved and coal seams which were earlier unworkable can now be mined economically and safely.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

- | | |
|---|-----|
| (a) The details of technology imported; | NIL |
| (b) The year of import; | NIL |
| (c) Whether the technology been fully absorbed; | NIL |
| (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; | NIL |

(iv) **The expenditure incurred on Research and Development:** ₹ 0.39 Crore

(C) Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as under:

- | | |
|---|-----------------|
| a. Total Foreign Exchange earned (Inflow) | : NIL |
| b. Total Foreign exchange used (Outflow) | : ₹ 27.18 Crore |

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(Kuldip Prasad)
Director (Technical) Operations
DIN: 07463640

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

(Annexure-V)

Report on Corporate Governance

Corporate governance emphasizes an ethical framework of rules, regulations and policies governing the administration of the Company with a strong commitment to values and conduct of business on a sustainable basis to maximize shareholders' value. It aims at protecting the interest of every stakeholder including shareholders, investors, customers, vendors, regulators, the community at large and the government. The Guidelines on Corporate Governance for Central Public Sector enterprises (CPSEs) issued by Ministry of Heavy Industries & Public Enterprises, DPE vide its Letter no. 18(8)/2005-GM dtd. May 14, 2010 entailing instructions, further mandates all CPSEs for necessary compliance. SECL has been committed not only to the conformance of DPE guidelines but also to step beyond the framework to provide transparency, accountability and fairness in its business processes, operations and disclosure practices to enhance the interest of stakeholders.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

We, at SECL believe that sound governing practices are critical in enhancing the trust of all stakeholders. It is an integral part of the overall system to enhance performance of the organization and the key driver to the sustained growth, which stimulates and motivates us to measure our success. The work culture, policies and ethics provide a strong platform reflecting our commitment to values and engagement with all our stakeholders to meet their aspirations.

Efficiency and growth of SECL stems from adopting sound principles and good governance practices. Vision and Mission statements of the Company enshrines to accord top priority to the interest of stakeholders. While formulating policies and business strategies of the Company, our Board of Directors discharges fiduciary responsibilities with due regard to fairness, transparency, confidentiality and integrity. The Three pillars of E's - Ethics, Energy and Efficiency creates a synergy in conducting business. The presence of well-informed independent members in the Board brings efficiency in the decision making process and adherence to the Code of business conduct & ethics, Integrity pact, Disclosure policies, etc. reinforces our commitment to higher standard of corporate ethos.

2. BOARD OF DIRECTORS:

2.1 Size of the Board:

In terms of Articles of Association of the Company, strength of our Board shall not be less than 2 (Two) Directors and more than 15 (Fifteen) Directors. These Directors may be Whole-Time Functional Directors or Part-Time Official Directors/Govt. Nominee Directors or Independent Directors.

2.2 Composition of the Board:

The Company's Board of Directors comprises a judicious mix of 11 (Eleven) Directors as under:

- i) 05 (Five) Whole-Time Functional Directors including the Chairman-cum-Managing Director/Chief Executive Officer;
- ii) 02 (Two) Part-Time Official Directors (Government Nominees) of Government of India; and
- iii) 04 (Four) Independent Directors, who are appointed by the Government of India, Ministry of Coal.

In addition to this, Government has nominated a representative from South East Central Railway (SECR) as a Permanent Invitee on the Board of the Company. The Directors bring to the Board wide range of experience and skills.

The composition of the Board of Directors during the year 2016-17 is given below:

SL.	Name	Designation	Position held
1	Shri B. R. Reddy	Chairman	Chairman-cum-Managing Director/CEO
2	Shri A. P. Panda	Member	Director (Finance)/ CFO
3	Dr. R. S. Jha	Member	Director (Personnel)
4	Shri R. P. Thakur ¹	Member	Director (Technical) Operations



5	Shri Kuldip Prasad ²	Member	Director (Technical) Operations/ Director (Technical) Project & Planning ²
6	Shri P. K. Sinha ³	Member	Director (Technical) Project & Planning
7	Shri Vivek Bharadwaj	Member	Government Nominee Director
8	Shri C. K. Dey	Member	Government Nominee Director
9	Shri Sunil Kumar	Member	Independent Director
10	Shri B. S. Sahay	Member	Independent Director
11	Shri Vinod Jain ⁴	Member	Independent Director
12 ⁵	Member	Independent Director
13	Shri J. N. Jha ⁶	Permanent Invitee	Chief Operations Manager, South East Central Railway

Notes:

- 1) *Shri R. P. Thakur ceased to be member w.e.f. 31.05.2016 upon relinquishing the charge of Director (Technical) Operations on attaining the age of superannuation.*
- 2) *Subsequent to superannuation of Shri R. P. Thakur on 31.05.2016, Shri Kuldip Prasad, the then Director (Technical) Project & Planning assumed the post of Director (Technical) Operations with additional charge of Director (Technical) Project & Planning. Consequent to Shri Prabhat Kumar Sinha joining the post of Director (Technical) Project & Planning on 03.08.2016, Shri Kuldip Prasad relinquished the additional charge of Director (Technical) Project & Planning.*
- 3) *Shri Prabhat Kumar Sinha has joined the post of Director (Technical) Project & Planning on 03.08.2016.*
- 4) *CA Shri Vinod Jain has joined SECL Board as Independent Directors w.e.f. 14.03.2017, upon being appointed as such by the Ministry of Coal.*
- 5) *The position of 01 other Independent Director is vacant w.e.f. 21.02.2014, appointment of which is under process at the Ministry of Coal.*
- 6) *Shri J. N. Jha, COM, SECR has been appointed as Permanent Invitee on SECL Board by the Ministry of Coal w.e.f. 04.04.2016.*

2.3 Age Limit and Tenure of Directors:

The age limit for the Chairman-cum-Managing Director and other Whole-time Functional Directors is 60 (sixty) years. The Chairman-cum-Managing Director and other Whole-Time Functional Directors are appointed for a period of 05 (five) years from the date of taking over the charge or till the date of superannuation of the incumbent, or till further instructions from the Government of India, whichever event occurs earlier. The Part-time Official Directors (Government Nominees) retire from the Board on ceasing to be officials of the Ministry/CIL. The Independent Directors are appointed by Ministry of Coal, Government of India, usually for a period of 03 (three) years.

2.4 Directors appointed during the year:

Two (02) Directors were appointed on the Board of the Company during the year 2016-17, as detailed hereunder (in order of appointment):

SN	Name of Director/DIN	Brief Resume
1.	Shri P. K. Sinha DIN: 07599781	<p>Shri P. K. Sinha Graduated in Mining Engineering from Raipur Engineering College, Raipur in the year 1982. He completed his Post Graduate in Mine Planning & Design from ISM, Dhanbad in the year 1988. Shri Sinha has 35 years of experience in Coal India Ltd. and has worked as Head of production unit in Opencast and <i>Underground</i> mines of different subsidiaries of CIL since 1998. He has also worked in Science and Technology Deptt. of CMPDIL (HQ). Shri Sinha has represented Indian Coal Industry in the World Mining Congress at Poland in the year 2008 and at Istanbul (Turkey) during the year 2011. He also visited Sweden, Switzerland & Germany for training in Advanced Management Development Programme during the year 2014.</p> <p>He is honored with many Prestigious Awards viz. Excellence In Environment Management as Project head, from MPCCB, Bhopal for the year 2010-11 and Best Mines Manager at HB Ghosh Memorial Award hosted by MGMI at Kolkata for 2 consecutive years (2012 & 2013). He has also presented Technical Papers titled "<i>Dump Slope monitoring at Jayant - the new perspective</i>" at 4th Asian Mining Congress held at Kolkata in 2012 and "Effect of production blast on dump stability in open pit mines" in the "FRAGBLAST-10" held in 2012 at New Delhi. He has professional affiliation with Mining, Geological and Metallurgical Institute (MGMI) and Indian Mine Manager's Association (IMMA).</p>
2.	Shri Vinod Jain DIN: 00003572	<p>Shri Vinod Jain is commerce graduate with Honours from Shri Ram College of Commerce in 1976 and passed LLB in 1979. Shri Jain passed CA Final Examination in November' 1979 with 13th All India Rank and became a Fellow Member of The Institute of Chartered Accountants of India (ICAI). He is also Fellow Member of the Institute of Company Secretaries of India (ICSI) and the Institute of Cost Accountants of India. He is Diploma holder in Information System Audit (DISA) from ICAI.</p> <p>CA Vinod Jain has about 38 years of experience in the field of Taxation, Audit, Accounting, Finance, Banking, Law Education and strategic planning and business management.</p> <p>Shri Vinod Jain started his career with Apollo Tyres Limited & BST Limited belonging to Apollo Group of Companies. He is Managing Partner of Vinod Kumar & Associates, Chartered Accountants from February 1980 to till date. He was Statutory Auditor of different Banks and Insurance Companies. He worked as Legal Representative and Attorney of various clients before Securities Appellate Tribunal (SAT), Board of Industrial and Financial Reconstruction (BIFR), Appellate Authority under Sick Industrial Companies Act, Company Law Board and Income Tax Appellate Tribunal (ITAT). He is also Chairman of Inmacs Management Services Limited.</p>



SN	Name of Director/DIN	Brief Resume
		<p>Shri Jain has acted as Secretary, Treasurer as well as Chairman of Northern India Regional Council of ICAI. He was also Central Council Member of ICAI from 1998 to 2004 and 2007 to 2013 and supervised as a Member of the Council, Investigation and disciplining of Chartered Accountants. Shri Jain also served as Chairman, Board of Studies of ICAI from 2010 to 2011 being in-charge and overall responsibility for the Chartered Accountants education of about 1 million CA students in the country. He has also served as Chairman of Financial Market and Investors Protection Committee, Professional Development Committee, Management Accounting Committee & Expert Advisory Committee of ICAI and as a member of Accounting Standard Board, Auditing and Assurance Standard Board, Public Finance Committee, Information Technology Committee, Insurance Committee etc.</p> <p>He was Founder and National Director and Dean of One Year Certificate Course in Finance (MBF) as well as 3 months Certificate Course on Valuation conducted by ICAI and National Director of Certificate Course on Forex Risk and Treasury Management of ICAI. He has also served on different Committees of Central Board of Direct Taxes, Ministry of Corporate Affairs and various committees of Securities and Exchange Board of India (SEBI).</p> <p>Mr. Jain has been elected member of National Council of CII and a former National President of ANMI (Association Of National Stock Exchanges members of India).</p> <p>Presently, Shri Jain is a Member, High Powered Committee, appointed by Finance Ministry to simplify Income Tax Law. Shri Vinod Jain has bagged many Awards and Honours.</p>

3. BOARD MEETINGS:

The Board of Directors is the Apex Body which oversees the overall functions of the Company. The Board procedures and all related applicable rules & regulations are complied with. Thirteen (13) Board Meetings were held during the Financial Year 2016-17 on 01.04.2016, 13.05.2016, 23.05.2016, 14.06.2016, 25.07.2016, 04.09.2016, 22.09.2016, 26.10.2016, 17/18.11.2016, 13.01.2017, 31.01.2017, 27.02.2017 and 10.03.2017.

The necessary quorum was present for all the meetings. The maximum time gap between two Board Meetings was not more than two months.

Details of the meetings attended by Directors are tabulated below:

S.N.	Directors	Board Meetings held during respective tenure	No. of Board Meetings attended	Number of Committee membership as on 31.03.2017		Directorship in other Companies as on 31.03.2017	Attendance at the last AGM
				As Chairman	As Member/ Invitee		
Functional Directors :							
1	Shri B. R. Reddy, CMD	13	13	-	-	-	Yes
2	Shri A. P. Panda, D(F)	13	13	-	04	02	Yes
3	Shri R. P. Thakur, D(T) O	03	03	-	-	-	Yes
4	Dr. R. S. Jha, D(P)	13	13	-	01	02	Yes

S.N.	Directors	Board Meetings held during respective tenure	No. of Board Meetings attended	Number of Committee membership as on 31.03.2017		Directorship in other Companies as on 31.03.2017	Attendance at the last AGM
				As Chairman	As Member/ Invitee		
5	Shri Kuldip Prasad, D(T)O/ D(T)P&P	13	10	-	03	03	N/A
6	Shri P. K. Sinha, D(T) P&P	08	08	01	-	-	N/A
Govt. Nominee Directors :							
1	Shri Vivek Bharadwaj, IAS Jt. Secy, MoC	13	11	-	02	-	No
2	Shri C. K. Dey, D(F), CIL	13	12	-	01	02	Yes (Thro' Proxy)
Independent Directors :							
1	Shri Sunil Kumar, Retd. IAS, Vice-Chairman, CG State Planning Commission	13	13	01	02	NIL	N/A
2	Prof. B. S. Sahay, Ex-Director, IIM Raipur	13	13	02	01	NIL	N/A
3	Shri Vinod Jain, Chartered Accountant	NIL	N/A	-	-	06	N/A
4	---Vacant---	-	-	-	-	-	-
Permanent Invitee :							
1	Shri J. N. Jha, COM, South East Central Railway, Bilaspur	12	10	-	-	-	N/A

None of the Directors on the Board hold directorships in more than 10 (ten) companies. Further, none of them is a Member of more than 10 (ten) committees or Chairman of more than 5 (five) committees across all the companies in which he is a Director. Necessary disclosures regarding committee positions in other companies as on March 31, 2017 have been made by all the Directors. None of the Directors are related to each other. A brief resume of the Directors who are being re-appointed at the forthcoming Annual General Meeting is given in the Notice of the Annual General Meeting.

All the Independent Directors have confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013.

4. BOARD PROCEEDINGS:

4.1 Information placed before the Board of Directors:

Board has complete access to any information within the Company. The information regularly supplied to Board includes:

- Annual operating plans, Capital and Revenue budgets & updates.
- Quarterly and Annual Financial results of the Company.
- Dividend declaration.
- Periodic Review of the Performance of the Company.
- Periodic Review of availability & utilization of Heavy Earth Moving Machines.



- Periodic Report on Compliance of applicable Laws.
- Annual Report, Directors' Report etc.
- Minutes of the meetings of Board, Audit Committee and other committees of the Board.
- Award of large contracts/Agreements.
- Major investment, joint ventures etc.
- HR related issues & Safety / Security related matters.
- Disclosure of interest by Directors about Directorship and position in other companies.
- Fatal or serious accidents etc.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Other materially important information, including any non-compliance of any regulatory or statutory requirement.

4.2 Process after the Board Meeting is held

The Company Secretary as a part of the Governance Process, disseminates the outcome of the Board with necessary approvals and permissions/authorizations accorded to the Heads of the Divisions/ Areas and there is a post-meeting compliance mechanism by which the necessary follow-ups, review and reporting for actions taken/ pending on the approval so accorded by the Board/Committees are made.

5. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Being a Government Company, the remuneration of the Whole-Time Functional Directors and Other Key Managerial Personnel is decided by the Government of India. The Independent Directors are not paid any remuneration except sitting fees at the rate fixed by the Board within the ceiling fixed under the Companies Act, 2013 for attending each meeting of the Board or Committees thereof.

5.1 Details of remuneration of Functional Directors and Other Key Managerial Personnel of the Company during the year 2016-17.

(₹ in Crore)

S.N.	Name	Designation	Gross Salary	Value of Perquisites	Total
1	Shri B. R. Reddy	CMD & CEO	0.22	0.21	0.43
2	Shri A. P. Panda	D(F) & CFO	0.24	0.11	0.35
3	Shri R. P. Thakur*	D(T)O	0.32	0.20	0.52
4	Dr. R. S. Jha	D(P)	0.20	0.16	0.36
5	Shri Kuldip Prasad	D(T)(O)/(P&P)	0.26	0.22	0.48
6	Shri P. K. Sinha**	D(T)(P&P)	0.15	0.03	0.18
7	Shri S. M. Yunus	CS	0.19	0.18	0.37
TOTAL			1.58	1.11	2.69

Note:

* Denotes Salary up to the Month of May, 2016 only and Gross Salary includes Terminal benefits viz. Gratuity, Leave Encashment, etc.

** Denotes Salary paid for the period 03.08.2016 to 31.03.2017 only.

5.2 Payment of sitting fees to Independent Directors during the year 2016-17:

There are 03 (Three) Nos. of Independent Directors appointed on SECL Board by the Ministry of Coal. The position of 01 Independent Director is vacant w.e.f. 21.02.2014. The Company has communicated about the requirement of Independent Director in the Company to the Ministry of Coal, Government of India. The Company has also communicated about the requirement of Woman Director in the Company, to the Ministry of Coal, Government of India. Payments of sitting fees to Independent Directors during the year 2016–17 are as under:

(Amount in ₹)

S.N.	Name of the Independent Director	Total Sitting Fees paid for attending		Total
		Board Meetings	Committee Meetings	
1	Shri Sunil Kumar	2,45,000.00	4,50,000.00	6,95,000.00
2	Prof. B. S. Sahay	2,45,000.00	4,90,000.00	7,35,000.00
3	CA Shri Vinod Jain	-	-	-
TOTAL		4,90,000.00	9,40,000.00	14,30,000.00

5.3 Part-Time Official Directors/ Govt. Nominee Directors:

No remuneration is paid by the Company to Part-Time Official Directors/ Govt. Nominee Directors.

6. COMMITTEES OF THE BOARD:

The Company has the following Six (06) Board level Committees:

1. Audit Committee
2. Project Sub-Committee
3. Corporate Social Responsibility (CSR) Committee
4. Risk Management Committee
5. Information Technology (IT) Committee
6. Rehabilitation & Resettlement (R&R) Committee

6.1 AUDIT COMMITTEE:

The Terms of Reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the Guidelines dated 14.05.2010 on Corporate Governance of CPSEs issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises.

6.1.1 Scope of Audit Committee:

1. To hold discussion with Auditors periodically about the following:
 - Internal control systems compliance and adequacy thereof.
 - Scope of audit including observations of the auditors.
 - Review of the quarterly, half yearly and annual financial statements before submission to the Board.
2. To perform the following functions:
 - Overseeing the Company's financial reporting process and system for disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Reviewing with the management the financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Directors Responsibility Statement, changes, if any, in Accounting policies, Major accounting entries, Significant adjustments made, Disclosure of related party transactions and Qualifications in the Draft Audit Report.
 - Recommending the appointment and removal of External Auditors, Fixation of Audit fee and also approval for payment for any other services.



- Carrying out any other function as mentioned in the 'Terms of Reference' of the Audit Committee as per Section 177(4) of the Companies Act, 2013 and Rules made thereunder, which inter alia include:
 - i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - iii) examination of the financial statement and the auditors' report thereon;
 - iv) approval or any subsequent modification of transactions of the Company with related parties;
 - v) scrutiny of inter-corporate loans and investments;
 - vi) valuation of undertakings or assets of the Company, wherever it is necessary;
 - vii) evaluation of internal financial controls and risk management systems;
 - viii) monitoring the end use of funds raised through public offers and related matters.

The Company Secretary is the Secretary to the Audit Committee.

6.1.2 Constitution:

The constitution of the Audit Committee of Board of Directors of the Company dates back to the year 2002 and the Audit Committee is committed to good Corporate Governance with best discharge of its assigned duties.

6.1.3 Composition:

The Audit Committee has functioned during the year 2016-17 in terms of the provisions of Companies Act, 2013 and the Mandatory Corporate Governance Guidelines for CPSEs, with the following members & Invitees:

S.L.	Name	Designation	Category
1	Prof. B. S. Sahay	Chairman	Independent Director
2	Shri Sunil Kumar	Member	Independent Director
3	Shri Vivek Bharadwaj	Member	Government Nominee Director
4	Shri C.K. Dey	Member	Government Nominee Director
5	Shri R. P. Thakur (upto 31.05.2016)	Member	Director (Technical) Operations, SECL
6	Shri Kuldip Prasad (w.e.f. 01.06.2016)	Member	Director (Technical) Operations, SECL
7	Shri A. P. Panda	Permanent Invitee	Director (Finance), SECL

6.1.4 Meeting and Attendance:

Eleven (11) meetings were held during the year 2016-17 on (i) 01.04.2016, (ii) 13.05.2016, (iii) 23.05.2016, (iv) 14.06.2016, (v) 25.07.2016, (vi) 04.09.2016, (vii) 22.09.2016, (viii) 18.11.2016, (ix) 31.01.2017, (x) 27.02.2017 and (xi) 10.03.2017. The details of Audit Committee meetings attended by members are as under:

S.N.	Members/Invitees of Audit Committee	Meetings held during their tenure	Meetings attended
1	Prof. B. S. Sahay, Independent Director	11	11
2	Shri Sunil Kumar, Independent Director	11	11
3	Shri Vivek Bharadwaj, Government Nominee Director	11	09
4	Shri C. K. Dey, D(F), CIL	11	10
5	Shri R. P. Thakur, D(T)O, SECL	03	03
6	Shri Kuldip Prasad, D(T)O, SECL	07	05
7	Shri A. P. Panda, D(F), SECL	11	11

6.2 PROJECT SUB-COMMITTEE:

The Project Sub-Committee examines and makes recommendations of investment in New/Expansion projects and Feasibility Report of new projects. The Project Sub-Committee consists of the following Members as on 31.03.2017:

S.L.	Name	Designation	Category
1	Shri P. K. Sinha (w.e.f. 03.08.2016)	Chairman	Director (Technical) Project & Planning
2	Shri Kuldip Prasad	Member	Director (Technical) Operations
3	Shri A. P. Panda	Member	Director (Finance)

6.2.1 Meeting and Attendance:

Twelve (12) meetings were held during the year 2016-17 on (i) 23.04.2016, (ii) 27.04.2016, (iii) 12.05.2016, (iv) 08.06.2016 (v) 18.06.2016, (vi) 25.06.2016, (vii) 09.07.2016, (viii) 14.07.2016 (ix) 05.08.2016 (x) 11.08.2016, (xi) 25.08.2016 & (xii) 15.02.2017.

The details of Project Sub-Committee meetings attended by members are as under:

S.L.	Members of Project Sub-Committee	Meetings held during tenure	Meetings attended
1	Shri Kuldip Prasad, Chairman/Member*	08/04	08/03
2	Shri R. P. Thakur, Member	03	00
3	Shri A. P. Panda, Member	12	12
4	Shri P. K. Sinha, Chairman	04	04

Note: Shri Kuldip Prasad attended 08 Meetings as D(T)(P&P) and Chairman of the Committee. Subsequent to joining of Shri P. K. Sinha as D(T)(P&P), Shri Kuldip Prasad relinquished the additional charge of D(T)(P&P) and attended the meetings as Member while Shri P. K. Sinha acted as Chairman of the Committee.

6.3 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee was formed at the 203rd Meeting of the Board of Directors held on 03.02.2012. The main function of CSR Committee is to provide the Board with oversight and direction of the Company's responsibility towards the society at large. The Corporate Social Responsibility (CSR) Committee consists of the following Members as on 31.03.2017:

S.L.	Name	Designation	Category
1	Shri Sunil Kumar	Chairman	Independent Director
2	Prof. B. S. Sahay	Member	Independent Director
3	Shri Vivek Bharadwaj	Member	Government Nominee Director
4	Dr. R. S. Jha	Member	Director (Personnel), SECL
5	Shri A. P. Panda	Permanent Invitee	Director (Finance), SECL

6.3.1 Meeting and Attendance:

Twelve (12) Meetings of CSR Committee was held during the year 2016-17 on (i) 01.04.2016, (ii) 13.05.2016, (iii) 23.05.2016, (iv) 14.06.2016, (v) 25.07.2016, (vi) 04.09.2016, (vii) 22.09.2016, (viii) 26.10.2016, (ix) 13.01.2017, (x) 31.01.2017, (xi) 27.02.2017 and (xii) 06.03.2017.

The details of CSR Committee meeting attended by members are as under:

S.N.	Members/Invitees of CSR Committee	Meetings held during tenure	Meetings attended
1	Shri Sunil Kumar, Independent Director	12	12
2	Prof. B. S. Sahay, Independent Director	12	12
3	Shri Vivek Bharadwaj, Govt. Nominee Director	12	09
4	Dr. R. S. Jha, D(P), SECL	12	12
5	Shri A. P. Panda, D(F), SECL	12	12



6.4 RISK MANAGEMENT COMMITTEE

The Risk Management Committee was formed at the 248th Meeting of the Board of Directors held on 25.07.2016 in compliance with requirements of Section 134(3)(n) read with Section 177 of the Companies Act, 2013; Clause 49 of Listing Agreement as per SEBI Guidelines and the DPE Guidelines on Corporate Governance for CPSEs. As per the approved Risk Management Charter, SECL has appointed a Chief Risk Officer (CRO) of the Company. The main purpose of Risk Management Committee is to assist the Board in fulfilling its Corporate Governance oversight responsibilities with regard to the identification, evaluation and mitigation of various risks.

The Risk Management Committee consists of the following Members as on 31.03.2017:

S.L.	Name	Designation	Category
1	Prof. B. S. Sahay	Chairman	Independent Director
2	Shri Sunil Kumar	Member	Independent Director
3	Shri A. P. Panda	Member	Director (Finance), SECL
4	Shri Kuldip Prasad	Member	Director (Tech) Operations, SECL

6.4.1 Meeting and Attendance:

One (01) Meeting of Risk Management Committee was held during the year 2016-17 on 06.03.2017. The details of Risk Management Committee meeting attended by members are as under:

S.N.	Members/Invitees of Risk Mgmt Committee	Meetings held during tenure	Meetings attended
1	Prof. B. S. Sahay, Independent Director	01	01
2	Shri Sunil Kumar, Independent Director	01	01
3	Shri A. P. Panda, D(F), SECL	01	01
4	Shri Kuldip Prasad, D(T)O, SECL	01	01

6.5 INFORMATION TECHNOLOGY (IT) COMMITTEE:

The Information Technology Committee was formed at the 200th Meeting of the Board of Directors held on 17.10.2011. The main purpose of IT Committee is to provide the Board with oversight and direction of the Company's Information, Communications & Technology (ICT) progress. The Information Technology Committee was not functional during the year 2016-17 for want of Independent Directors. The appointment of two (02) Independent Directors has been made by Ministry of Coal w.e.f. 17.11.2015 and one (01) Independent Director has been appointed w.e.f. 14.03.2017. The appointment of further 01 Independent Director on SECL Board is under process at Ministry of Coal. The IT Committee will therefore, be reconstituted as soon as all the Independent Directors are appointed.

6.6 REHABILITATION & RESETTLEMENT (R&R) COMMITTEE:

The Rehabilitation & Resettlement (R&R) Committee was formed at the 202nd Meeting of the Board of Directors held on 09.01.2012. The main purpose of the R&R Committee is to help the Board to deal more effectively with R&R issues of land compensation, employment to project affected people (PAP), resettlement of PAPs, etc. The R&R Committee was not functional during the year 2016-17 for want of Independent Directors. The appointment of two (02) Independent Directors has been made by Ministry of Coal w.e.f. 17.11.2015 and one (01) Independent Director has been appointed w.e.f. 14.03.2017. The appointment of further 01 Independent Director on SECL Board is under process at Ministry of Coal. The R&R Committee will therefore, be reconstituted as soon as all the Independent Directors are appointed.

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the year, a separate meeting of the Independent Directors was held on 05.03.2017 in terms of Section 149(8) of the Companies Act, 2013 read with Para VII of Schedule IV of the Act. The minutes of the meeting has been placed before the Board for information.

8. STATUTORY AUDITORS:

In exercise of the powers conferred by Section 139 of Companies Act, 2013, the Comptroller & Accountant General of India (C&AG) has appointed the following Chartered Accountant Firms as Statutory Auditor / Branch Auditors of the Company for the year 2016-17:

STATUTORY AUDITOR:

M/s. J. N. Mital & Co. Chartered Accountants,
 (FRN: 003587N, C&AG RN: DE1010)
 Ambikapur Road, Pathalgaon,
 Jashpur Nagar - 496 331, CG

BRANCH AUDITORS:

1. M/s. M. Raghunath & Co., Chartered Accountants
 (FRN: 003347S, C&AG RN : CA0894)
 Room No. 1, 1st Floor, Ashoka Chambers,
 6, Garstin Place, Kolkata 700 001 WB.
2. M/s. G. Basu & Co., Chartered Accountants
 (FRN: 301774E, C&AG RN:CA0003)
 Basu House, 3, Chowringhee Approach, Kolkata - 700 072 WB
3. M/s. Bhutoria Ganesan & Co., Chartered Accountants
 (FRN: 004465C, C&AG RN:CR0813)
 Post Box No : 1142, S-9, Thadaram Complex, 209-A, Zone-1
 M.P. Nagar, Bhopal - 462 011 MP

8.1 Remunerations of Statutory Auditors:

Type of Audit	Remuneration	Remarks
Statutory Audit for the year 2016-17	Total ₹ 23,37,891.00 i.e., ₹ 12,50,160.00 for Principal Auditors and ₹ 10,87,731.00 for Branch Auditors.	Out of Pocket Expenses (OPE) subject to a maximum limit of ₹ 6,25,080.00 for Principal Auditors and ₹ 5,43,867.00 for Branch Auditors, and applicable Service Tax payable on Fee & OPE, in addition to reimbursement/payment of travelling expenses on actual basis.
Review of Interim Financial Statements for the Quarter ended 30.06.2016, 30.09.2016 & 31.12.2016	Total ₹ 17,53,419.00 i.e., ₹ 9,37,620.00 for Principal Auditors and ₹ 8,15,799.00 for Branch Auditors.	Out of Pocket Expenses (OPE) subject to a maximum limit of ₹ 4,68,810.00 for Principal Auditors and ₹ 4,07,898.00 for Branch Auditors, and applicable Service Tax payable on Fee & OPE, in addition to reimbursement payment of travelling expenses on actual basis.



9. ANNUAL GENERAL MEETINGS (AGM):

Details of Annual General Meeting (AGM) held during last 3 (Three) years are as follows:

Details	Date	Time	Venue
30 th AGM 2015-16	09.07.2016	11:30 AM	At the Registered Office of the Company at Seepat Road, Bilaspur – 495006, CG.
29 th AGM 2014-15	15.06.2015	03:00 PM	
28 th AGM 2013-14	10.06.2014	11:30 AM	

No special resolution was passed during the last AGM. The 31st Annual General Meeting (AGM) of the Company is scheduled to be held on 11.07.2017 at the Registered Office of the Company at Seepat Road, Bilaspur - 495 006, CG. One (01) No. of Extraordinary General Meeting (EGM) of Members was held during the year 2016-17 to approve Buyback of Equity Shares by the Company.

10. DISCLOSURE:

- Materially significant Related Party Transactions:**

The Company has not entered into any materially significant related party transactions with the Directors or the Senior Management Personnel or their relatives for the year ended 31st March, 2017 that has potential conflicts with the interest of the Company.

- Code of Business Conduct and Ethics:**

Pursuant to Clause 49 of the Listing agreement entered by CIL with Stock Exchanges, the 'Code of Business Conduct and Ethics for Board Members and Senior Management' of the Company has been laid down by the CIL Board and the same has been implemented in SECL. The said code has been circulated to all concerned and the same is also hosted on the website of the Company 'www.secl-cil.in'. The Board members and Senior Management Personnel of the Company have affirmed compliance with the provisions of the said Code of Conduct for the Financial Year ended 31st March, 2017. A declaration in this regard by Chairman-cum-Managing Director of the Company is provided hereunder:

Code of Conduct - Compliance Affirmation

This is to confirm that the SECL has laid down a Code of Business Conduct and Ethics for all the Board Members and Senior Management of the SECL and the code is posted on the website of the SECL. The Board Members and Senior Management have affirmed compliance with the said Code for the Financial year ended 31st March, 2017.

For South Eastern Coalfields Limited

*Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710*

Place: Bilaspur

- Integrity Pact:**

The Company has a Memorandum of Understanding (MoU) with Transparency International India (TII) for implementing an Integrity Pact Programme focused on enhancing transparency in its business transactions, contracts and procurement processes. Under the MoU, SECL is committed to implement the Integrity Pact in all its major procurement and work contract activities. Two Independent External Monitors, being persons of eminence nominated by TII in consultation with the Central Vigilance Commission (CVC), monitor the activities. The Integrity Pact has strengthened the established systems and procedures by creating trust and has the full support of the CVC.

- **Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification:**

In terms of Clause 49 of the Listing Agreement entered by CIL with Stock Exchanges, the 'CEO and CFO Certification' in prescribed format has also been made applicable to subsidiary companies. Accordingly, the Chairman-cum-Managing Director/CEO and the Director (Finance)/CFO of the Company have given the "CEO and CFO Certification" to the Board of Directors of the Company at its 258th Meeting held on 24.05.2017 and is attached with the Financial Statements of the Company.

11. AUDIT QUALIFICATIONS:

It is always the Company's endeavour to present financial statements without any qualifications by Auditors. Management's Reply to the Statutory Auditors' observations on the Accounts of the Company for the year ended 31st March, 2017 are furnished as Annexure to the Auditors' Report. Comments of the Comptroller & Auditor General of India under Section 143(6) of the Companies Act, 2013, on the Accounts of the Company for the Financial Year ended 31st March, 2017 are also annexed to the Boards' Report.

12. TRAINING OF BOARD MEMBERS:

The Functional Directors are the functional heads of their respective functional areas by virtue of their possessing the requisite qualification and experience and are aware of the business model of the Company as well as the risk profile of the Company's business model. The newly appointed Directors of the Company are familiarized with the various aspects of the Company like Constitution, Vision & Mission Statement, core activities, board procedures, strategic directions, etc. by way of a detailed presentation. Information material like Code of Conduct and performance highlights, etc. are provided to supplement the above presentation. Periodic presentations are made at the Board and Committee Meetings to update them on all business-related issues and new initiatives undertaken by the Company. The Directors are also nominated for training programs/ seminars conducted by Standing Conference of Public Enterprises (SCOPE) and other Government authorities.

13. MEANS OF COMMUNICATION:

- **Website**

The Company's website www.secl-cil.in or www.secl.gov.in hosts all important information for all stakeholders. The Annual Report and Annual Financial Results of the Company are available on the website in a user-friendly and downloadable form.

- **Official News Releases**

The Company communicates with the stakeholders by disseminating information by way of Official news releases in electronic and print media through Public Relations Department of the Company.

- **RTI**

The Company has an e-structured mechanism that supports 'The Right to Information Act, 2005'. Detailed procedure for seeking information under RTI Act, 2005 is available on the Company's website www.secl-cil.in or www.secl.gov.in.

- **Facebook**

The Company is also active on Social media through Facebook for information sharing and general interaction. The page of Company on Facebook can be reached at (<https://www.facebook.com/southeasterncoalfields/#>).

14. WHISTLE BLOWER POLICY:

The "Coal India Whistle Blower Policy 2011" as approved by the Board of Directors of Coal India Limited has been implemented by the Company. The policy is formulated to provide an opportunity to employees to report to the management, instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The Whistle Blower Policy is available on the website of www.secl.gov.in, in a user friendly and downloadable form.



15. COMPLIANCE WITH MANDATORY REQUIREMENTS OF DPE GUIDELINES ON CORPORATE GOVERNANCE:

The Department of Public Enterprises has issued Guidelines on Corporate Governance for Central Public Sector Enterprises in May 2010, which are mandatory in nature.

The Company has complied with applicable rules and requirements of Regulatory Authorities and no penalties or strictures were imposed on the Company. All Returns/Reports were filed within the stipulated time with the Regulatory Authorities.

No Presidential Directives have been issued during the period 1st April, 2016 to 31st March, 2017 and during the last three years.

Department of Investment & Public Asset Management (DIPAM), Ministry of Finance, Govt. of India, has issued 'Guidelines on Capital Restructuring of CPSEs' vide OM No. F.No. 5/2/2016-Policy dated 27.05.2016 which stipulates at Para 6.4 that "Every Central Public Sector Enterprises ("CPSEs") having net worth of at least ₹ 2000 Crore and Cash and bank balance of over ₹ 1000 Crore shall exercise the option to Buy-back their shares.

The Company since fulfils the criteria as laid down has therefore, exercised its option for Buy-Back of shares complying with the provisions of Companies Act, 2013 and Rules made thereunder and approved and completed the Buyback of 6,09,250 Nos. of fully paid-up Equity Shares of the face value of ₹ 1000 each on 16.03.2017, representing 17.69% of the Equity Share Capital & Free Reserves of the Company as on 31.12.2016, at a price of ₹19,699.47 per share, aggregating to ₹ 1200.19 Crore.

No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No expenses, which are personal in nature, have been incurred for the Board of Directors and top management.

In compliance with Clause 8.2.1 of the Guidelines on Corporate Governance for CPSEs, a Certificate from Company Secretary in whole-time practice regarding compliance of conditions of Corporate Governance is annexed to this report.

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(A. P. Panda)
Director (Finance)
DIN: 06664375

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

Certificate on Corporate Governance

The Members of
M/s South Eastern Coalfields Limited
Bilaspur, Chhattisgarh- 495 006

I have examined the compliance of conditions of Corporate Governance by **M/s South Eastern Coalfields Limited** ('the **Company**'), for the financial year ended on March 31, 2017, as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by Government of India, Ministry of Coal vide its Circular No. F.No.38011/22/2007-CA-II (Vol.II) dated June 7, 2010, in terms of Office Memorandum No.18(8)/2005-GM dated May 14, 2010 issued by Government of India, Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises.

The compliance of conditions of Corporate Governance is the responsibility of the management. My 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 my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Guidelines, except for nominating Woman Director on Board of SECL. Coal India Limited, being the Holding Company as constituted the Remuneration Committee for all its subsidiaries. The Remuneration of Directors/Officers however, is decided by Government of India.

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

for **AGR Reddy & Co.**
Company Secretaries

Sd/-

(Manoj Kumar Koyalkar)

C. P. No.10004

M.No.19445

Hyderabad, May 19, 2017

(Annexure-VI)

Management Discussion and Analysis Report

Coal reserves are available in almost every country worldwide, with the biggest reserves being in the USA, Russia, China and India. Around 70 countries have recoverable coal reserves. Coal is readily available from a wide variety of sources in a well supplied global market. Over 50 countries mine coal commercially and over 70 countries use it. There are an estimated 892 Billion tonnes of proven coal reserves worldwide. Over 6.9 Billion tonnes of hard coal and 0.8 Billion tonnes of Brown coal/Lignite is currently produced worldwide, which means that there is enough coal to last us around 110 years at current rates of production. In contrast, proven oil and gas reserves are equivalent to around 52 and 54 years, respectively at current production levels.

Coal has many important uses worldwide:

- **Electricity**

Almost half of the world's additional energy demand over the past ten years was provided by coal. All other fuels combined, including oil, natural gas, renewables and nuclear energy, accounted for the other half. In fact, over the last decade, coal has been the world's fastest growing energy source, owing to its availability and affordability. The most significant uses of coal are in electricity generation, steel production, cement manufacturing and as a liquid fuel. Coal-fired power plants currently fuel **41%** of global electricity; and in some countries, coal fuels a higher percentage of electricity.

- **Steel**

Global steel production is dependent on coal – either for the energy used in electric arc furnaces that produce coal or as a primary source. Steel is an alloy based primarily on iron. As iron occurs only as iron oxides in the earth's crust, the ores must be converted, or 'reduced', using carbon. The primary source of this carbon is coking coal. Metallurgical coal – or coking coal – is a vital ingredient in the steel-making process. **70%** of the Steel produced today uses Coal.

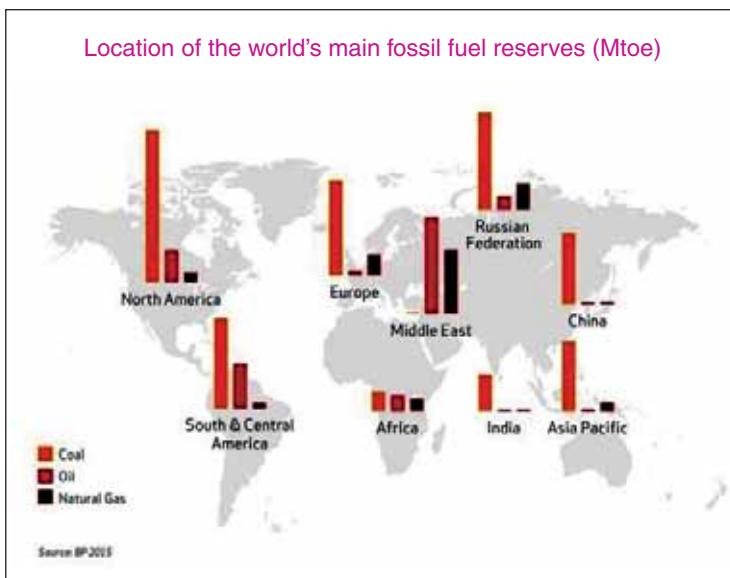
- **Cement**

Large amounts of energy are required for the production of cement – a critical component for the construction industry. Much of this energy is supplied through coal. 300-400 kg of Cement is needed to produce 1 Cubic metre of Concrete and 200 kg of Coal is required to produce 1 Tonne of Cement.

- **Transport**

Coal-derived fuels, as well as coal-based electricity, can play a significant role in responding to the growing energy needs of the transport sector. Globally, the ownership of motor vehicles has increased from around 250 million in 1970 to over one billion today. Coal is also an important raw material and source of primary energy for the manufacturing of materials used to build transport infrastructure, such as Steel, Cement and Aluminium.

Affordable, reliable and accessible electricity is the foundation of prosperity in the modern world. Each nation will choose an energy mix that best meets its needs and for most countries coal will continue to play a significant role while for many nations, particularly in industrialising and urbanising Asia, coal has been identified as a growing fuel source and integral to their economic growth.



COAL OUTLOOK AND GLOBAL DEMAND

International Energy Agency (IEA) in its Medium-Term Market Report has made cautious assumptions to foresee a downward demand forecast of over 500 MT indicating that Coal demand will grow through the year 2020 only @ 0.8% per year on average. It has estimated a half of the growth, i.e. increase of about 149 MT to occur in India followed by the ASEAN region representing over one-quarter, i.e. 79 MT and lower growth in other regions of Asia. On the contrary, a decline of 75 MT would take place in the United States and a decline of 22 MT in OECD Europe. The report also says that from 2014 to 2020 the share of coal will fall from 29% to 27% of total primary energy and the share of coal in power generation will fall from the current 41% to 37% due to acceleration in the power generation capacity as compared to growth in coal demand.

Contrary to the cautious outlook, India and ASEAN economies shall remain the growth engines of Coal demand. India has ambitious plans to provide full electricity access to the people and to expand the manufacturing sector, where coal is the lowest-cost base load option. In spite of accelerating renewable sources, the scale of the electricity need is such that new coal investments and further growth in coal consumption are inevitable. Similarly, Key ASEAN economies like Indonesia, Vietnam and the Philippines aim at energy access and poverty reduction which may drive coal investments in the region. India will become the second-largest coal consumer in the world, bypassing the United States, and the largest importer of thermal coal. Energy-intensive heavy industries playing a considerably smaller role in India, may boost the coal demand. As Two-thirds of coal is used in power generation, both future demand prospects as well as the environmental impact of coal are heavily influenced by the power sector. The shift from inefficient subcritical to high-efficiency super or ultra-supercritical plants (SC/USC) is happening. More than two-thirds of coal capacity under construction is SC/USC, led by China, with India and the ASEAN region lagging behind. There is also progress on reducing air pollutant emissions from coal power plants. OECD countries have already been tackling this for a long time, and now China leads the efforts to reduce emissions from coal-fired plants. Further, carbon capture and storage (CCS) is no longer a theoretical possibility, with several CCS commercial-scale projects started or under construction in North America, Australia and possibly in China.

IMPROVEMENT IN COAL BASED POWER EFFICIENCY AND EMISSION REDUCTION

Globally coal cannot be wished out of energy mix because 70% of the steel output, 41% of the electricity generation and 90% of the cement production across the world are dependent on it. Coal based power makes energy affordable, reliable and accessible. According to World Coal Association (WCA), coal is expected to increase to 24% in the energy mix by 2040 for which nations have to choose right energy mix.

The WCA released a concept paper on establishing a global Platform for Accelerating Coal Efficiency (PACE) with a vision to deploy most efficient power plant technologies in the countries so as to raise the global average efficiency of coal-fired power plants and reduce Nitrogen oxides (NOx), Sulphur dioxide (SOx), Particulate matter (PM) and minimize CO₂ emissions.

HIGH EFFICIENCY LOW EMISSION (HELE) TECHNOLOGIES

The average efficiency of coal-fired power plants around the world is 33%, which is well below the state-of-the-art rate of 45% and even 'off-the-shelf' rate of around 40%. The efficiency of coal-fired power plants can be enhanced by using High Efficiency Low Emission (HELE) technologies (a key step towards near zero emissions from coal) and for every 1% efficiency improvement, CO₂ emissions can be reduced between 2-3%. Also, improvement in the current average global efficiency rate of coal-fired power plants from 33% to 40%, the world could cut down two gigatonnes of CO₂ emissions.

HELE clean coal technologies are important as a key first step towards the deployment of carbon capture, use and storage technology (CCUS). HELE coal technology supercritical and ultra supercritical are operating throughout the world and being deployed commercially in Germany, Italy, India, South Korea, Japan, Poland, Malaysia, Indonesia, Czech Republic, the Netherlands, Slovenia, USA, Australia, South Africa and, particularly, China.

CARBON CAPTURE, USE AND STORAGE TECHNOLOGY (CCUS)

Carbon capture, use and storage (CCUS) is an integrated suite of technologies that can capture up to 90% of the CO₂ emissions produced from the use of fossil fuels in electricity generation and industrial processes, preventing the CO₂ from entering the atmosphere.



Capture technologies allow the separation of CO₂ from gases produced in electricity generation and industrial processes by one of three methods viz. Pre-combustion capture, Post-combustion capture or Oxyfuel combustion. CO₂ is then transported for safe use or storage. Millions of tonnes of CO₂ are already transported annually for commercial purposes by pipelines, ships and road tanker. The US has four decades of experience of transporting CO₂ by pipeline for enhanced oil recovery projects.

CO₂ can be used as a value-added commodity. This can result in a portion of the CO₂ being permanently stored – for example, in concrete that has been cured using CO₂ or in plastic materials derived from biomass that uses CO₂ as one of the ingredients. The CO₂ can also be converted into biomass. CO₂ is already widely used in the oil industry for enhanced oil recovery (EOR) from mature oilfields. CO₂ is also stored in carefully selected geological rock formations that are typically located several kilometres below the earth's surface compressed by the higher pressures where it becomes essentially a liquid. At every point in the CCUS chain, from production to storage, industry has at its disposal a number of process technologies that are well understood and have excellent health and safety records. The commercial deployment of CCUS will involve the widespread adoption of these CCUS techniques, combined with robust monitoring techniques and government regulation.

There are currently 22 large-scale integrated CCS projects in operation or under construction. The world's first large-scale CCS project in the power sector commenced operation in October 2014 at the Boundary Dam power station in Saskatchewan, Canada.

In the last 10 years, \$2 trillion has been spent on clean energy and 1% only on CCS. Although Renewables would play a vital role in contributing to the annual emission reductions up to 30% as per the estimates, the CCS technology could prove next to it by contributing up to 14% apart from nuclear, end use fuel switching etc. As far as India is concerned, Coal based thermal plants provide the base load power and renewables can supplement it intermittently. Therefore, Improvement in efficiency of coal fired power plants with a thrust on reduction in CO₂ emission would align Indian commitment to COP21 agreement.

INDIA'S ENERGY SECURITY

India, home to 18% of the world's population, uses only 6% of the world's primary energy. India's energy consumption has almost doubled since 2000 and the potential for further rapid growth is enormous. India is set to contribute more than any other country to the projected rise in global energy demand, around one-quarter of the total.

India Energy Security Scenarios, 2047 (IESS) is an exercise aimed at addressing the demand and supply of energy under different assumptions on a 5 yearly basis for India up to 2047 i.e. 100th year of independence, with 2012 as base year. IESS, as a tool, has comprehended many energy scenarios with different combinations of energy efficiency measures and technology interventions. For each sector four level of scenarios have been developed such as Level 1- Least Effort, Level 2 – Determined Effort, Level 3 – Aggressive Effort, Level-4 Heroic Effort. To elaborate Level 2 scenario describes the level of effort, which is deemed to be achievable by the implementation of current policies and programs of the government i.e. current policy with autonomous improvements.

The energy scenario under IESS assumes GDP to grow at a CAGR of 7.4% until 2047 by rising from the present levels to 8.4% in the 14th and 15th plan block of 5 years. The share of manufacturing in GDP will go up from 16% to 34% and urbanization will rise from 31% to 51% in 2047, which is likely to create demand for energy in a big way. Report on the Energy efficiency and Energy mix in the Indian energy system (2030) has contemplated economic activity using level 2 for demand and supply of energy, where by inter-alia the per capita transport demand will go up from 5,970 km to 18,700 km, per capita steel consumption will go up from 66 kg to 372 kg, per capita residential and commercial building space will go up multifold and even the household modern energy use for cooking in Rural areas will go up from 61 kgoe to 183 kgoe in 2047 despite improvement in energy consumption at a CAGR of 1.05% in transport, reduction in energy consumption per kg in steel from 7.4 Kwh to 6.84 Kwh and in cement from 1.01 Kwh to 0.92 Kwh in 2030. It is also estimated that the demand for Steel will grow to 654 MT and for Cement to 1042 MT, in 2047.

In the energy mix, the overall share of electricity in energy will rise from 15.6% to 20.6% in 2030 and to 24.8% in 2047 due to increased penetration of electrical applications. The rise in the share of electricity in the energy demand is attributable to the huge demand from different sectors as follows:

Demand of Sectors (in TWh)	2012		2022		2030		2047	
Industry	336	44%	494	34%	703	31%	1366	29%
Residential	175	23%	480	34%	842	38%	1840	39%
Commercial	86	11%	142	10%	238	11%	771	16%
Agriculture	136	18%	245	17%	336	15%	501	11%
others	29	4%	71	5%	121	5%	233	5%
TOTAL	762	100%	1433	100%	2239	100%	4712	100%

Source: Report on Energy Efficiency And Energy Mix In The Indian Energy System (2030)

Further, Transmission and Distribution losses will go down from the present level of 22.7% in 2012 to 9.9% in 2030 and 7.2% in 2047 through various reforms, which is otherwise a major area of concern in between electricity generation to consumption.

In the Level 2 scenario, economic activity with determined effort not only speaks about the behavior in the demand sectors but also choice of technology and fuel preference causing impact on the supply of electricity to meet the demand. Primary energy mix and share of energy from different sources in this scenario is as follows:

Share of Sources (in TWh)	2012		2022		2030		2047	
Coal	3284	47%	5792	52%	7773	51%	13401	52%
Oil	1929	27%	3093	28%	4429	29%	7137	28%
Gas	574	8%	1017	9%	1325	9%	2068	8%
Nuclear, Hydro, Renewables	245	3%	629	6%	935	6%	1968	8%
Others	985	14%	658	6%	826	5%	1316	5%
TOTAL	7017	100%	11189	100%	15288	100%	25890	100%

Source: Report on Energy Efficiency And Energy Mix In The Indian Energy System (2030)

It can be seen that coal will remain a dominant fuel and its share will rise to 51% in 2030 from the present level of 47% and further to 52% in 2047, being driven by the industry sector, owing to demand for steel and cement, while oil share will decrease only marginally to 29% in the year 2030. It is also expected that the coal supply will feed demand of the power sector and also, the industry sector as solid fuel. The electricity mix in the power generation out of Coal will increase to 1444.7 Twh (69%) out of total generation of 2097 Twh in 2022. Further, it will go up to 1848 Twh (66%) and 3153.6 Twh (62%) out of the Total power generation of 2803 Twh and 5077 Twh respectively. During this period the share of renewable energy in electricity mix will go up to 10.2% in 2022 and further to, 15% and 23.4% in 2030 and 2047 respectively. The projections show that coal will remain India's main energy source for the next thirty years.

India will be achieving a satisfactory energy sector transformation in the year 2030. The per capita energy consumption and electricity consumption will grow at a CAGR of 3.3% and 4.9% respectively. The CAGR of energy supply will grow at 4.4% which will be able to support a GDP CAGR of 7.4%. The energy mix will move in favour of renewable energy as is evident from the fact that the share of renewable energy in the electricity mix of the economy will rise to 15% in 2030 from 5.5% in 2012. But due to the large demand of energy requirement of the economy, and adequate availability of coal reserves, the share of coal in the energy mix is set to rise from 47% in 2012 to 51% in 2030.

It is unbelievably true that no power plant has reported generation loss due to coal shortage during 2015-16 and the coal supplies further improved subsequently to enable the power plants to maintain optimal stock levels of coal apart from improvement in the PLF due to consistent supplies. The contribution in this regard by Coal India in general and SECL in particular needs no elaboration.



The coal requirement during the year 2021-22 has been estimated at 727 MT under scenario I, with an installed renewable energy capacity of 175 MW and likely to go up to 901 MT including imported coal of 50 MT by 2026-27 based on the assumption that coal based power generation would supplement about 30% reduction in hydro power generation due to failure of monsoon. It is also expected that adequate coal would be available for the coal based power plants during this period.

As per CEA report, the all India installed capacity of power stations stands at 326.848 GW at the end of 12th plan. About 6.990 GW of installed capacity has been added in coal based power stations and 14.411 GW to the renewable sources, out of the total additions 24.761 GW during 2016-17. CEA's National Electricity plan, 2016 has projected a peak demand of 235 GW and energy requirement of 1,611 BU in the year 2021-22 and the projections will go up to 317 G Wand energy requirement at 2132 BU in 2026-27. It has been estimated that 50.025 GW of coal based power plants are likely to yield benefits during 2017-22, which are under various stages of construction. In addition to above, installations to the tune of Gas 4.340 GW, Hydro 15.330 GW, Nuclear 2.800 GW, Renewable energy 115.326 GW will also be added to the existing capacity to make a total capacity addition of 187.821 GW during 2017-22. CEA report shows that electricity to the tune of 1160 BU was generated during 2016-17 as compared to 1108 BU during 2015-16, registering a growth of 4.7%. It also aims at generating 1229 BU during 2017-18, out of which thermal sector is likely to contribute 85% and Coal in special about 78% i.e. 958 BU.

COAL: MOST IMPORTANT FUEL IN INDIA'S ENERGY MIX

Coal is the pre-dominant source of primary energy in India with the largest domestic reserve base among the major fuel sources. A total of 3,06,595.56 Million Tonnes of geological resources of coal comprising of 1,31,614.07 Million Tonnes of proved reserves of coal have so far been estimated in India, up to the maximum depth of 1200 metres. Indian coal reserves are mostly shallow, at a depth of up to 300 metres, and are typically exploitable using surface mining methods. However, as some of these coal reserves are located below settlements or dense forests, Underground Mining is a feasible solution to tap these deposits, as it avoids resettlement and forest clearing. Coal occurring at depths greater than 300 metres is usually economically extractable only with underground mining techniques.

Coal accounts for a share of 55% of Primary energy, which is the highest among all available energy sources in India. Coal continue to be the most important fuel in the country's energy mix, even after India's recent climate pledge at 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) in Paris, underlined the country's commitment to a growing role for low-carbon sources of energy, led by solar and wind power. As India diversifies its means of power generation it is important to question whether it is genuinely possible to bring electricity to all households and feed industry too with intermittent renewable energy. Excluding coal from the energy mix is not realistic option. Indeed, renewable have an important role to play but coal remains the driving force behind electrification and industrialisation and according to the International Energy Agency (IEA), coal will continue to make the largest contribution to electricity generation in India through to 2040.

According to the guidance given by the International Energy Agency (IEA), by 2040, India's energy consumption will surpass that of the Organisation for Economic Cooperation and Development (OECD) Europe, and would be rapidly approaching that of the US. Like other countries before it, the country's economic growth will be still largely powered by coal. Presently, over 40% of India's total primary energy and over 70% of generated electricity demand are met by coal. The country presently has nearly 205 gigawatts (GW) of coal-fired electricity generation capacity, which will soon be further augmented by another 113 GW.

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Currently, Coal mines in public sector are responsible for over 90% of the coal production in India and Coal India Limited accounts for over 80% of the coal production through its wholly-owned subsidiaries. SECL is a major coal producing subsidiary of Coal India Limited, a Maharatna PSU.

Coal Reserves in India

The inventory of Geological Resources of Indian Coal (as on 01.04.2016), prepared by the Geological Survey of India on the basis of resources estimated by CMPDI, MECL, GSI, SCCL and some Private/Public Entrepreneurs is given below:

1. A total of 3,08,801.84 Million Tonnes of geological resources of coal have so far been estimated in India, upto the maximum depth of 1200 metre. Out of the total resources, the Gondwana coalfields account for 3,07,309.20 MT (99.5%), while the Tertiary coalfields of Himalayan region contribute 1492.64 MT (0.5%) of coal resources.

The type-wise and category-wise break-up is given below:

Type of Coal	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)	% Share
1. Coking Coal					
Prime Coking	4614.35	698.71	0.00	5313.06	1.72
Medium Coking	13388.90	12113.56	1879.47	27381.93	8.87
Semi Coking	482.16	1003.68	221.68	1707.52	0.55
Sub-total of Coking	18485.41	13815.95	2101.15	34402.51	11.14
2. Non-coking Coal	119007.98	125235.58	28663.13	272906.69	88.38
3. Tertiary coal	593.81	99.34	799.49	1492.64	0.48
Total (All types)	138087.20	139150.87	31563.77	308801.84	100.00
% Share	44.72	45.06	10.22	100.00	-

2. The depth-wise and category-wise break-up of Indian coal resources is as under:

Depth Range (in Metres)	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)	% Share
0-300	103623.58	66761.38	9405.40	179790.36	58.22
300-600	18007.39	57937.57	15943.74	91888.70	29.76
0-600 (for Jharia only)	13760.73	451.69	0.00	14212.42	4.60
600-1200	2695.50	14000.23	6214.63	22910.36	7.42
TOTAL	138087.20	139150.87	31563.77	308801.84	100.00

3. The estimation of total resources of coal, as on 01.04.2016, has increased by 2,206.28 MT as compared to 01.04.2015 whereas 'Measured/Proved Resources' has increased by 6,473.13 MT, as shown in table below:

Inventory as on	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)
01.04.2016	138087.20	139150.87	31563.77	308801.84
01.04.2015	131614.07	143241.10	31740.39	306595.56
Difference	+ 6473.13	- 4090.23	- 176.62	+ 2206.28

The increase in 'Proved Reserves' in Inventory of 01.04.2016 is mainly due to proving of Coal resources in Talcher (3547.70 MT), North Karanpura (810.22 MT), Mand Raigarh (608.97 MT), Singrauli (495.46 MT), Godavari Valley (321.93 MT), Kamptee (254.54 MT), Korba (226.12 MT), Raniganj (83.89 MT), Sonhat (63.66 MT), South Karanpura (49.54 MT) and Pench-Kanhan (11.10 MT) Coalfields.

4. The Geological Coal Reserves in SECL Command Area as on 01.04.2016 are 64,355.01 Million Tonnes.

S.N.	Coal Reserves	Depth (M)	Proved	Indicated	Inferred	Total
I.	Coal Reserves in MP	0-1200	2114.34	5852.04	352.25	8318.63
II.	Coal Reserves in CG	0-1200	19135.75	34613.70	2286.93	56036.38
	Total Coal Reserves in SECL (MP+CG)	0-1200	21250.09	40465.74	2639.18	64355.01

Coal Demand

The major challenge is demand satisfaction of Power sector of the country which is predominantly 'Coal-fired/ Thermal Power' and thus dependent on coal. Coal-fired power plants remain the backbone of the Indian power system. As per IEA projections, the fleet of Coal-fired power plants will increase by around two-and-a-half-times, reaching almost 440 GW in 2040, by which time India will have the second-largest coal-fired power plants fleet in the world (after China), overtaking the United States in the early-2020s. Driven by surging coal demand, the primary goal of state-owned coal companies in India is maximisation of output to provide coal to power stations and to industry.



Coal Production

In early 2015, Government has taken initiatives to increase the country’s coal production to 1.5 billion tonnes by 2020, domestic coal production has to increase by almost two-and-a-half-times over a seven-year period (or by 14% per year on average), whereas during the last decade, Indian coal production has increased by around a third (or by 4% per year on average).

Reaching 1.5 billion tonnes of coal production by 2020 is difficult, but not inconceivable. It would, though, imply that all expansion plans are fulfilled without delay and all involved actors – federal and state governments, mining and railway companies – co-ordinate seamlessly so that approvals and licences are issued speedily, mines are developed on schedule and additional coal can be transported. Reaching the target would also require the consent of the people affected by coal mine and railway line development. India’s state- owned mining Company CIL along with its subsidiaries is pivotal to this process, slated to contribute 1 billion tonnes of output to the government’s target, with the remainder coming from smaller state-owned mining companies and the captive mines that are being auctioned.

CIL along with its subsidiaries is gearing up to meet this challenge and reach to 1 Billion Tonnes Coal production by 2019-20, with SECL’s contribution envisaged at 240 MT. The summary of Year-wise Production Projections for SECL for the year 2015-16, 2016-17, 2017-18, 2018-19 & 2019-20 as per 1 Bt Roadmap of CIL is as under:

SECL Production Target as per CIL 1 Billion Tonne Roadmap (in MT)					Achievement against 1 Bt Target for 2016-17
2015-16	2016-17	2017-18	2018-19	2019-20	
135.03	149.67	161.01	193.14	239.60	93.54%

The production performance of SECL during last 5 years is as under:

S.N.	Coal Production (in MT)	2012-13	2013-14	2014-15	2015-16	2016-17
1	Underground	16.87	16.42	16.04	15.51	14.55
2	Opencast	101.35	107.84	112.24	122.42	125.45
	TOTAL	118.22	124.26	128.28	137.93	140.00

Productivity

In India, Labour productivity (expressed as output per miner shift in tonnes) in surface/ opencast mines is on an average fifteen-times higher than in underground mines. This is partly due to surface/ opencast mines having experienced a doubling in labour productivity since the early-2000s (Figure below). In contrast, labour productivity of underground mines has grown at a much slower pace. In India, the mines exhibit a higher labour-intensity than elsewhere, owing to multiple factors. While open-cast mines, in particular, have increasingly made use of larger equipment, gaining economies of scale, in India’s underground mines, efficient longwall methods are still rare. Underground mines primarily rely on room-and-pillar methods, which allow only a fraction of the coal in a deposit to be extracted (with this method, tunnels of coal are carved out of the seam, while part of the coal remains in place as “pillars” to support the roof). The Output per Manshift (OMS) position of SECL is as below:

OMS (in Tonnes)	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual
UG	1.37	1.35	1.39	1.40	1.41
OC	19.11	21.45	23.60	23.51	26.63
Overall	6.71	7.23	7.86	8.46	9.29

Coal Market and Industry Development

In India, coal allocation and pricing are influenced by the government. The state currently exercises control over more than 90% of production and full control over marketing of domestic coal. CIL has a dominant position, producing roughly 80% of India’s coal via eight subsidiary companies of different sizes, of which the largest two, South Eastern Coalfields Limited and Mahanadi Coalfields Limited, together account for around half of CIL’s coal yield. Singareni Collieries Company Limited (SCCL) is the second-largest public coal Company in India, contributing less than 10% to

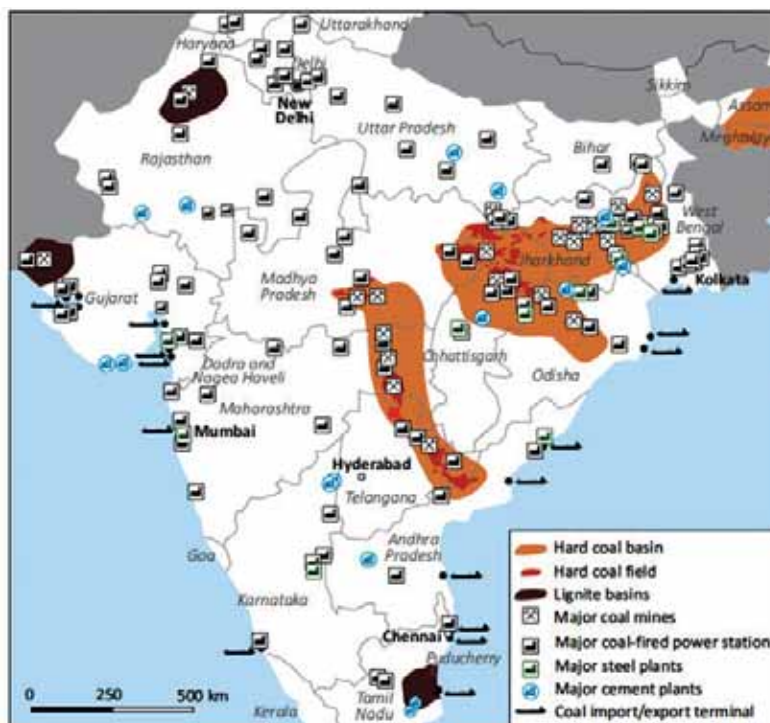
the country’s coal output. Hitherto, private players could participate in coal production only if they acquired a “captive mining block”, which are specified coal reserves which the buyers can extract for their own use, for example in power generation, steel making or cement production. Recently, the Indian parliament has passed the Coal Mines Special Provisions Act, which is primarily concerned with the re-allocation and auctioning of the cancelled captive coal blocks. However, a key feature of the Act is that, in theory, mining licenses can be granted to private players without end-use restriction, opening the door to private sector commercial mining in the future. The New Policies Scenario assumes implementation of this Act, gradually leading to greater diversity of ownership in the coal industry and increased competition.

Transport and Handling Infrastructure

With coal production primarily concentrated in the eastern half of the country, there is a geographical mismatch between the location of producers and consumers (Figure below).

While there are clusters of power stations near the coal fields, other plants are scattered across the country, located closer to power demand hubs in order to save on the cost of electricity network expansion and to enhance power system reliability. Moreover, state-level energy policy favours a balanced distribution of power stations across the country.

Consequently, large amounts of coal need to be hauled from the mines to the various end-users all over India. The primary mode of transportation is by railway, accounting for around 55% of coal movements. Railways are economic for long-distance transportation and every tonne of coal moved by rail travels more than 500 km on average. Shorter distance transport, roughly a quarter of the country’s coal movements, is carried out by truck. Typically truck transport is economic only for distances of less than 200 km and it often leads to congestion and additional air pollution. Consumers located close to the mines receive coal by merry-go-round systems (exclusive, closed-loop, coal railway systems) or conveyor belt. Some power plants or industrial works on the coast can also receive coal directly from seaborne vessels.



This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The mode-wise dispatches in SECL during the last 5 years are shown in the following table:

Mode of Transport	2012-13	2013-14	2014-15	2015-16	2016-17
Rail	45.55	47.49	43.64	46.69	52.93
Road	43.71	41.37	45.21	57.13	52.53
Belt	5.08	5.25	6.54	7.13	7.34
MGR	24.33	24.58	24.82	25.07	22.73
Consumers’ own Wagons	3.30	3.32	3.00	2.71	2.13
TOTAL	121.97	122.01	123.21	138.73	137.66

(Sources: India Energy Outlook published by International Energy Agency, World Coal Association, World Energy Outlook, Coal Inventory data published by CMPDI)



B. SWOT ANALYSIS

(STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS)

STRENGTHS

- Huge proven coal reserves of 64,355.01 Million Tonnes (as on 01.04.2016) and continuous geological explorations in the command areas can support expansion plans of SECL in a big way.
- Major contribution from opencast mines and plan for their expansions can reduce the proportionate capital outlays and shorten the gestation period to achieve breakeven levels.
- Augmentation of mega opencast mines enables SECL to deploy large capacity HEMMs viz., 240 Tonne Dumpers, 42 Cubic metre Shovels, 381mm Drill Machines, 150 Tonne Cranes, 850 HP Dozers, 533 HP Graders, etc., to enhance safe operations and plan for centralized workshops, maintain optimal inventory of spares to achieve higher availability of equipment and thereby reduce the operational expenditure through economies of scale.
- Financial soundness with adequate reserves and surplus can consistently support the growth plans to increase production and enhance infrastructure facilities.
- Experienced personnel, Productive work culture, Participative management, Good Industrial relations, high belongingness and loyalty of employees can strengthen commitment to achieve higher production.

WEAKNESSES

- Expansion of Under Ground mines require acquisition of large quantum of land, affecting adversely the feasibility of projects in terms of financial return due to escalated cost, longer commencement time and generation of unrelated employments.
- Low level of mechanization in Underground Mines adversely affects cost of production compounded by lesser realization of high grade coal may jeopardize the viability of such mining.
- Downtime of large capacity imported machineries in open cast mines due to improper maintenance, longer lead time in sourcing, non-availability of spares or services etc. can adversely affect production to a great extent.
- Decline in departmental capacities due to economical outsourcing options could expose the Company to production risks in future.
- Geographically scattered remote locations pose considerable difficulty in arranging coal evacuation facilities.
- Disproportionate reduction in experienced manpower, Demotivation of employees, Difficulty in retaining fresh talents, etc. can adversely affect human resource pool of the Company.
- Gradual depletion in coal reserves by increasing the production from the existing mega mines is a cause of concern.

OPPORTUNITIES

- Growth of power sector in line with Govt. of India policies of 'Make in India' and '24x7 Power for All' offer huge opportunity to expand in coal sector to feed thermal power generation.
- Spurt in demand for coal will help in expanding the evacuation facilities, improving Coal Handling Plants, washing and making value additions, introducing SILO and Rapid loading systems, infusing modern technologies etc.
- Higher volume of production can open up opportunities for the Company to develop infrastructure on land and water routes, acquisition of engineering plants, involve in R&D projects including explorations etc.
- Concentrated location of major opencast projects also provide opportunity to install pit head power plants integrated with mining projects.
- MOU with Railway for coal off-take by CIL's own wagon will be helpful in supply of wagons for improvement in off-take.

THREATS

- Lower cost of generating power from renewable energy sources, especially Solar Power may bring substantial challenges to the Thermal Power Generation especially Coal-based power plants.
- Coal mining projects are mostly affected by Time and Cost overruns due to long gestation periods ultimately affecting the scheduled expansion plan of the Company.
- Commercial mining of coal by private sector may bring stiff competition to retain consumers and experienced manpower.
- Import of foreign coal by consumers at lower price is a cause of concern.
- High ash content of coal produced from our mines adds to environmental and dispatch issues. The majority of the ash in Indian coal is inherent ash, i.e. mineral matter embedded in the combustible part of the coal, which cannot be easily removed and reduces the calorific value of the coal.
- Marketing of high grade coal produced from underground mines is a threat to sales procedure.
- Increase in volume of coal production in absence of inadequate infrastructure of Indian Railways and the arrangements in siding are the threats to existing coal dispatch system.
- Greater dependence on opencast mining may bring huge environmental issues and difficult geo-mining conditions can make underground mining of even higher grade coal uneconomical.
- Delay in acquisition of land, evacuation of sites and its possession due to cumbersome takeover process, Poor land records, Rehabilitation & Resettlement of affected families, Forest and Environmental clearances etc. may throw unforeseen challenges.
- Amendment to environment regulations and conservation laws can bring stiff conditions causing operational difficulties and impose heavy penalties for deviations beyond comprehension.

C. PERFORMANCE

Covered in the main report.

D. OUTLOOK

Company has bright prospects with a series of measures undertaken for continuous development and excellence through existing & new mining technologies, improvement in coal dispatch, development of coal transport infrastructure, new mining projects, etc.

COAL MINING PROJECTS

In SECL, 117 major coal projects (79 UG and 38 OC) for a total capacity of 260.52 MTY have been approved. Out of these, 59 projects (48 UG & 11 OC) are completed projects, 34 projects (09 UG & 25 OC) are On-going projects, 10 Projects (UG) are Existing projects and 14 Projects were dropped/shelved till date. From the 34 On-going projects under implementation (as on March, 2016) with rated capacity of 203.24 MT, production during the year 2016-17 was 84.435 MT.

To augment the production and achieve the targeted production of SECL in the future, 7 new projects are in the pipeline for approval.

Mand-Raigarh Coalfields in Raigarh Area spreads over an area of 3700 sq.km and have 7153.29 MT of coal reserve (Proved) upto 300 meter depth and 1365.80 MT of coal reserve (proved) from 300-600 meter depth as on 01.04.2016 and has potential to produce huge quantity of power grade coal. Presently, only 4 mines having total capacity of 9.50 MT are in operation in this area.

As per CIL's Roadmap for 1 Billion Tonne Coal production by 2019-20, SECL's coal production target has been projected as 239.60 MT envisaging an incremental production of 99.60 MT over actual production in 2016-17. The incremental production from Ongoing projects will be 116.86 MT, from Future projects will be 8.00 MT, while production is expected to decline from existing/completed projects.



The major contributors in ongoing projects will be Gevra OC Expn (70 MTY), Kusmunda OC Expn (50 MTY), Pelma OC (15 MTY), Jagannathpur OC RCE (3 MTY), Kartali East OC (2.5 MTY), Jampali OC RCE (2 MTY), Chhal OC Seam-III (6 MTY), Bijari OC RCE (1.5 MTY), Madan Nagar OC (12 MTY), Amritdhara OC (2 MTY), Rampur Batura OC (4 MTY), Saraipali OC RCE (1.4 MTY), Malachua OC (3.0 MTY). The major Future projects contributing 8.00 MT in 2019-20 will be Batura West OC (1.5 MTY), Baroud Expn OC (15 MTY), Chirimiri OC Expn (2 MTY) and Vijay West OC (3 MTY).

TECHNOLOGY UP-GRADATION

As per the Roadmap for 1 Billion Tonne Coal production by 2019-20, SECL's major contribution will come from open cast mines. The OC production is planned for 217.54 in 2019-20 with a growth of 92.08 MT (73.40%) over 125.455 MT produced from OC mines in 2016-17.

Large capacity HEMMs like 42 M3 Electric Rope Shovel, 240 T Rear Dumpers, 850 HP Dozer and Rapid Loading System will be deployed in Mega OC projects. High Capacity Surface Miners (up to capacity of 10 MTY) have also been envisaged for deployment. In-pit conveyors, Silo and Rapid Loading System is envisaged for coal evacuation in all mega projects.

COAL LOADING & EVACUATION

Rapid Loading System (RLS), very high capacity SILOs with Merry-Go-Round (MGR) are in operation at Gevra Expn OC & Dipka Expn OC Projects and are planned in other mega OCPs. To enhance the coal dispatch, Rapid Loading System/ SILO have been planned and approved in 04 projects viz., in Kusmunda, Gevra, Chhal OC & Pelma OC. This system of efficient loading is also in compliance with Environmental stipulation.

COAL TRANSPORT INFRASTRUCTURE

Creating transport infrastructure and managing logistics to move coal from the point of origin to consumption units is a major challenge for sustainable development. Development of rail infrastructure and adequate road network for coal movement is a challenging task and would require fresh initiatives. Railways play a major role in timely evacuation of coal and commensurate infrastructure for faster movement has been persistently addressed by taking new initiatives.

Railway Sidings:

Various developmental activities with respect to constructions of new sidings are being taken up considering increase in production of coal in the near future. To cater the need of coal evacuation, network of Railway Sidings is laid in different Areas of Korba and CIC Coalfields of SECL and at present there are 32 Nos. Railway Sidings for dispatch of coal as detailed below:

S.N.	Coalfield	No. of Railway Sidings	Capacity (in MTY)
1	Korba Coalfields	17	102.90
2	CIC Coalfields	15	27.65
TOTAL		32	130.55

In Korba Coalfields, out of 17 Nos. of Siding having capacity of 102.90 MTY, 5 Nos. of Siding having capacity of 25 MTY are being used by Washery Operators, 1 No. Rapid Loading System (RLS)/MGR System having capacity of 16 MTY at Gevra Project is being used by NTPC, Korba STTP, 1 No. RLS/MGR System having capacity of 16 MTY at Dipka Project is being used for NTPC, Sipat STPP and 1 No. Siding of capacity 2.80 MTY at Manikpur, Korba along with 1 no. of Siding (Conveyor Belt) having capacity of 7 MTY at Kusmunda is being used for CSEB-Korba. Thus, a total of 36.10 MTY of Siding capacity of SECL is being used in Korba Coalfields.

For further enhancement of the coal dispatch capacity of Sidings in Korba Coalfields and CIC Coalfields, the following actions are planned/under execution:

- Construction of new Railway Siding under consultancy with RITES for Rapid Loading System at Junadih Siding of Gevra Area is under completion stage and will be commissioned soon after completion of the work of S&T, OHE & General Electric Works.

- Construction of new Railway Siding under consultancy with RITES for Silo loading at Kusmunda Area in order to achieve production and evacuation of 50 MTY coal including the work of S&T, OHE & General Electric Works is under execution and is likely to be completed within September, 2018.
- Construction of new Railway Siding under consultancy with RITES for different stages for Lakhanpur Coalfields (Bishrampur Area) taking off from Bishrampur Station and upto Pendrakhi, Amadand Siding (Jamuna & Kotma Area) taking off from Baihatola Station and upto Timkatola, Jagannathpur Siding taking off from Karaunji Station and upto Jagannathpur, Batura Siding taking off from Amlai and upto Batura-Rampur, Malachua Siding taking off from Bandhawapara Station and upto Malachua, new Siding at Manikpur taking off from Korba Station and upto Manikpur are under active consideration.
- Land acquisition for the purpose of "Project Management Consultancy Work" i.e. execution work for new Railway Siding in Lakhanpur Coalfields of Bishrampur Area and for new siding at Amadand of Jamuna & Kotma Area is in progress at Area.

According to the projections made in the Roadmap for 1 Billion Tonne coal production by CIL in 2019-20, it is apparent that in SECL, the quantum jump in coal production is coming from Raigarh and Korba Coalfields through commissioning of new projects and implementation of expansion projects. Evacuations from these coalfields are very critical and will be heavily dependent on two major rail corridors namely East Corridor in Raigarh Coalfields and East-West corridor in Korba Coalfields through Joint Venture Projects viz Chhattisgarh East Rail Limited (CERL) and Chhattisgarh East West Rail Limited (CEWRL), involving SECL, IRCON and Government of Chhattisgarh.

MOU has also been entered between SECL and M/S IRCON international Limited for awarding the work of developing the Proposed Sidings and allied works, for connecting to the Rail Corridors (being developed by CERL and CEWRL) within the leasehold of SECL. In this regard feasibility Study Report under Stage-I activity towards connectivity of Gevra & Kusmunda to Rail Corridor is under execution under the consultancy of M/s. IRCON International Limited.

In the same way IBS (Intermediate Block Signalling) between Junadih-Gevra Road Station, S&T (Signalling & Telecommunication) works between Gevra & Dipka are being executed by SEC Railway under "Deposit Estimate Head". Likewise Complete Track Repair (CTR) work of Dipka, Bijuri, Robertson, Chirimiri, Govinda & Korba Siding is also under execution by M/S RITES Limited. FSR (Feasibility Study Report) for RUB in place of ROB at Manikpur of Korba Area is being considered by SEC Railway.

Coal Handling Plants:

Coal Handling Plant (CHP) with In-pit Conveyor (2300 TPH and Two nos. of SILO (4200 T capacity each)) of Gevra Area is under commissioning & likely to be completed by Oct' 2017. Proposal for construction & commissioning of Coal Handling Plant consisting of 2x4x100 T truck receiving hoppers, 20,000 T capacity overhead RCC bunker at Kusmunda is under construction & likely to be commissioned by June 2017.

Subsidiary Joint Venture Companies (CERL & CEWRL):

In terms of the Memorandum of Understanding (MoU) signed between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh, for establishment of the two Railway Corridors viz., East Corridor and East-West Corridor, Two (02) Joint-Venture Companies had been formed in March, 2013, as subsidiaries of SECL with 64% stake in each JV, viz., M/s. Chhattisgarh East Railway Limited (CERL) and M/s. Chhattisgarh East-West Railway Limited (CEWRL). Both the rail corridors have been notified by Ministry of Railways as 'Special Railway Project' to provide national infrastructure and the corridors once completed will cater to the evacuation of coal from Mand-Raigarh Coalfields and Korba-Gevra Coalfields of SECL and will be used both for freight and passenger traffic.

1. Progress of East Rail Corridor/ Chhattisgarh East Railway Limited (CERL)

- The Ministry of Railways (MoR) vide letter No. 2012/Infra/12/5/Pt.1 dated 03rd May, 2016 has accorded the approval of inflated mileage of 60% for first five years of commercial operations subject to periodic review. Addendum and Corrigendum to the Original Concession Agreement between CERL and SECR dated 12.06.2015 has been signed and executed on 21st March, 2017 to reflect the revised scope of work due to the incorporation of need based alterations in the project, revised project cost estimate and revenue sharing with Railways including the inflated mileage and terminal charges.



- Final Sanction has been obtained from six Banks in which Indian Bank has emerged as the Lead Banker and the balance sanction is also expected in near future. The Lead Bank has appointed Maven Infra & Contractors Pvt. Ltd., Hyderabad as the Lenders Independent Engineer (LIE) and M/s. Shardul Amarchand Mangaldas & Co. (Advocates & Solicitors), New Delhi as Lenders Legal Counsel (LLC). M/s. India Insure Management & Insurance Broking Services, Secunderabad, has been appointed as Lenders Insurance Advisor (LIA).
- Private Land admeasuring 371.827 Hectares in 0-74 KM (Kharsia-Dharamjaigarh) and 0-28 KM (Gharghora-Donga Mahua Spur Line) has been transferred in the name of SECR and right of way for the same has been obtained. The Government Land in 0-74 KM and Spur 0-28 KM has been transferred in the name of SECR.
- Stage-II Forest Clearance for 76.099 Hectares (10-74 KM) for diversion of Forest Land has been obtained and the process of tree feeling has been completed. The proposal for diversion of 26.52 Ha of forest land for 12 Villages in 0-10 KM and Spur 0-28 KM is under active consideration for approval by State Authorities.
- Tenders amounting to ` 555.39 Crore has already been issued for construction of Major Bridges, Minor Bridges, Road Bed and supply, fabrication erection, Launching of Steel Girders and Design, Supply, Erection, Testing & Commissioning of Traction sub-station for various segments in 0-10 KM, 10-74 KM and 0-28 KM spur. Detailed survey and requirement of land for feeder lines is being worked out.

2. Progress of East-West Rail Corridor/ Chhattisgarh East-West Railway Limited (CEWRL)

- The Revised Detailed Project Report (DPR) of East-West Rail Corridor Project from Gevra Road to Pendra Road via Dipka, Katghora, Sindurgarh, Pasan, approximately 135.30 km in length with connectivity to Kusmunda, Junadih and Dipka Sidings along with a provision to construct and integrate with the East West Rail Corridor for about 35 Kms of Feeder lines to connect Kartali, Ambica, Saraipali and Vijay West Mines of SECL prepared and submitted by IRCON and duly independently financially appraised by M/s CARE Kalypto Risk Technologies & Advisory Services Pvt. Ltd., Mumbai has been approved at a total Project Cost of ` 4,919.28 Crore.
- The proposal for approval of inflated mileage has been submitted to Railway Board, New Delhi and approval of DPR has also been sought by SECL from Coal India Limited. The observations on the DPR by Railway Board and CIL is under review by IRCON.
- The Award of Private land for 53 Villages out of total 54 villages in the Korba District has been obtained, of which private land for 43 villages has been transferred in the name of SECR. 20E notification for remaining 1 village has been published and preparation of award is under process. The Private Land in 16 villages of Bilaspur District has been transferred in the name of SECR. The transfer of Government Land in the Korba District (37 Villages out of 42 Villages) has been approved by the Government of Chhattisgarh. The transfer of Government Land in the Bilaspur District for all 13 Villages has been approved by the Government of Chhattisgarh.
- The proposal for diversion of forest land is under process and the application for the same is likely to be submitted within a short time after necessary compliance.
- Detailed survey and requirement of land for feeder lines is being worked out.

E. RISKS AND CONCERNS

Mining activity is site specific, having limitation in operation due to specific geological configuration in coal deposits, geological reserves, stratigraphy of coal deposits, available technology, depth of deposits and these parameters cannot be changed. Following risk and concerns are involved:

- Obtaining environmental clearance and forestry clearance.
- High cost of Rehabilitation & Resettlement (R&R).
- In Underground method of working, extraction percentage is much less in comparison to opencast method of working and total land over the panels to be extracted needs to be acquired leading to high cost of production. Eventually, the Underground mining projects are becoming economically non-viable because of low IRR.

- Opencast working by outsourcing option is becoming economically viable at a greater depth even up to 200-300 meters, thus discouraging the Underground Mining option.
- No new underground mines have come up in SECL and the old mines are getting arduous day by day due to long distance travel and exhaustion of thick coal seam.
- The method of coal mining by opencast method and the need for the compliance of different provisions related to environmental issues is a great challenge.
- The limitation of existing Laws applicable for mining and the actual relaxation needed in the present context are the great challenge.
- Bigger size Opencast Mines with Mega capacity demands more population of HEMM, however there is long lead time involved in procurement of HEMMs & their spares and other E&M items.
- Marketing risk for high grade coal being produced by SECL.
- Physical possession of land and finalization of employment issues of PAPs and demand of employment by PAPs beyond the prescribed norms often results in law & order problems and hindrance in coal production and dispatch.
- Non-availability of adequate railway infrastructure in the form of transportation capacity leading to mismatch of supply of Railway wagons with requirement, will adversely affect Coal Off-take.
- Gradual reduction of skilled manpower, particularly in in UG mines affecting the idleness of UG equipment resulting into reduction in productivity.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well established Internal Control systems and procedures commensurate with its size and nature of business with an approved and well laid down delegation of authority at various levels for ensuring appropriate authorization and approval of transactions. Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual, defining the practices & procedures to be adopted for procurement and award of contracts are in place. The Internal audit is conducted by external firms of Chartered/Cost Accountants covering all the Offices/Areas/Units of operation and their reports are reviewed by the Audit Committee of SECL Board. Further, the accounts of the Company are subject to Comptroller & Auditor General of India (CAG) audit in addition to the propriety audit conducted by them.

Internal Financial Control Measures/Guidelines has been issued by CIL for necessary compliance by all subsidiaries of CIL which has been complied with to ensure orderly and efficient conduct of business. Further, Internal Auditors have certified that the Company has, in all material respects, an adequate internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2017. The Statutory/ Branch Auditors while reporting on the financial statements of the Company, also issue a separate and specific report on the adequacy and operating effectiveness of Internal financial controls, titled as "Report on the Internal Financial Controls under Clause (i) to Sub-section 3 of Section 143 of the Companies Act, 2013". Such report has been given on both standalone and consolidated accounts of the Company.

G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Covered in the main report.

H. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

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

Covered in the main report.



J. CORPORATE SOCIAL RESPONSIBILITY

Covered in the main report.

K. CAUTIONARY STATEMENT

Statements in the 'Management Discussion & Analysis Report' and 'Directors' Report' describing the Company's objectives, projections and estimates, expectations and predictions, etc. may be "forward looking statements" and progressive within the meaning of applicable laws and regulations.

Forward looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. Actual results may vary materially from those expressed or implied depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on the Forward Looking Statements.

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(Kuldip Prasad)
Director (Technical) Operations
DIN: 07463640

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

(Annexure-VII)

Extract of Annual Return

As on the financial year ended on March 31st, 2017

Form No. MGT-9

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

I. REGISTRATION AND OTHER DETAILS:

- i) **CIN** : U10102CT1985GOI003161
- ii) **Registration Date** : 28/11/1985
- iii) **Name of the Company** : SOUTH EASTERN COALFIELDS LIMITED
- iv) **Category / Sub-Category of the Company** : Category - Company Limited by Shares
Sub-Category – Union Government Company
- v) **Address of the Registered office and contact details** : SECL Bhawan, Seepat Road, Bilaspur (Chhattisgarh) – 495006
Contact Nos. – Tel: 07752-246340, 417666
Fax: 07752-246412, 417666
- vi) **Whether listed Company** : Yes / No
- vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any** : Not Applicable

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 Mining	0510	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Coal India Limited, Address: Coal Bhawan, Premises No-04-MAR, Plot-AF-III Action Area-1A, New Town Rajarhat Kolkata (West Bengal) - 700156	L23109WB1973GOI028844	HOLDING	100%	2(46)
2	Chhattisgarh East Railway Limited Address: Mahadev Ghat Road, Raipura Chowk, Raipur (Chhattisgarh) - 492013	U45203CT2013GOI000729	SUBSIDIARY	67.23%	2(87)
3	Chhattisgarh East-West Railway Limited Address: Mahadev Ghat Road, Raipura Chowk, Raipur (Chhattisgarh) - 492013	U45203CT2013GOI000768	SUBSIDIARY	64.06%	2(87)



IV. SHAREHOLDING 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	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	35,96,997	35,96,997	99.9999 %	-	29,87,747	29,87,747	99.9999 %	NIL
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	35,96,997	35,96,997	99.9999 %	-	29,87,747	29,87,747	99.9999 %	NIL
(2) Foreign									
a) NRIs – Individual	-	-	-	-	-	-	-	-	-
b) Other Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI (e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	35,96,997	35,96,997	99.9999 %	-	29,87,747	29,87,747	99.9999 %	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B) (1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	35,96,997	35,96,997	99.9999 %	-	29,87,747	29,87,747	99.9999 %	NIL

(ii) Shareholding of Promoters

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Coal India Limited	35,96,997	99.9999 %	NIL	29,87,747	99.9999 %	NIL	NIL
	TOTAL	35,96,997	99.9999 %	NIL	29,87,747	99.9999 %	NIL	NIL

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

S.N.	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	
	At the beginning of the year	35,96,997	99.9999 %	35,96,997	99.9999 %
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	6,09,250 No. of fully paid-up Equity Shares bought back by the Company on 16.03.2017 pursuant to DIPAM Guidelines for Buy-back of Shares	16.94%	29,87,747	99.9999 %
	At the End of the year			29,87,747	99.9999 %

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

S.N.	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.	Sutirtha Bhattacharya :				
	At the beginning of the year	01	0.00003	01	0.00003
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	00	0.00	00	0.00
	At the End of the year (or on the date of separation, if separated during the year)	01	0.00003	01	0.00003



(v) Shareholding of Directors and Key Managerial Personnel:

S.N.	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.	B. R. Reddy				
	At the beginning of the year	01	0.00003	01	0.00003
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	01	0.00003	01	0.00003
2.	Vivek Bharadwaj	NIL	NIL	NIL	NIL
3.	Chandan Kumar Dey				
	At the beginning of the year	01	0.00003	01	0.00003
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	01	0.00003	01	0.00003
4.	Sunil Kumar	NIL	NIL	NIL	NIL
5.	Prof. B. S. Sahay	NIL	NIL	NIL	NIL
6.	Shri Vinod Jain	NIL	NIL	NIL	NIL
7.	Ambika Prasad Panda	NIL	NIL	NIL	NIL
8.	Rama Shankar Jha	NIL	NIL	NIL	NIL
9.	Kuldip Prasad	NIL	NIL	NIL	NIL
10.	P. K. Sinha	NIL	NIL	NIL	NIL
11.	Ram Prabesh Thakur	NIL	NIL	NIL	NIL
12.	Syed Mohammed Yunus	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	250.00	NIL	250.00
• Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	250.00	NIL	250.00
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	250.00	NIL	250.00
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	250.00	NIL	250.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Crore)

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount	
		B. R. Reddy	A. P. Panda	R. P. Thakur*	R. S. Jha	Kuldip Prasad		P. K. Sinha**
1.	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.22	0.24	0.32	0.20	0.26	0.15	1.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.11	0.20	0.16	0.22	0.03	0.93
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - Others, specify	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	0.43	0.35	0.52	0.36	0.48	0.18	2.32

Note:

*Denotes Remuneration for the period 01.04.2016 to 31.05.2016 and Gross Salary includes Terminal benefits viz. Gratuity, Leave Encashment, etc.

**Denotes Remuneration for the period 03.08.2016 to 31.03.2017.

B. Remuneration to other directors:

(₹ in Crore)

S.N.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Sunil Kumar	B. S. Sahay	Vinod Jain	Position Vacant during the year	
	- Fee for attending Board/ Committee Meetings	0.07	0.07	NIL	-	0.14
	- Commission	NIL	NIL	NIL	-	NIL
	- Others, please specify	NIL	NIL	NIL	-	NIL
	Total (1)	0.07	0.07	NIL	-	0.14
2.	Other Non-Executive Directors	Vivek Bharadwaj	C. K. Dey			
	- Fee for attending Board/ Committee Meetings	NIL	NIL			NIL
	- Commission	NIL	NIL			NIL
	- Others, please specify	NIL	NIL			NIL
	Total (2)	NIL	NIL			NIL
	Total (B)=(1+2)	NIL	NIL			NIL
	Total Managerial Remuneration	0.07	0.07			0.14



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in Crore)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.22	0.19	0.24	0.65
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.18	0.11	0.50
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00	0.00
	- as % of profit				
	- Others, specify				
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total	0.43	0.37	0.35	1.15

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	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

For and on behalf of the Board of Directors of
SOUTH EASTERN COALFIELDS LIMITED

Sd/-
(A. P. Panda)
DDirector (Finance)
DIN: 06664375

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
DIN: 07001710

Place: New Delhi
Dated: 24-05-2017

FINANCIAL STATEMENTS STANDALONE





Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017

The preparation of Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory 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 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 24.05.2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit under Section 143(6)(a) of the Act of the Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report.

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

Sd/-
(Reena Saha)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-II
Kolkata

Place : Kolkata
Dated: 14.06.2017

Independent Auditors' Report

To the Members of South Eastern Coalfields Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of SOUTH EASTERN COALFIELDS LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information in which are incorporated returns for the year ended on that date audited by the branch auditors of the Company's branches at Johilla (Post-Nawrozabad Colliery), Sohagpur (Post Dhanpuri), Jamuna & Kotma (Post-Jamuna Colliery), Hasdeo (Post- South Jhagrakhand Colliery), Chirimiri (Post- Chirimiri Colliery), Baikunthpur (Post-Baikunthpur Colliery), Bistrampur (Post- Bishrampur Colliery), Bhatgaon (Post-Jarhi), Dankuni Coal Complex (Post-Dankuni Coal Complex) and Kolkata Sales Office.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Opinion

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

Other Matters

We did not audit the financial statements / information of 10 branches included in the standalone financial statements of the Company whose financial statements / financial information reflect total Assets of 39567.97 Crore (including Inter Branch Balances) as at 31.03.2017 and total revenue of 6424.67 Crore for the year ended on that date as considered in the standalone Ind AS financial statements. The Financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.



Our opinion is not modified in respect of such matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(5) of the Act, we give in **Annexure-I**, a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013; we enclose in the **Annexure-II** a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
3. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
 - c) The reports on the accounts of the branch offices of the Company audited under section 143(8) of the act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the relevant books of accounts and with the returns received from branches not visited by us.
 - e) In our opinion, the aforesaid standalone Ind AS financial statements subject to our observations in the Annexure, comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of The Companies (Accounts) Rules, 2014.
 - f) In pursuance with MCA Exemption Notification No. G.S.R. 463(E) dated 05.06.2015 in relation to the appointment of Directors, in which subsidiary Company of Government Company is being exempted for applicability of Section 164(2) of the Companies Act, 2013.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure III".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements-Refer Note "Contingent Liabilities" under Note 38, to the standalone Ind AS financial statements.
 2. The Company has made provisions as required under the applicable law or accounting standards, for material foreseeable losses if any, on long term contracts including derivative contracts.
 3. According to the information and explanations given to us, the Company is not required to transfer any amount to Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act, 2013 and rules made there under.
 4. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

Our report is not modified in respect of this matter.

For J N MITAL & COMPANY
Chartered Accountants
(FRN No. 003587N)

Sd/-
(CA Rajendra Mittal)
(Partner)
(M No. 084470)

Place: New Delhi
Date: 24-05-2017

ANNEXURE - I TO THE AUDITORS' REPORT

Annexure – I referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Independent Auditor’s Report to the member of the Company on the standalone financial statements for the year ended 31st March 2017, we report that:

Report on Directions under section 143(5) of Companies Act 2013 in respect of M/s South Eastern Coalfields Ltd. for the year 2016-17

S. No.	Directions	Action taken & Auditor’s Reply	Impact on Accounts and financial statements
1	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available?	<p>Title Deeds and/or Lease Deeds of Land and Building and Mining Rights prior to incorporation of the Company, are continue to be held in the name of the Holding Company and its other Subsidiaries (Refer to Note 1 of Financial Statements)</p> <p>Yes, the Company has clear title/lease deeds for freehold land of 344.947 hectares directly purchased by the Company.</p> <p>In respect of leasehold land vested under CBA (A&D) Act, 1957 and LA Act, 1894 to the tune of 22721.109 hectares and 1850.534 hectares, the Company is in possession of section 11 orders of CBA (A&D) Act, 1957 published in the official gazette. Similarly, the Company is in possession of 198.764 hectares of land acquired through executive orders, 9451.182 hectares acquired under state code and 4360.514 hectares acquired via Forest Conservation Act, 1980. As explained to us and on the basis of information obtained by us, no separate title deeds in the name of the Company are required to be in possession in respect of the above mentioned leasehold lands.</p>	There is no impact on the financial statements.
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	No waiver/write off of debts/loans/interest etc. during the year.	There is no impact on the financial statements.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	As per the information and explanations provided to us that neither inventories are lying with third parties nor any assets were received as gift from government or other authorities.	There is no impact on the financial statements

Report on Additional directions under section 143(5) of the Companies Act, 2013 in respect of M/s South Eastern Coalfields Ltd. for the year 2016-17

S. No.	Additional directions	Action taken & Auditor’s Reply	Impact on accounts and financial statements
1.	Whether coal stock measurement was done keeping in view the contour map? Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	Yes, stock measurement was done keeping in view the contour map and physical stock measurement reports are accompanied by contour map. New heaps created during the year at various units have got approval of the competent authority.	There is no impact on the financial statements.



S. No.	Additional directions	Action taken & Auditor's Reply	Impact on accounts and financial statements
2.	Whether the Company conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an Area. If so, whether the concerned subsidiary followed the requisite procedure?	There is no merger/split/re-structure of an Area during the year under review and therefore no physical verification of assets and properties is required.	There is no impact on the financial statements.
3.	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of Annual Accounts for the year 2015-16?	As per the information and explanations given to us, uniform treatment of land acquisition and interest on delayed payment of land compensation to project affected persons (PAPs) in accordance with significant accounting policy of the Company are being considered by the Company.	There is no impact on the financial statements.
4.	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined?	Disputes, if any arising due to drastic variation between the results of two parts (SECL part and CIMFR part) are examined and sent for referee analysis, whose results are final and binding on both seller and purchasers.	There is no impact on the financial statements.

ANNEXURE - II TO THE AUDITORS' REPORT

Annexure - II referred to in paragraph 2 of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report to the member of the Company on the Standalone financial statements for the year ended 31st March 2017, we report that:

1. In respect of Fixed Assets:
 - a. The Company has generally maintained proper records showing full particulars including quantitative details and location of Fixed Assets.
 - b. Physical verification of fixed assets had been made by the management as required by the policy of the Company during the year under review.
 - c. In respect of land vested during Pre-incorporation period the title deeds are in the name of the Holding Company (Coal India) and its subsidiaries (Refer to Note 1 of Financial Statements). Yes, the Group has clear title/lease deeds for freehold and in respect of leasehold lands acquired under CBA Act, 1957, LA Act 1894, State Code, Executive Orders, and Forest Conservation Act, 1980, no such title deeds are necessary as informed and explained to us.
2. In respect of Inventories:

According to the information and explanations given by the management, the inventory has been physically verified by Company management at regular interval and material discrepancies noticed have been properly dealt with in the books of account.
3. As per the information and explanations given to us, the Company has granted loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - b) Since the repayment of interest does not fall due during the year as stipulated in the terms of arrangement, paragraph 3(b) of the order is not applicable.
 - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
6. We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

7. a) According to the information and explanation given by the Company, the Statutory dues payable by the Company comprising of Provident fund, Sales tax, Stowing Excise duty, Service tax, Income tax deducted/collected at source, Entry tax, Professional Tax and Royalty etc., the Company has been regularly depositing the aforesaid undisputed dues to the appropriate authorities. There are no undisputed statutory dues as referred to above as on 31st March 2016 outstanding for a period of more than six months from the date, they become payable. The Employees State Insurance is not applicable to the area.
- b) The particulars of disputed statutory dues as on 31st March 2017 are as follows:

Name of the Area	Name of the Statute	Nature of the dues	Amount (₹ in Crore)	Period to which relates	Forum where dispute is pending
Johilla	MP Municipalities Act, 1961	Terminal Tax	1.30	Sept, 04 to March 14	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	5.60	2001-02 to 2013-14	Addl/ Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	0.39	98-99,01-02,04-05, 05-06, 06-07, 09-10,11-12	Addl/ Dy. Commissioner of CT
	MP VAT Act, 2002	State Sales Tax /VAT	0.71	2003-04 to 2013-14	Addl/ Dy. Commissioner of CT
DCC	Central Excise Act,1944	Excise duty	2.1	Sep-2000 to March, 2002	CESTAT(Tribunal), Kolkata
	Central Excise Act,1944	Excise duty	7.14	Sep-1996 to March, 2000	High Court, Kolkata
	W.B. Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	2.40	FY 2012-13 to FY 2015-16	High Court, Kolkata
Jamuna & Kotma	MPGATVA, 2005	MP Sadak Vikas Kar	242.89	2005-06 to 2016-17	Hon'ble Supreme Court of India
	Central Excise Act, 1944	Excise Duty	0.44	2016-17	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	4.65	1993-94 to 2013-14	Addl/ Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	2.07	1997-98 to 2013-14	Addl/ Dy. Commissioner of CT
	MP VAT Act, 2002	State Sales Tax /VAT	27.42	2006-07 to 2013-14	Addl/ Dy. Commissioner of CT
	Service Tax	Service Tax	6.90	2016-17	Before Different authorities
Bhatgaon	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	1.37	98-99, 02-03, 03-04	Appellate Authority
	Central Sales Tax Act, 1956	Central Sales Tax	1.42	2016-17	Addl/ Dy. Commissioner of CT
Raigarh	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	0.12	1999-2000	Tribunal, Raipur
		Entry Tax	0.14	2001-2002	ACCT, Raigarh
Korba Area	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	0.34	1981-82	Tribunal, Raipur
		Entry Tax	0.02	1992-93	ACCT, Korba
		Entry Tax	0.03	2002-03	ACCT, Korba
		Entry Tax	0.15	2004-05	ACCT, Korba
	M.P. General Sales Tax Act, 1956	Sales Tax	0.02	1991-92	ACCT, Raipur



Name of the Area	Name of the Statute	Nature of the dues	Amount (₹ in Crore)	Period to which relates	Forum where dispute is pending
Sohagpur	Service Tax	Service Tax	12.20	Upto 2016-17	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	45.88	Upto 2016-17	Addl/ Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	1.77	Upto 2016-17	Addl/ Dy. Commissioner of CT
	M.P. Commercial Tax Act, 1994 / M.P. VAT Act 2002	State Sales Tax /VAT	14.92	Upto 2016-17	Addl/ Dy. Commissioner of CT
Baikunthpur	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	1.57	92-93, 95-96, 98-99, 00-01 To 03-04, 05-06,06-07 &07-08 & 2008-09 to 2012-13	Before different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	1.44	92-93, 95-96, 98-99, 00-01 To 03-04, 05-06, 06-07 &07-08	Before different Authorities
Chirimiri	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	0.1	1987-88, 88-89, 98-99 to 02-03	CG Taxation Tribunal (Raipur)
	Central Sales Tax Act 1956	CST	0.34	2000-01 & 2001-02	High Court, Bilaspur
	Service Tax	Service Tax	0.27	2016-17	Before Different Authorities
Hasdeo	Central Excise Act, 1944	Excise Duty	1.15	Up to 2016 - 17	Before Different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	129.11		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
	Central Sales Tax Act 1956	CST	23.69		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
	MP VAT Act,2002 / CG VAT Act, 2005	VAT	88.79		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
Bishrampur	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	2.15	94-95, 96-97 TO 98-99, 01-02, 02-03, 05-06	Before different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	1.88	94-95 to 03-04	Before different Authorities
	Nagar Panchayat Property Tax	Property Tax	1.09	2016-17	Before different Authorities
	Central Excise Act, 1944	Excise Duty	0.05	2016-17	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Gevra	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	53.51	183-84, 1990-91 to 04-05	Tribunal, Raipur
	Central Sales Tax Act, 1956	CST	1.69	1997-98 1999-00 2005-06	Tribunal, Raipur
	M.P. General Sales Tax Act, 1956	CGCT	0.01	1999-00	Tribunal, Raipur

Name of the Area	Name of the Statute	Nature of the dues	Amount (₹ in Crore)	Period to which relates	Forum where dispute is pending
CWS-CS Korba	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	0.38	2000-01	Additional Comm Bilaspur
	Central Excise Act, 1944	Excise Duty	0.19	2016-17	Central Excise and Service Tax Appellate Tribunal(SESTAT)/ CG High Court
Kusmunda	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	0.02	2016-17	Tribunal, Raipur(C.G)
	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	0.07	2016-17	Tribunal, Raipur(C.G)
Dipka	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	1.00	2016-17	Appellate Tribunal Sales Tax Bilaspur

8. According to the information and explanation provided to us the Company has not taken any loans or borrowings from financial institutions, banks, government or from debenture holders. Therefore, the question of default in repayment of loans does not arise.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any transactions with the related parties during the year except with state controlled enterprises which are exempted as per AS18. The provisions of sections 177 and 188 of the Act are not applicable to the Company and therefore no disclosure required.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For J N MITAL & COMPANY
Chartered Accountants
(FRN No. 003587N)

Sd/-
(CA Rajendra Mittal)
(Partner)
(M No. 084470)

Place: New Delhi
Date: 24-05-2017



ANNEXURE - III TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **South Eastern Coalfields Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J N MITAL & COMPANY

Chartered Accountants
(FRN No. 003587N)

Sd/-
(CA Rajendra Mittal)
(Partner)
(M No. 084470)

Place: New Delhi
Date: 24-05-2017



Balance Sheet as at 31st March, 2017

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	4,520.35	4,364.00	4,282.88
(b) Capital Work-in-Progress	4	1,166.60	738.06	821.01
(c) Exploration and Evaluation Assets	5	758.31	506.16	369.05
(d) Other Intangible assets	6	10.27	10.27	10.27
(e) Intangible assets under development		-	-	-
(f) Investment Property		-	-	-
(g) Financial Assets				
(i) Investments	7	528.60	101.76	5.76
(ii) Loans	8	237.44	170.18	111.63
(iii) Other Financial Assets	9	1,624.79	1,220.33	941.65
(h) Deferred tax assets (net)		617.87	430.79	272.16
(i) Other non-current assets	10	142.77	105.01	138.69
Total Non-Current Assets (A)		9,607.00	7,646.56	6,953.10
(2) Current Assets				
(a) Inventories	12	1,700.07	1,829.42	1,321.82
(b) Financial Assets				
(i) Investments	7	153.88	95.72	123.16
(ii) Trade Receivables	13	2,721.88	2,650.61	2,277.71
(iii) Cash & Cash equivalents	14	527.00	326.16	284.17
(iv) Other Bank balances	15	2,745.64	4,367.71	9,089.09
(v) Loans	8	206.30	0.96	1.25
(vi) Other Financial Assets	9	672.63	748.32	704.01
(c) Current Tax Assets (Net)		4,285.56	2,654.22	2,799.72
(d) Other Current Assets	11	224.55	132.83	128.34
Total Current Asset (B)		13,237.51	12,805.95	16,729.27
Total Assets		22,844.51	20,452.51	23,682.37
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	298.78	359.70	359.70
(b) Other Equity	17	3,053.41	4,944.65	9,313.62
Equity Attributable to Equity Shareholders of The Company		3,352.19	5,304.35	9,673.32
Non-Controlling Interest		-	-	-
Total Equity (A)		3,352.19	5,304.35	9,673.32

Balance Sheet (Contd.)

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	-	-	-
(iii) Other financial liabilities	20	687.81	873.89	828.06
(b) Provisions	21	9,559.64	8,550.05	7,639.13
(c) Other non-current liabilities	22	1.55	-	-
(d) Deferred Tax liabilities (net)		-	-	-
Total Non-Current Liabilities (B)		10,249.00	9,423.94	8,467.19
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	250.00	-	-
(ii) Trade payables	19	983.50	864.53	795.87
(iii) Other Financial Liabilities	20	988.47	640.52	687.33
(b) Other Current liabilities	23	5,376.38	2,765.93	2,768.27
(c) Provisions	21	1,644.97	1,453.24	1,290.39
(d) Current Tax liabilities (Net)		-	-	-
Total Current Liabilities (C)		9,243.32	5,724.22	5,541.86
Total Equity and Liabilities (A+B+C)		22,844.51	20,452.51	23,682.37
Significant Accounting Policies	2			
Additional Notes on Accounts	38			
The accompanying Notes form an integral part of Financial Statements.				

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Statement of Profit & Loss

For the Year Ended 31st March, 2017

(₹ in Crore)

	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
(I) Revenue from Operations	24		
A Sales (Net)		18,486.10	17943.87
B Other Operating Revenue (Net)		450.43	414.60
Revenue from Operations (A+B)		18936.53	18358.47
(II) Other Income	25	1213.40	1168.07
(III) Total Income (I+II)		20,149.93	19,526.54
(IV) EXPENSES			
Cost of Materials Consumed	26	1422.23	1522.08
Changes in inventories of finished goods/work in progress and Stock in trade	27	128.57	(524.70)
Excise Duty		1302.65	1221.62
Employee Benefits Expense	28	7156.00	6503.75
Power Expenses		719.77	620.81
Corporate Social Responsibility Expense	29	42.50	270.85
Repairs	30	188.86	204.03
Contractual Expense	31	2337.98	2100.70
Finance Costs	32	80.95	64.97
Depreciation/Amortization/ Impairment expense		690.71	715.96
Provisions	33	988.90	228.72
Write off	34	-	4.19
Stripping Activity Adjustment		1198.65	816.60
Other Expenses	35	705.59	628.12
Total Expenses (IV)		16963.36	14377.70
(V) Profit before exceptional items and Tax (I-IV)		3186.57	5148.84
(VI) Exceptional Items		-	-
(VII) Profit before Tax (V-VI)		3186.57	5148.84
(VIII) Tax expense	36	1148.00	1891.29
(IX) Profit for the period from continuing operations (VII-VIII)		2038.57	3257.55
(X) Profit/(Loss) from discontinued operations		-	-
(XI) Tax expenses of discontinued operations		-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII) Share in JV's/Associate's profit/(loss)		-	-
(XIV) Profit for the Period (IX+XII+XIII)		2,038.57	3,257.55
Other Comprehensive Income	37		
A (i) Items that will not be reclassified to profit or loss		61.33	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		(21.23)	(34.27)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV) Total Other Comprehensive Income		40.10	64.74

Statement of Profit & Loss (Contd.)

(₹ in Crore)

	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
(XVI) Total Comprehensive Income for the period (XIV+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		2,078.67	3,322.29
Profit attributable to:			
Owners of the Company		2,038.57	3,257.55
Non-controlling interest		-	-
		2,038.57	3,257.55
Other Comprehensive Income attributable to:			
Owners of the Company		40.10	64.74
Non-controlling interest		-	-
		40.10	64.74
Total Comprehensive Income attributable to:			
Owners of the Company		2,078.67	3,322.29
Non-controlling interest		-	-
		2,078.67	3,322.29
(XVII) Earnings per equity share (for continuing operation): [Refer Note 38 (5) (c)]			
(1) Basic		5,709.81	9,056.30
(2) Diluted		5,709.81	9,056.30
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XIX) Earnings per equity share (for discontinued & continuing operation): [Refer Note 38 (5) (c)]			
(1) Basic		5,709.81	9,056.30
(2) Diluted		5,709.81	9,056.30
The accompanying Notes form an integral part of Financial Statements.			

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Statement of Changes in Equity

For the Year Ended 31st March, 2017

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance As at 01.04.15	Changes in during the Year/ Period	Balance as at 31.03.2016	Balance As at 01.04.2016	Changes in during the year#	Balance as at 31.03.2017
29,87,750 (35,97,000) Equity Shares of ₹ 1000 each	359.70	-	359.70	359.70	(60.92)	298.78

The Company bought back its 6,09,250 numbers of Fully paid up Equity Shares of face value of ₹ 1,000 each through tender offer.

B. OTHER EQUITY

Particulars	Equity Portion of Preference Share Capital	Other Reserve				General Reserve	Retained Earnings	Total of other equity attributable to Equity holders
		Capital Reserve	Capital Redemption reserve	CSR Reserve	Sustainable Development Reserve			
Balance as at 01.04.2015	-	0.01	300.00	-	-	3,311.58	5,572.82	9,184.41
Changes in accounting policy	-	-	-	-	-	-	128.58	128.58
Prior period errors	-	-	-	-	-	-	0.63	0.63
Restated balance as at 01.04.2015	-	0.01	300.00	-	-	3,311.58	5,702.03	9,313.62
Total Comprehensive Income for the year	-	-	-	-	-	-	3322.29	3322.29
Dividends	-	-	-	-	-	-	(6390.32)	(6390.32)
Corporate Dividend tax	-	-	-	-	-	-	(1300.94)	(1300.94)
Transfer to/from Retained Earnings	-	-	-	-	-	162.40	-	162.40
Transfer to General Reserve	-	-	-	-	-	-	(162.40)	(162.40)
Balance as at 31.03.2016	-	0.01	300.00	-	-	3,473.98	1,170.66	4,944.65
Balance as at 01.04.2016	-	0.01	300.00	-	-	3,473.98	1,170.66	4,944.65
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 01.04.2016	-	0.01	300.00	-	-	3,473.98	1,170.66	4,944.65
Total Comprehensive Income for the year	-	-	-	-	-	-	2,078.67	2,078.67
Dividends	-	-	-	-	-	-	(2133.47)	(2133.47)

Statement of Changes in Equity (Contd.)

Particulars	Equity Portion of Preference Share Capital	Other Reserve				General Reserve	Retained Earnings	Total of other equity attributable to Equity holders
		Capital Reserve	Capital Redemption reserve	CSR Reserve	Sustainable Development Reserve			
Dividend tax						(434.32)	(434.32)	
Transfer to/from Retained Earnings	-	-	-	-	-	103.93	103.93	
Transfer to General Reserve	-	-	-	-	-	(103.93)	(103.93)	
Buyback of Equity Shares		-	60.92	-	-	(1463.04)	(1402.12)	
Balance as at 31.03.2017	-	0.01	360.92	-	-	2,114.87	577.61	

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Cash Flow Statement (Indirect Method)

For the Year Ended 31st March, 2017

(₹ in Crore)

	For The Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Total Comprehensive Income before tax	3247.90	5247.85
Adjustment for:		
Depreciation & Impairment of Fixed Assets	690.71	715.96
Interest Income	(492.00)	(849.27)
Finance cost	11.15	0.65
Dividend from Mutual fund investments	(23.72)	(47.72)
Profit/Loss of sale of assets & Coal Block	(1.34)	0.24
Provision for Capital WIP and P&M in Stores	(0.92)	3.75
Liability Written Back during the period /year	(347.95)	(69.28)
Stripping Activity Expenses / Adjustment	1198.65	816.60
Operating profit before Current / Non Current Assets and Liabilities	4282.48	5818.78
Adjustments for :		
Trade Receivable	(71.27)	(372.90)
Inventories	129.35	(507.60)
Short/Long term Loans / Advances & Other Current Assets	(614.03)	(469.03)
Short/Long term Liabilities and Provisions	3736.07	214.91
Gratuity, leave encashments & Other Employees Benefit	(494.16)	147.89
Cash generated from operations	6968.44	4832.05
Income Tax paid / refund	(2987.65)	(1938.69)
Interest paid	(11.15)	(0.65)
Net Cash Flow from Operating Activities (A)	3969.64	2892.71
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1529.10)	(827.70)
Deffered Grant for Fixed Assets	1.55	0.00
Proceeds from sale of equipment / Coal Block	3.61	1.45
Proceeds/(Purchase) of Investments incl Fixed Deposit and Mutual Funds	1137.07	4652.82
Loan to Subsidiary	(240.00)	(48.00)
Interest received on Fixed Deposit / Loan to Subsidiary	612.56	1001.17
Interest pertaining to Investments	2.62	13.08
Dividend from Mutual fund Investments	23.72	47.72
Net cash flow from Investing Activities (B)	12.03	4840.54

Cash Flow Statement (Contd.)

(₹ in Crore)

	For The Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt / (Repayment) of Borrowings	250.00	-
Buy Back of Shares (including taxes)	(1463.04)	
Interest & Finance cost pertaining to Financing Activities	-	-
Dividend paid	(2133.47)	(6390.32)
Dividend Tax paid	(434.32)	(1300.94)
Net cash used in Financing Activities (C)	(3780.83)	(7691.26)
Net increase / decrease in Cash & Bank Balances (A+B+C)	200.84	41.99
Cash and cash equivalent (Opening Balance)	326.16	284.17
Cash and cash equivalent (Closing Balance)	527.00	326.16
(All figures in bracket represent outflow)		

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Notes to Financial Statements

NOTE - 1 : CORPORATE INFORMATION

South Eastern Coalfields Limited (SECL), a Mini Ratna, Un-listed Company with headquarters at Bilaspur, Chhattisgarh.

The Company is mainly engaged in mining and production of Coal. The major consumers of the Company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

SECL is a wholly-owned subsidiary of Coal India Limited. The mining operations of the Company are spread across 2 states (Chhattisgarh & Madhya Pradesh) in India. SECL is also operating a Coal Carbonization plant at Dankuni Coal Complex West Bengal. SECL also has two subsidiary Company viz. Chhattisgarh East Railway Limited and Chhattisgarh East West Railway Limited.

Note - 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP). These financial statements for the year ended 31st March 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to Note no. 38 for information and impact on first time adoption of Ind AS.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' up to two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**2.3 Revenue recognition****2.3.1 Sales revenue**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government / other statutory bodies.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

2.3.2 Interest

Interest income is recognised using the Effective Interest Method.

2.3.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.3.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation.

2.3.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs against which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income.

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit or loss under the general heading 'Other Income'.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An **operating lease** is a lease other than a finance lease.

2.5.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

2.5.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.5.1.2 Operating lease- Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

- (a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.5.2 Company as a lessor**Operating leases**

Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**2.6 Non-current assets held for sale**

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price net of credit, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de-recognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land	
(incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building	: 3-60 years
Roads	: 3-10 years
Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 5-15 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

The estimated useful life of the assets is reviewed at the end of each financial year.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Lands" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894 including compensation under Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc, which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the Company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the Company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The Company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The Company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The Company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks,

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The Company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved Mine Closure Plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn from Escrow account.

2.9 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.10 Development Expenditure

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

Commercial Operation

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

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

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

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

2.11 Intangible Assets

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

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

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

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

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies are however, classified as Intangible Assets and tested for impairment.

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

2.12 Impairment of Assets

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

2.13 Investment Property

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

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

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

2.14 Financial Instruments

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

2.14.1 Financial assets**2.14.1 Initial recognition and measurement**

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

2.14.2 Subsequent measurement

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

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

2.14.2.1 Debt instruments at amortised cost

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

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

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

2.14.2.2 Debt instrument at FVTOCI

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

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

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

2.14.2.3 Debt instrument at FVTPL

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

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

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

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

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

2.14.2.5 Other Equity Investment

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

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

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

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

2.14.2.6 De-recognition

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

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

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

2.14.2.7 Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

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

- Trade receivables or contract revenue receivables; and

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.14.3 Financial liabilities**2.14.3.1 Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.14.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.14.3.5 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.14.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

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

2.14.5 Offsetting of financial instruments

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

2.15. Borrowing Costs

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

2.16 Taxation

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

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

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

2.17 Employee Benefits**2.17.1 Short-term Benefits**

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

2.17.2 Post-employment benefits and other long term employee benefits**2.17.2.1 Defined contributions plans**

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

2.17.2.2 Defined benefits plans

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

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the Company, the recognised asset is limited to

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the Company if it is realisable during the life of the plan, or on settlement of plan liabilities.

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

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.17.3 Other Employee benefits

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

2.18 Foreign Currency

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

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

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

2.19 Stripping Activity Expense/Adjustment

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the Company has to incur such expenses over the life of the mine (as technically estimated by CMPDIL and recorded in the project report).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (COAL: OB) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue. Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Assets/ Non-Current Provisions as the case may be.

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

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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.

2.20 Inventories**2.20.1 Stock of Coal**

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the FIFO method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.20.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and spares and at the rate of 50% for stores & spares not moved for 5 years.

2.20.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.21 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)****2.22 Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.23.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.23.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements :
 - (i) represent faithfully the financial position, financial performance and cash flows of the entity;
 - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
 - (iii) are neutral, i.e. free from bias;
 - (iv) are prudent; and
 - (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

2.23.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.23.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.23.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.23.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 38.

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.23.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.23.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated by Central Mine Planning and Design Institute Limited.

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on following assumptions:

- Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India

2.24 Abbreviation used:

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

NOTE - 3 : PROPERTY PLANT AND EQUIPMENT

(₹ in Crore)

PARTICULARS	Freehold Land	Other Land	Reclamation / Site restoration Costs	Land	Buildings (Including water supply, roads and culverts)	Plant and Equipments	Tele communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Infrastructure	Surveyed Off Assets	Others	Total
Gross Carrying Amount:															
Balance as at 01.04.2015	10.79	843.02	370.90	531.51	2,189.95	23.72	34.36	6.09	5.64	9.14	241.65	16.11	-	4282.88	
Additions	-	197.36	-	144.58	373.22	1.96	11.70	2.06	25.52	1.65	53.88	6.01	-	817.94	
Disposals/Retirements/Adjustments	0.00	(0.54)	0.00	0.72	(18.41)	(0.01)	(0.49)	0.05	6.98	(0.06)	(8.55)	(1.71)	-	(22.02)	
Balance as at 31.03.2016	10.79	1039.84	370.90	676.81	2544.76	25.67	45.57	8.20	38.14	10.73	286.98	20.41	-	5078.80	
Balance as on 01.04.2016	10.79	1039.84	370.90	676.81	2544.76	25.67	45.57	8.20	38.14	10.73	286.98	20.41	-	5078.80	
Additions	2.71	308.24	0.00	40.03	353.38	7.50	4.50	3.24	6.54	4.33	120.03	5.73	-	856.23	
Disposals/Retirements/Adjustments	0.00	(0.24)	0.00	(0.05)	(4.88)	(2.21)	0.01	2.07	(1.03)	(0.22)	1.21	(2.27)	-	(7.41)	
Balance as on 31.03.2017	13.50	1347.84	370.90	716.79	2893.46	30.96	50.08	13.51	43.65	14.84	408.22	23.87	-	5927.62	
Accumulated Dep. and Impairment															
Balance as at 01.04.2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Charge for the year	-	94.01	35.74	34.44	501.30	4.51	6.49	2.01	9.31	2.10	25.06	-	-	714.97	
Impairment	-	-	-	-	-	-	-	-	-	-	1.96	-	-	1.96	
Disposals/Retirements/Adjustments	0.00	1.08	0.00	1.21	(3.11)	(0.10)	(0.05)	0.02	1.02	0.03	(2.23)	-	-	(2.13)	
Balance as at 31.03.2016	-	95.09	35.74	35.65	498.19	4.41	6.44	2.03	10.33	2.13	24.79	-	-	714.80	
Balance As on 01.04.2016	-	95.09	35.74	35.65	498.19	4.41	6.44	2.03	10.33	2.13	24.79	-	-	714.80	
Charge for the year	-	109.14	34.24	28.28	464.81	4.92	4.97	1.54	12.92	2.21	27.71	-	-	690.74	
Impairment	-	-	-	-	-	-	-	-	-	-	2.14	-	-	2.14	
Disposals/Retirements/Adjustments	0.00	(3.40)	0.00	10.92	(13.02)	2.87	1.37	1.85	(4.00)	(0.85)	3.85	-	-	(0.41)	
Balance As on 31.03.2017	-	200.83	69.98	74.85	949.98	12.20	12.78	5.42	19.25	3.49	58.49	-	-	1407.27	
Net Carrying Amount															
Balance As on 31.03.2017	13.50	1147.01	300.92	641.94	1943.48	18.76	37.30	8.09	24.40	11.35	349.73	23.87	-	4520.35	
Balance as at 31.03.2016	10.79	944.75	335.16	641.16	2046.57	21.26	39.13	6.17	27.81	8.60	262.19	20.41	-	4364.00	
Balance as at 01.04.2015	10.79	843.02	370.90	531.51	2189.95	23.72	34.36	6.09	5.64	9.14	241.65	16.11	-	4282.88	
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015															
PARTICULARS	Freehold Land	Other Land	Reclamation / Site restoration Costs	Land	Buildings (Including water supply, roads and culverts)	Plant and Equipments	Tele communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Infrastructure	Surveyed Off Assets	Others	Total
Gross Carrying Amount as at 01.04.2015	10.79	1,433.86	681.99	977.74	5,674.07	60.17	86.97	30.28	27.43	58.48	566.62	16.11	-	9624.51	
Accumulated Dep. and Impairment as at 01.04.2015	-	590.84	311.09	446.23	3,484.12	36.45	52.61	24.19	21.79	49.34	324.97	-	-	5341.63	
Net Carrying Amount	10.79	843.02	370.90	531.51	2189.95	23.72	34.36	6.09	5.64	9.14	241.65	16.11	0.00	4282.88	

Note:

- On abolition of Coal Mines Welfare Organisation and Coal Mines Rescue Organisation (1985), the assets taken over at different Areas have been incorporated in the Accounts at a nominal value of ₹ 1.00 per asset.
- Some title documents of asset are continue to be held in the name of the Holding Company and other subsidiaries.
- Other Lands includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984.
- Depreciation has been provided as per Schedule II of the Companies Act, 2013. Depreciation has been provided for the un-segregated class of asset on the basis of useful life applicable as per Schedule II of the Companies Act, 2013.
- During the current year impairment in respect of property, plant and equipment amounting ₹ 2.14 Crore (₹ 1.96 Crore) has been charged to the Statement of Profit & Loss.



NOTE - 4 : CAPITAL WORK IN PROGRESS

(₹ in Crore)

PARTICULARS	Buildings (Including water Supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Total
Gross Carrying Amount:					
Balance as at 01.04.2015	117.56	348.86	0.00	354.59	821.01
Additions	47.99	213.41	0.00	207.18	468.58
Capitalisation / Deletion/Adjustment	(145.33)	(306.98)	0.00	(91.81)	(544.12)
Balance as at 31.03.2016	20.22	255.29	0.00	469.96	745.47
Balance As on 01.04.2016	20.22	255.29	0.00	469.96	745.47
Additions	38.67	823.80	0.00	128.50	990.97
Capitalisation / Deletion/Adjustment	(37.95)	(275.97)	0.00	(247.02)	(560.94)
Balance As on 31.03.2017	20.94	803.12	0.00	351.44	1175.50
Provision and Impairment					
Balance as at 01.04.2015	0.00	0.00	0.00	0.00	0.00
Charge for the Year	0.04	7.31	0.00	0.06	7.41
Impairment during the Year	0.00	0.00	0.00	0.00	0.00
Capitalisation / Deletion/Adjustment	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2016	0.04	7.31	0.00	0.06	7.41
Balance As on 01.04.2016	0.04	7.31	0.00	0.06	7.41
Charge for the Year	0.00	3.21	0.00	0.00	3.21
Impairment during the Year	0.00	0.00	0.00	0.00	0.00
Capitalisation / Deletion/Adjustment	(0.04)	(1.67)	0.00	(0.01)	(1.72)
Balance As on 31.03.2017	0.00	8.85	0.00	0.05	8.90
Net Carrying Amount					
Balance As on 31.03.2017	20.94	794.27	0.00	351.39	1166.60
Balance as at 31.03.2016	20.18	247.98	0.00	469.90	738.06
Balance as at 01.04.2015	117.56	348.86	0.00	354.59	821.01

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

(₹ in Crore)

PARTICULARS	Buildings (Including water Supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Total
Gross Carrying Amount					
as at 01.04.2015	118.38	352.80	-	354.83	826.01
Accumulated Dep. and Impairment					-
as at 01.04.2015	0.82	3.94	0.00	0.24	5.00
Net Carrying Amount	117.56	348.86	-	354.59	821.01

4.1 Items such as Conveyor Belt, Power Cable etc. in stock at the end of the year have been treated as capital goods in stores and shown under head 'Plant & Equipment'.

NOTE - 5 : EXPLORATION & EVALUATION ASSET

(₹ in Crore)

PARTICULARS	Exploration & Evaluation Costs
Gross Carrying Amount:	
Balance as at 01.04.2015	369.05
Additions	137.11
Capitalisation	-
Other Adjustments	-
Balance as at 31.03.2016	506.16
Balance As on 01.04.2016	506.16
Additions	252.15
Capitalisation	-
Other Adjustments	-
Balance As on 31.03.2017	758.31
Provision and Impairment	
Balance as at 01.04.2015	-
Provided during the year	-
Reversed during the year	-
Other Adjustments	-
Balance as at 31.03.2016	-
Balance As on 01.04.2016	
Impairment during the Year	-
Provided during the year	-
Impairment during The Year	-
Diposals/ Retirements	-
Other Adjustments	-
Balance As on 31.03.2017	-
Net Carrying Amount	
Balance As on 31.03.2017	758.31
Balance as at 31.03.2016	506.16
Balance as at 01.04.2015	369.05

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

(₹ in Crore)

Gross Carrying Amount	
as at 01.04.2015	369.05
Accumulated Dep. and Impairment	
as at 01.04.2015	-
Net Carrying Amount	369.05

- 5.1 Expenditures incurred in connection with the exploration for and evaluation of coal resource before the technical feasibility and commercial viability of extracting coal are treated as Exploration and Evaluation Asset.



NOTE - 6 : INTANGIBLE ASSET

(₹ in Crore)

PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount:				
Balance as at 01.04.2015	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2016	-	10.27	-	10.27
Balance As on 01.04.2016	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2017	-	10.27	-	10.27
Amortisation and Impairment				
Balance as at 01.04.2015	-	-	-	-
Charge for the year	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2016	-	-	-	-
Balance As on 01.04.2016	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2017	-	-	-	-
Net Carrying Amount				
Balance As on 31.03.2017	-	10.27	-	10.27
Balance as at 31.03.2016	-	10.27	-	10.27
Balance as at 01.04.2015	-	10.27	-	10.27

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

(₹ in Crore)

PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount				
as at 01.04.2015	-	10.27	-	10.27
Accumulated Dep. and Impairment				
as at 01.04.2015	-	-	-	-
Net Carrying Amount	-	10.27	-	10.27

NOTE - 7 : INVESTMENTS (REFER NOTE 38(1))

(₹ in Crore)

Non Current	(%) holding	Number of Bonds/ shares current year/ (previous year)	Face value per Bonds/ share current year/ (previous year)	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Equity Shares in Subsidiary Companies						
Chhattisgarh East Railway Limited (Raipur)	67.23	205724800 (9888000) {2880000}	10.00 (10.00) {10.00}	205.72	98.88	2.88
Chhattisgarh East-West Railway Limited (Raipur)	64.06	322880000 (2880000) {2880000}	10.00 (10.00) {10.00}	322.88	2.88	2.88
Investment in Bond of :						
Consumer Co-operative Societies Ltd. Baikunthpur(C.G.)	-	250 (250)	10.00 (10.00)	-	-	-
Total :				528.60	101.76	5.76
Aggregate of Unquoted investments				528.60	101.76	5.76
Aggregate of Quoted investments:				-	-	-
Market value of Quoted investments:				-	-	-
Aggregate amount of impairment in value of investments:				-	-	-
Current		Number of units current year/ (previous year)	NAV (In ₹)	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Mutual Fund Investment						
SBI Mutual Fund		149585.216 (3280.213)	1,003.250	15.01	0.33	-
Canara Robeco Mutual Fund		8985.372 (5533.161)	1,005.500	0.90	0.55	-
UTI Mutual Fund		1076627.85 (880925.808)	1,019.446	109.76	89.81	-
Union KBC Mutual Fund		199540.721 (31115.133)	1,000.651	19.98	3.11	-
BOI AXA Liquid Fund		82016.937 (19147.42)	1,002.648	8.23	1.92	-
TOTAL				153.88	95.72	-



NOTE - 7 : INVESTMENTS (REFER NOTE 38(1) (Contd.))

Current	Number of units current year/ (previous year)	NAV (In ₹)	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
8.5 % Tax Free Special Bonds (Fully Paid Up) (on Securitisation of Sundry Debtors)					
State wise Break-up :					
Maharashtra	NIL (NIL) {256340}	1,000.00	-	-	25.63
Madhya Pradesh	NIL (NIL) {623800}	1,000.00	-	-	62.38
Gujarat	NIL (NIL) {351480}	1,000.00	-	-	35.15
TOTAL			-	-	123.16
Grand Total:			153.88	95.72	123.16
Aggregate of Unquoted investments:			-	-	123.16
Aggregate of Quoted investments:			153.88	95.72	-
Market value of Quoted investments:			153.88	95.72	-

NOTE - 8 : LOANS (Refer Note 38(1))

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Non-Current						
Loans to Related parties		-		-		-
Loan To Subsidiaries (CERL & CEWRL) ^{8.2}						
- Secured considered good	228.66		159.55		98.63	
- Unsecured considered good	-		-		-	
- Doubtful	-		-		-	
	228.66		159.55		98.63	
Less : Provision for Doubtful Loans	-	228.66	-	159.55	-	98.63
Loan to employees						
- Secured considered good ^{8.1}	8.78		10.63		13.00	
- Unsecured considered good	-		-		-	
- Doubtful	0.10		0.10		0.10	
	8.88		10.73		13.10	
Less : Provision for Doubtful Loans	0.10	8.78	0.10	10.63	0.10	13.00
TOTAL		237.44		170.18		111.63
CLASSIFICATION						
Secured		237.44		170.18		111.63
Unsecured - Considered good		-		-		-
- Doubtful		0.10		0.10		0.10
Current						
Loan To Subsidiaries (CERL)						
- Secured considered good ^{8.3}	205.57		-		-	
- Unsecured considered good	-		-		-	
- Doubtful	-		-		-	
	205.57		-		-	
Less : Provision for Doubtful Loans	-	205.57	-	-	-	-
Loan to Employees						
- Secured considered good	-		-		-	
- Unsecured considered good	0.73		0.96		1.25	
- Doubtful	-		-		-	
	0.73		0.96		1.25	
Less: Provision for doubtful Loans	-	0.73	-	0.96	-	1.25
TOTAL		206.30		0.96		1.25
CLASSIFICATION						
Secured		205.57		-		-
Unsecured - Considered good		0.73		0.96		1.25
- Doubtful		-		-		-

**NOTE - 8 : LOANS (Refer Note 38(1) (Contd.))**

8.1 - Loan to Employees includes House Building Loan, and Car Loan provided by Company to Employees.

8.2 - Non Current Loan to Subsidiaries (CERL & CEWRL)

Name of Subsidiary Company	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
	Principle	Interest	Principle	Interest	Principle	Interest
Chhattisgarh East Railway Limited (CERL)	96.00	26.10	96.00	13.75	96.00	2.63
Chhattisgarh East West Railway Limited (CEWRL)	96.00	10.56	48.00	1.80	NIL	NIL
TOTAL	192.00	36.66	144.00	15.55	96.00	2.63

Pursuant to Loan Agreement Between The Company and M/s CERL signed on 11.09.14 between the Company and M/s CEWRL on 21.01.2015, The Company has granted loan to its subsidiaries M/s CERL & M/s CEWRL bearing interest @ 12% per annum, secured by first charge on all infrastructures to be created/ developed and all future receivables of respective subsidiary. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Repayment shall be made on 1st April of every year after moratorium period. In the said subsidiaries director of the Company is also a director.

8.3 - Current Loan to Subsidiaries- Company has provided ₹ 192.00 Crore at a Interest rate linked to SBI MCLR as on 01.05.2016 with a spread of 50 basis points which comes to 9.65% per annum with compounded at quarterly rests. The repayment period of loan shall be within 6 months of the Financial Closure of Phase-I Project of CERL or within 1 year from the date of the signing of loan agreement, whichever is earlier. Interest accrued as on balance sheet date is ₹ 13.57 Crore.

NOTE - 9 : OTHER FINANCIAL ASSETS (Refer Note 38(1))

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Non Current						
Bank deposits		-		-		-
Deposit with bank under Mine Closure Plan ^{9.5}		1,048.37		871.53		700.05
Receivable for Mine Closure Expenses ^{9.3}		230.87		32.17		11.72
Other Deposits ^{9.1}		169.95		153.72		132.50
Less: Provision for doubtful deposits		169.95		153.72		132.50
Other Receivables ^{9.2}						
Secured considered good		-		-		-
- Unsecured considered good		175.60		162.91		97.38
- Doubtful		6.48		6.55		11.11
		182.08		169.46		108.49
Less: Provision for bad & doubtful receivables		6.48		6.55		11.11
TOTAL		1,624.79		1,220.33		941.65
Current						
Surplus Fund with CIL		-		70.94		-
Receivables from Escrow Account for Mine Closure Expenses		-		-		-
Current Account with Subsidiaries of SECL ^{9.4}		0.36		1.93		1.01
Interest accrued						
- Investment		-		2.62		7.85
- Deposit with Banks		76.60		231.84		404.51
- Others		-		-		-
Other Deposits		117.72		77.30		36.20
Less: Provision for doubtful deposits		-		-		-
Claims receivables						
- Unsecured considered good		0.94		16.79		2.34
Less : Provision for doubtful claims		-		-		-
Other Receivables		482.44		352.19		256.23
Less: Provision for bad & doubtful receivables		5.43		5.29		4.13
TOTAL		672.63		748.32		704.01



NOTE - 9 : OTHER FINANCIAL ASSETS (Refer Note 38(1) (Contd.)

- 9.1 Other Deposits ₹ 169.95Crore (₹ 153.72 Crore) {₹ 132.50 Crore} deposited for Utilities i.e. P&T , Electricity etc.
- 9.2 Other Receivable ₹ 175.60 Crore (₹ 162.91 Crore) {₹ 97.38 Crore} deposited under protest with tax authorities and others.
- 9.3 Receivable for Mine Closure Expenses for mines in operation are identified for mine closure activities. Subject to certification by CMPDIL the claim will be lodged for withdrawal of Deposit in Escrow account under Mine Closure Plan. Further, identification of other expenses incurred on Mine Closure Activities in respect of closed / running mines is under process.
- 9.4 Current Accounts with Subsidiaries / Holding Company :
- The Current account balances / Deposits with the CIL & subsidiary companies are reconciled on regular intervals, and the same as on balance sheet date has been reconciled. Adjustment arising out of reconciliation are carried out continuously. Current account Transactions with the Holding Company and with its other subsidiaries are accounted for on the basis of debit / credit memos and such are free of interest. However, revenue expenses pending adjustment are provided for.
- 9.5 Amount deposited in Escrow Account is not freely available for use as being deposited under the Mine Closure Plan Scheme. Escrow Account has been opened for all 90 Mines in operation having closing balance ₹ 1048.37 Crore (₹ 871.53 Crore) which includes interest earned (Net of TDS) ₹ 190.59 Crore (Interest ₹ 123.98 Crore). Out of the total of Escrow Account Balance of ₹ 1048.37 Crore.

NOTE - 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
(i) Capital Advances	143.30		95.19		121.04	
Less : Provision for doubtful Loans & Advances	<u>0.53</u>	142.77	<u>0.53</u>	94.66	<u>0.53</u>	120.51
(ii) Advances other than capital advances						
(a) Security Deposit for utilities	-		-		-	
Less : Provision for Doubtful Deposits	<u>-</u>	-	<u>-</u>	-	<u>-</u>	-
(b) Other Deposits	-		-		-	
Less : Provision doubtful debts	<u>-</u>	-	<u>-</u>	-	<u>-</u>	-
(c) Advances to related parties						
(d) Advances for Revenue	0.79		11.14		18.97	
Less : Provision for doubtful Loans & Advances	<u>0.79</u>	-	<u>0.79</u>	10.35	<u>0.79</u>	18.18
(e) Exploratory drilling Works	-		-		-	
Less : Provision	<u>-</u>	-	<u>-</u>	-	<u>-</u>	-
(f) Prepaid Expenses						
(g) Others						
TOTAL		<u>142.77</u>		<u>105.01</u>		<u>138.69</u>



NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
(a) Advance for Capital	-					
Less : Provision for Doubtful Advances	-	-	-	-	-	-
(b) Advance for Revenue	41.10		38.11		38.74	
Less : Provision for doubtful advances	-	41.10	-	38.11	-	38.74
(c) Advance payment of statutory dues	-		-		-	
Less : Provision for doubtful advances	-	-	-	-	-	-
(d) Advance to Related Parties		-		-		-
(e) Advance to Employees	5.18		6.96		5.58	
Less : Provision for doubtful advances		5.18	-	6.96	-	5.58
(f) Advance to Others	-		-		-	
Less : Provision for doubtful advances	-	-	-	-	-	-
(g) Deposits		-		-		-
(h) Cenvat / Vat Credit Receivable		170.98		87.61		83.90
(i) Prepaid Expenses		7.29		0.15		0.12
TOTAL		224.55		132.83		128.34

NOTE - 12 : INVENTORIES

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
(a) Stock of Coal ^{12.3}	1,291.01		1,442.15		902.46	
Coal under development	-		-		1.21	
Less : Provision	-		-		-	
Stock of Coal (Net)		1,291.01		1,442.15		903.67
(b) Stock of Stores & Spares (at cost) ^{12.1}	286.96		287.79		301.58	
Stores in Transit	18.07		15.72		17.77	
		305.03		303.51		319.35
Less : Provision	51.11		47.79		46.53	
Net Stock of Stores & Spares (at cost)		253.92		255.72		272.82
(c) Stock of Medicine at Central Hospital		1.02		-		-
(d) Net Stock of Workshop Jobs						
Work-in-progress and Finished Goods	154.12		131.55		145.33	
Less : Provision	-	154.12	-	131.55	-	145.33
(e) Press Jobs:						
Work-in-progress and Finished Goods		-		-		-
TOTAL		1,700.07		1,829.42		1,321.82

12.1 The Closing Stock of Stores at Central and Regional Stores has been considered in the Accounts as per balances appearing in Financial Ledger on progressive monthly weighted average method.

12.2 Inventories have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

12.3 Refer Annexure to Note-12 for Quantative details of Stock of Coal.

ANNEXURE TO NOTE - 12

Table : A

Reconciliation of closing stock of Coal adopted in Account with Book stock :

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

Particulars	Current Period / Year						Previous Year					
	Overall Stock-Vendable		DCC (Coal, Coal fines, gas etc.)		Total		Overall Stock-Vendable		DCC (Coal, Coal fines, gas etc.)		Total	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1 (A) Opening stock	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
(B) Adjustment in Opening Stock												
Total	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
2 Production*	1400.03						1379.34					
Sub-Total (1+2)	1520.05						1507.50					
3 Off- Take:												
(A) Outside Despatch**	1376.06	18467.42	0.00	18.68	1376.06	18486.10	1386.54	17918.00	0.00	25.87	1386.54	17943.87
(B) Outside Despatch Development Mine												
(C) Own Consumption	0.66	17.11			0.66	17.11	0.94	21.51			0.94	21.51
Sub-Total (3)	1376.72	18484.53	0.00	18.68	1376.72	18503.21	1387.48	17939.51	0.00	25.87	1387.48	17965.38
4 Derived Stock#	143.33	1195.91	2.20	110.72	145.53	1306.63	120.02	1365.42	2.02	92.05	122.04	1457.47
5 Measured Stock#	139.33	1167.18	1.98	99.68	141.31	1266.86	116.94	1337.21	1.80	81.20	118.74	1418.41
Difference (4-5)	4.00	28.73	0.22	11.04	4.22	39.77	3.08	28.21	0.22	10.85	3.30	39.06
6 Break-up of Difference:												
(A) Excess within 5%	3.31	25.23	0.00	0.00	3.31	25.23	2.71	24.14	0.01	0.21	2.72	24.35
(B) Shortage within 5%	0.03	1.04	0.00	0.04	0.03	1.08	0.45	0.61	0.00	0.00	0.45	0.61
(C) Excess beyond 5%#	0.72	4.54	0.22	11.08	0.94	15.62	0.82	4.68	0.21	10.64	1.03	15.32
(D) Shortage beyond 5% ##	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7 Closing stock in A/c (5+6A-6B)	142.61	1191.37	1.98	99.64	144.59	1291.01	119.20	1360.74	1.81	81.41	121.01	1442.15

* Production includes 44.80 Lakh Tonne from Gare Palma IV/2&3 OC and 8.44 lakh tonne from Gare Palma IV/1.

** Outside despatch includes 34.64 Lakh tonne from Gare Palma IV/2&3 amounting to ₹ 331.19 Crore net sales and 6.54 lakh tonne from Gare Palma IV/1 amounting to ₹ 92.22 Crore net sales.

Stock includes 11.42 Lakh tonne Coal amounting to ₹ 27.28 Crore is lying at Gare Palma IV/2 & 3 and 1.90 lakh tonne Coal amounting to ₹ 6.33 Crore is lying at Gare Palma IV/1 for which Coal India has been appointed as a designated custodian. Further, Closing Stock Includes vendable fired Stock of Coal 0.29 Lakh tonne of Jampali OC of Raigarh Area.

Excess of Derived Stock Over Measured Stock beyond 5%, consist 0.11 Lte amounting to ₹ 1.11 Crore of Amgaon OC (Bishrampur Area) & 0.61 Lte amounting to ₹ 3.43 Crore of Jampali OC (Raigarh Area).

Excess beyond 5% 0.22 Lte amounting to ₹ 11.08 Crore is excess of books stock over measured stock of coal fines at DCC.



ANNEXURE TO NOTE - 12 (Contd.)

Table: B

Summary of Closing Stock of Coal

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

Particulars	Current Period /Year						Previous Year					
	Raw Coal		DCC (Coal, Coal fines, gas etc.)		Total		Raw Coal		DCC (Coal, Coal fines, gas etc.)		Total	
	Non-Coking						Non-Coking					
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
Less: Non-vendable Coal	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
Adjusted Opening Stock (Vendable)	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
Production	1400.03						1379.34					
Offtake												
(A) Outside Despatch	1376.06	18467.42		18.68	1376.06	18486.10	1386.54	17918.00		25.87	1386.54	17943.87
(B) Coal feed to Washeries	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
(B) Own Consumption ¹	0.66	17.11			0.66	17.11	0.94	21.51			0.94	21.51
TOTAL	1376.72	18484.53		18.68	1376.72	18503.21	1387.48	17939.51		25.87	1387.48	17965.38
Closing Stock *	143.33	1195.91	2.20	110.72	145.53	1306.63	120.02	1365.42	2.02	92.05	122.04	1457.47
Less: Shortage	0.72	4.54	0.22	11.08	0.94	15.62	0.82	4.68	0.21	10.64	1.03	15.32
Closing Stock *	142.61	1191.37	1.98	99.64	144.59	1291.01	119.20	1360.74	1.81	81.41	121.01	1442.15

* Non-vendable Stock – Nil

Note:

- 1 Own consumption includes 0.54 lakh Tonnes valuing ₹ 13.75 Crore, being the coal transferred to Dankuni Coal Complex and 0.12 lakh Tonnes valuing ₹ 3.36 Crore issued for other purposes.
- 2 Closing stock of coal at Dankuni Coal Complex includes raw coal 0.05 Lte valuing ₹ 2.54 Crore and closing stock of Coal fines 2.15 Lakh tonnes valuing ₹ 97.05 Crore.

NOTE - 13 : TRADE RECEIVABLES [Refer Note 38(1)]

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Current						
(i) Trade Receivables ^{13.1}						
- Secured considered good	233.67		139.42		159.17	
- Unsecured considered good	2,488.21		2,511.19		2,118.54	
- Doubtful	1,297.24		334.32		252.14	
	4,019.12		2,984.93		2,529.85	
Less : Provision for bad & doubtful debts	1,297.24	2,721.88	334.32	2,650.61	252.14	2,277.71
TOTAL		2,721.88		2,650.61		2,277.71

13.1 Secured Trade Receivable have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

13.2 Trade Receivables are secured either by deposits or through Bank Guarantees to the extent available.

NOTE - 14 : CASH AND CASH EQUIVALENTS [Refer Note 38(1)]

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(a) Balances with Banks			
- In Deposit Accounts	-	-	-
- In Current Accounts	526.98	325.70	278.51
- In Cash Credit Accounts	-	-	5.32
(b) Bank Balance outside India			
(c) Cheques, Drafts and Stamps in hand	-	-	-
(d) Cash on hand	0.02	0.46	0.34
(e) Cash on hand outside India			
(f) Others	-	-	-
Total Cash and Cash Equivalents	527.00	326.16	284.17
(g) Bank Overdraft	-	-	-
Total Cash and Cash Equivalents (Net of Bank Overdraft)	527.00	326.16	284.17

14.1 Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments are Nil. There is no repatriation restrictions in respect of cash and bank balances of the Company.

14.2 Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December, 2016 are as below:

(₹ in Crore)

Particulars	SBNs	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.22	0.11	0.33
(+) Permitted Receipts#	0.02	50.59	50.61
(-) Permitted Payments#	-	37.46	37.46
(-) Amount deposited in Banks	0.24	13.06	13.30
Closing cash in hand as on 30.12.2016	-	0.18	0.18

Permitted Receipts of SBNs at Hospitals, other denomination notes withdrawal from Banks and payment to employees.



NOTE - 15 : OTHER BANK BALANCES [Refer Note 38(1)]

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Balances with Banks			
In deposit accounts	2,745.64	4,367.71	9,089.09
Mine Closure Plan ^{9,5}	-	-	-
TOTAL	2,745.64	4,367.71	9,089.09

- 15.1 Balances with Banks in Deposits includes Balances with banks having maturity period of more than 3 months but not exceeding 12 months
- 15.2 Fixed Deposit amounting to ₹ 0.32 Crore at Dankuni Coal Complex, a unit of the Company is in name of Coal India Ltd. Interest earned and TDS thereon has been transferred to CIL.
- 15.3 Deposit accounts with Banks includes ₹ 398.14 Crore (₹ 504.41 Crore) held by the Company is being deposited in separate Bank accounts which has been recovered from the consumers for Terminal Tax, from suppliers on explosives bills.

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Authorised			
(i) 1,00,00,000 (1,00,00,000) Equity Shares of ₹ 1000/- each	1000.00	1000.00	1000.00
	1000.00	1000.00	1000.00
Issued, Subscribed and Paid-up			
29,87,750 (35,97,000) Equity Shares of ₹ 1000/- each ^{16,2}	298.78	359.70	359.70
	298.78	359.70	359.70

- 16.1 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 Nominee		
As at 31.03.2017	2987750	100
As at 31.03.2016 (Restated)	3597000	100
As at 01.04.2015 (Restated)	3597000	100

- 16.2 During the period, the Company has not issued any shares. However pursuant to letter of offer dated 12.03.2017 the Company bought back its 6,09,250 numbers of Equity Shares of face value of ₹ 1,000 each fully paid up through tender offer and extinguished these shares. Post such buy-back the number of fully paid equity shares as on 31.03.2017 stand as 29,87,750.
- 16.3 The Company has only one class of equity shares having a face value ₹ 1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

NOTE - 17 : OTHER EQUITY

(₹ in Crore)

	Preference Share Capital	Other Reserves				General Reserve	Retained Earnings	Total
		Capital Redemption reserve	Capital reserve	CSR Reserve	Sustainable Development Reserve			
Balance as at 01.04.2015	-	300.00	0.01	-	-	3,311.58	5,572.82	9,184.41
Additions during the year	-	-	-	-	-	-	-	-
Changes in accounting policy or	-	-	-	-	-	-	128.58	128.58
Prior period errors	-	-	-	-	-	-	0.63	0.63
Restated Balance as at 01.04.2015	-	300.00	0.01	-	-	3,311.58	5,702.03	9,313.62
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	162.40	-	162.40
Total comprehensive income during the year	-	-	-	-	-	-	3,322.29	3,322.29
Appropriations								
Transfer to General reserve	-	-	-	-	-	-	(162.40)	(162.40)
Transfer to Other reserves	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	(6,390.32)	(6,390.32)
Final Dividend	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	(1,300.94)	(1,300.94)
Any other change	-	-	-	-	-	-	-	-
Balance as at 31.03.2016	-	300.00	0.01	-	-	3,473.98	1,170.66	4,944.65
Balance as at 01.04.2016	-	300.00	0.01	-	-	3,473.98	1,170.66	4,944.65
Additions during the year	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated Balance as at 01.04.2016	-	300.00	0.01	-	-	3,473.98	1,170.66	4,944.65
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	103.93	-	103.93
Total comprehensive income during the year	-	-	-	-	-	-	2,078.67	2,078.67
Appropriations								
Transfer to General reserve	-	-	-	-	-	-	(103.93)	(103.93)
Transfer to Other reserves	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	(2133.47)	(2133.47)
Corporate Dividend tax	-	-	-	-	-	-	(434.32)	(434.32)
Buyback of Equity Shares ^{17.3}	-	60.92	-	-	-	(1463.04)	-	(1402.12)
Balance as at 31.03.2017	-	360.92	0.01	-	-	2,114.87	577.61	3,053.41

17.1 **Authorised Preference Share Capital :**

30,00,000 (30,00,000) 10% Cumulative Redeemable Preference Shares of ₹ 1000/- each amounting to ₹ 300.00 Crore (₹ 300.00 Crore) (Redeemed in the year 2003-04 as per terms of earliest redemption)

17.2 **Issued, Subscribed and Paid up Preference Share Capital : NIL**

17.3 ₹ 1463.04 Crore includes Buyback consideration ₹ 1200.19 Crore and ₹ 262.85 Crore tax u/s 115QA of Income tax Act, 1961.



NOTE - 18: BORROWINGS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non-Current			
Term loan			
From Banks	-	-	-
From Other parties	-	-	-
Loan from Related Parties	-	-	-
Other Loans			
TOTAL	-	-	-
CLASSIFICATION 1			
Secured	-	-	-
Unsecured	-	-	-
Current			
Loans repayable on demand			
From Banks	-	-	-
From Coal India Ltd. ^{18.1}	250.00	-	-
Loans from Related Parties	-	-	-
Other Loans	-	-	-
TOTAL	250.00	-	-
CLASSIFICATION 1			
Secured	-	-	-
Unsecured	-	-	-

18.1 Loan provided by Coal India Ltd (Holding Company) ₹ 250.00 Crore on 31.03.2017. The rate of interest of the loan is 6.35% p.a.

NOTE - 19 :TRADE PAYABLES

(₹ in Crore)

Current	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Trade Payables for Micro, Small and Medium Enterprises	3.48	2.82	7.23
Other Trade Payables for			
- Stores and Spares	-	-	-
- Power & Fuel	84.54	69.62	63.75
- Others ^{19.1}	895.48	792.09	724.89
TOTAL	983.50	864.53	795.87

19.1 Others includes liabilities related to contractual works and other expenses.

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Security Deposits	232.43	326.90	344.57
Earnest Money Deposit	-	-	-
Others ^{20.1}	455.38	546.99	483.49
	687.81	873.89	828.06
Current			
Current Account With Subsidiaries	-	-	-
Current Account with Coal India Ltd.	40.60	-	47.06
Current Maturities of Long Term debt	-	-	-
Unpaid dividends	-	-	-
Security Deposits	213.48	158.39	134.77
Earnest money	59.02	52.32	49.87
Others ^{20.2}	675.37	429.81	455.63
TOTAL	988.47	640.52	687.33

20.1 ₹ 455.38 Crore (₹ 546.99 Crore) includes ₹ 444.63 Crore (₹ 536.60 Crore) relating to amount realized from customers and employees on account of cases pending before various courts / arbitration with interest earned on bank deposits related to such liabilities.

20.2 Others includes Liabilities relating to Capital Goods, Payables to PF / Pension Authorities and liability provided on account of claims by consumers for underloading & quality etc.



NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Non Current			
Employee Benefits			
- Gratuity	-	-	-
- Leave Encashment	264.50	544.01	494.28
- Other Employee Benefits	233.07	212.40	232.17
Site Restoration/ Mine Closure ^{21.4}	1,097.86	1,028.08	963.72
Stripping Activity Adjustments ^{21.1}	7,964.21	6,765.56	5,948.96
Others	-	-	-
TOTAL	9,559.64	8,550.05	7,639.13
Current			
For Employee Benefits			
- Gratuity	56.40	158.43	149.49
- Leave Encashment	61.74	51.04	45.75
- Ex- Gratia	338.75	312.28	264.45
- Performance Related Pay ^{21.2}	322.95	525.26	503.21
- Other Employee Benefits ^{21.3}	299.31	270.12	224.63
- NCWA-X21.5	417.69	-	-
- Pay Revision- Executives ^{21.6}	17.65	-	-
Mine Closure	-	-	-
For Excise Duty on Closing Stock of Coal	130.48	136.11	102.26
Others	-	-	0.60
TOTAL	1,644.97	1,453.24	1,290.39

- 21.1 Stripping Activity Adjustments consists of Deferred Stripping Activity Expenses and Other Stripping Activity Adjustments.
- 21.2 An amount of ₹ 4.36 Crore paid as advance against Performance Related Pay (PRP), adjusted against the provision made.
- 21.3 Provision for Other Employee Benefits includes ₹ 259.54 Crore (₹ 223.14 Crore) provided for Superannuation benefits @ 9.84% till balance sheet date.
- 21.4 Provision for Mine Closure: Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure Plan a provision is made in the accounts. Such provision is made as per CMPDIL's (a subsidiary of Coal India Ltd.) technical assessment. The liability for mine closure expenses (as estimated by CMPDIL) of each mine has been discounted @ 8% and capitalized to arrive at the mine closure liability as on 1st year of making of such provision. Thereafter the provision has been reestimated in subsequent year by unwinding the discount to arrive at the provision as on 31.03.2017
- 21.5 Pending finalisation of National Coal Wage Agreement (NCWA-X) for Non Executives, an estimated lump sum provision @8000/- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017.
- 21.6 Pending finalisation of Pay Revision for Executives, an estimated lump sum provision @18000/- per Executive per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017.

NOTE - 22 : OTHER NON CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Deferred Income	1.55	-	-
Shifting & Rehabilitation Fund	-	-	-
	1.55	-	-

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Capital Expenditure		-		-		-
Liability for Salary Wages and Allowances		398.21		395.55		403.07
Statutory Dues:						
Sales Tax/Vat	28.43		15.23		19.95	
Provident Fund & Others	101.40		96.55		100.73	
Central Excise Duty			3.01		-	
Royalty & Cess on Coal	187.08		137.87		151.13	
Stowing Excise Duty	25.52		24.31		21.85	
Clean Energy Cess	1020.28		738.47		225.56	
District Mineral Exploration Trust	238.05		60.19		-	
National Mineral Foundation Trust	4.97		29.99		-	
Other Statutory Levies	53.79		63.63		70.74	
Income Tax deducted/collected at Source	34.50	1,694.02	38.68	1,207.93	37.68	627.64
Advance from customers / others ^{23.1}		3284.15		1,162.45		1,737.56
Others liabilities ^{23.2}		-		-		-
TOTAL		5,376.38		2,765.93		2,768.27

23.1 Advance from Customers & Others includes ₹15.48 Crore received from Devnara Coalfields Ltd. towards recoverable cost of exploration of Rajgamar Dip Side (Devnara coal block).

23.2 No unpaid dividend amount is due for payment to Investor Education & Protection Fund.



NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

	For the Year ended 31.03.2017		For the Year ended 31.03.2016 (Restated)	
A. Sales of Coal/Services		29215.53		24900.03
Less : Statutory Levies				
Royalty		2249.44		2169.94
Cess on Coal		319.87		319.75
Stowing Excise Duty		137.61		138.65
Central Sales Tax		257.93		245.55
Clean Energy Cess		5504.33		3024.89
State Sales Tax/VAT		806.75		639.91
National Mineral Exploration Trust		57.59		41.07
District Mineral Foundation		1247.52		231.73
Other Levies		148.39		144.67
Total Levies		10729.43		6956.16
Net Sales (A)		18486.10		17943.87
B. Other Operating Revenue				
Facilitation charges for coal import				
Subsidy for Sand Stowing & Protective Works		7.78		13.80
Loading and additional transportation charges	485.92		418.05	
Less : Other Statutory Levies	43.27	442.65	17.25	400.80
Other Operating Revenue Net (B)		450.43		414.60
Revenue From Operations (A+B)		18,936.53		18,358.47

24.1 Net Sales of current year includes ₹ 331.19 Crore sale of 34.64 Lakh Te coal related to Gare Palma IV/2&3 Mine and ₹ 92.22 Crore sale of 6.54 lakh Te coal of Gare Palma IV/1 for which Coal India Ltd. has been appointed as custodian akin to a designated custodian w.e.f 01.04.2015.

24.2 Sales of includes Excise Duty ₹ 1277.07 Crore (₹ 1198.20 Crore)

24.3 Other Operating Revenue includes Excise Duty ₹ 25.58 Crore (₹ 23.42 Crore)

NOTE - 25 : OTHER INCOME

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Interest Income		
Deposit with Banks	255.82	710.87
Investment	-	7.85
Loans	0.12	0.17
Fund parked with Coal India Limited (Holding Co.)	16.40	1.16
Interest on Escrow Account	73.92	63.83
Others	219.66	129.22
Dividend Income		
Dividend from Mutual Fund	23.72	47.72
Other non-operating Income		
Profit on Sale of Assets	1.36	0.19
Lease Rent	14.07	15.43
Liability Write Back	347.95	69.28
Excise Duty on Decrease in Stock	4.60	-
Others	255.78	122.35
TOTAL	1,213.40	1,168.07

NOTE - 26 : Cost of Material Consumed

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Explosives	300.86	315.36
Timber	6.96	8.62
Oil & Lubricants	423.18	417.54
HEMM Spares	186.97	200.63
Other Consumable Stores & Spares	504.26	579.93
TOTAL	1422.23	1522.08



NOTE - 27 : Changes In Inventories Of Finished Goods, Work In Progress

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
A Coal		
Opening Stock	1442.15	902.46
Add: Adjustment of opening ^{27.1}	-	1.21
Net Opening Stock	1442.15	903.67
Less:		
Closing Stock	1291.01	1442.15
Less: Provision	-	-
Net Closing Stock	1291.01	1442.15
Change in Inventory of Coal (A)	151.14	(538.48)
B Stock of Medicine at Central Hospital		
Opening Stock	-	-
Less: Provision	-	-
Net Opening Stock	-	-
Less:		
Closing Stock	-	-
Less: Provision	-	-
Net Closing Stock	-	-
Change in Inventory of workshop (C)	-	-
C Workshop made finished goods and WIP		
Opening Stock	131.55	145.33
Add: Adjustment		
Less: Provision		
Net Opening Stock	131.55	145.33
Less:		
Closing Stock	154.12	131.55
Less: Provision		
Net Closing Stock	154.12	131.55
Change in Inventory of workshop (C)	(22.57)	13.78
Change in Inventory of Stock in trade (A+B+C) { Decretion / (Accretion) }	128.57	(524.70)

27.1 During the previous year Vijaya West Mine at Chirimiri brought to revenue and Development Stock 0.04 lakh tonne amounting ₹ 1.21 Crore adjusted in revenue stock.

NOTE - 28 : Employee Benefit Expenses (Refer Note 38.3)

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Salary, Wages, Allowances, Bonus etc.	4559.55	4586.01
Ex-Gratia	326.61	331.23
Performance Related Pay	39.07	41.68
Contribution to P.F. & Other Funds ^{Ref. Note 38.3}	551.82	545.37
Gratuity ^{Ref. Note 38.3}	231.09	194.59
Leave Encashment ^{Ref. Note 38.3}	233.04	175.90
Voluntary Retirement Schemes	-	-
Workman Compensation	0.83	1.12
Medical Expenses for existing employees	124.74	112.86
Medical Expenses for retired employees	8.83	11.55
Grants to Schools & Institutions	48.25	42.60
Sports & Recreation	4.42	6.67
Canteen & Creche	0.14	0.14
Power - Township	259.67	213.01
Hire Charges of Bus, Ambulance etc.	15.12	11.89
Other Employee Benefits	317.48	229.13
NCWA X-Provision ^{28.1}	417.69	-
Pay Revision - Executives ^{28.2}	17.65	-
	7156.00	6503.75

28.1 Peding finalisation of National Coal Wage Agreement (NCWA-X) for Non Executives, an estimated lump sum provision @8000/- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017.

28.1 Peding finalisation of Pay Revision for Executives, an estimated lump sum provision @18000/- per Executive per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017.

NOTE - 29 : Corporate Social Responsibility Expenses

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
CSR Expenses	42.50	270.85
TOTAL	42.50	270.85

CSR Policy framed by Coal India Ltd incorporated the features of the Companies Act, 2013 and other relevant notifications. The fund for CSR, 2% of the average net profit for the three immediate preceding financial years or ₹ 2.00 per tonne of coal production of previous year, whichever is higher, comes to ₹ 120.24 Crore (₹ 127.68 Crore). Further, an amount of ₹ 186.35 Crore (₹ 108.61 Crore) is Non-lapsable.



NOTE - 30 : Repairs

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Building	22.51	21.37
Plant & Machinery	159.98	176.99
Others	6.37	5.67
TOTAL	188.86	204.03

30.1 Others includes Repair expenses incurred on repairs of Items Other than Building & plant and Machinery.

NOTE - 31 : Contractual Expenses

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Transportation Charges :		
- Sand		
- Coal	839.70	802.47
- Stores & Others	-	-
Wagon Loading	26.82	22.64
Hiring of P&M	645.11	546.73
Other Contractual Work	826.35	728.86
TOTAL	2337.98	2100.70

NOTE - 32 : Finance Cost

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Interest Expenses		
Borrowings	-	-
Unwinding of Interest	69.80	64.32
Loss on Exchange Rate Variance	-	-
Others	11.15	0.65
Other Borrowing Cost	-	-
TOTAL	80.95	64.97

NOTE - 33 : PROVISIONS (Net of Reversal)

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
(A) Provision made For		
Doubtful debts	962.92	82.18
Doubtful Advances & Claims	0.07	-
Stores & Spares	3.32	1.26
Others	22.59	148.68
TOTAL (A)	988.90	232.12
(B) Provision Reversal		
Doubtful debts		
Doubtful Advances & Claims	-	3.40
Stores & Spares	-	-
Others	-	-
TOTAL (B)	-	3.40
TOTAL (A-B)	988.90	228.72

NOTE 34 : WRITE OFF (Net of past provisions)

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Doubtful debts	-	-
Less :- Provided earlier	-	-
	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
	-	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
Others		4.19
Less :- Provided earlier	-	-
	-	4.19
TOTAL	-	4.19



NOTE - 35 : OTHER EXPENSES

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Travelling expenses		
- Domestic	32.45	31.13
- Foreign	0.41	0.10
Training Expenses	10.61	10.16
Telephone & Postage	8.36	7.58
Advertisement & Publicity	10.18	12.57
Freight Charges	10.34	14.51
Demurrage	22.13	22.24
Donation/Subscription	0.03	0.08
Security Expenses	95.73	66.48
Service Charges of CIL ^{35.3}	70.70	67.83
Hire Charges	49.91	38.70
CMPDIL Charges ^{35.2}	62.63	50.99
Legal Expenses	2.50	1.71
Bank Charges	0.09	0.25
Guest House Expenses	2.37	2.32
Consultancy Charges	4.98	1.89
Under Loading Charges	76.84	63.71
Loss on Sale/Discard/Surveyed of Assets	0.02	0.43
Auditor's Remuneration & Expenses		
- For Audit Fees	0.33	0.20
- For Taxation Matters	0.02	0.02
- For Other Services	0.22	0.18
- For Reimbursement of Exps.	0.42	0.13
Internal & Other Audit Expenses	2.75	2.37
Rehabilitation Charges ^{35.1}	82.78	81.96
Royalty & Cess	2.38	2.91
Central Excise Duty	-	35.16
Rent	2.93	0.61
Rates & Taxes	40.34	12.66
Insurance	0.09	0.02
Lease Rent ^{35.4}	2.36	0.48
Rescue/Safety Expenses	16.92	17.99
Dead Rent/Surface Rent	0.75	6.86
Siding Maintenance Charges	8.06	10.87
Land/Crops Compensation	0.01	0.20
R & D expenses	0.39	2.33
Environmental & Tree Plantation Expenses	50.25	24.65
Miscellaneous expenses	34.31	35.84
TOTAL	705.59	628.12

35.1 As per the decision of Ministry of Coal, an amount of ₹ 82.78 Crore (₹ 81.96 Crore) was debited to Rehabilitation expenses towards mobilisation of funds for implementation of action plan for shifting and rehabilitation, dealing with fire and stabilisation of unstable Areas at ECL and BCCL.

35.2 CMPDIL Charges are related to revenue nature works by CMPDIL.

35.3 Service Charges of CIL related to services provided by CIL.

35.4 Lease Rent includes ₹ 1.80 Crore plus taxes, Rent paid to CIL for Dankuni Coal Complex.

NOTE - 36 : TAX EXPENSE

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
Current Year	1,444.82	2,049.92
Deferred tax	(187.08)	(158.63)
Earlier Years	(109.74)	-
TOTAL	1148.00	1891.29

NOTE - 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

	For the Year ended 31.03.2017	For the Year ended 31.03.2016 (Restated)
(A) (i) Items that will not be reclassified to profit or loss		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	61.33	99.01
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	61.33	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	21.23	34.27
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	21.23	34.27
TOTAL [A(I) - A(II)]	40.10	64.74
(B) (i) Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	-	-
TOTAL [B(I) - B(II)]	-	-
TOTAL (A+B)	40.10	64.74



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

1. FAIR VALUE MEASUREMENT

(a) Financial Instruments by Category

(₹ in Crore)

	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost	FVTPL	FVT OCI	Amortised cost
Financial Assets-Non Current										
Investments : Equity Shares Subsidiary Companies	7	-	-	528.60	-	-	101.76	-	-	5.76
Loans	8	-	-	237.44	-	-	170.18	-	-	111.63
Other Financial Assets	9	-	-	1624.79	-	-	1220.33	-	-	941.65
Financial Liabilities- Non Current										
Borrowings	18	-	-	0.00	-	-	0.00	-	-	0.00
Trade payables	19	-	-	0.00	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	232.43	-	-	326.90	-	-	344.57
Other Liabilities	20	-	-	455.38	-	-	546.99	-	-	483.49

	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost	FVTPL	FVT OCI	Amortised cost
Financial Assets-Current										
Investments : Mutual Fund	7	153.88	-	-	95.72	-	-	123.16	-	-
Trade receivables	13	-	-	2721.88	-	-	2650.61	-	-	2277.71
Cash & cash equivalents	14	-	-	527.00	-	-	326.16	-	-	284.17
Other Bank Balances	15	-	-	2745.64	-	-	4367.71	-	-	9089.09
Loans	8	-	-	206.30	-	-	0.96	-	-	1.25
Other Financial Assets	9	-	-	672.63	-	-	748.32	-	-	704.01
Financial Liabilities- Current										
Borrowings	18	-	-	250.00	-	-	0.00	-	-	0.00
Trade payables	19	-	-	983.50	-	-	864.53	-	-	795.87
Security Deposit and Earnest money	20	-	-	272.50	-	-	210.71	-	-	184.64
Other Liabilities	20	-	-	715.97	-	-	429.81	-	-	502.69

(b) Fair value hierarchy

Security Deposits:-

The Company considers that the “Security Deposits” does not include a significant financing component. The milestone payments (security deposits) coincide with the Company’s performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the Company, from the contractor failing to adequately complete its obligations under the contract’. Accordingly transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crore)

Financial assets and liabilities measured at fair value – recurring fair value measurement	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL										
Investments :										
Mutual Fund	7	153.88	-	-	95.72	-	-	123.16	-	-
Financial Liabilities										
If any item		-	-	-	-	-	-	-	-	-
Financial Assets-Non Current										
Investments : Equity Shares Subsidiary Companies	7	-	-	528.60	-	-	101.76	-	-	5.76
Loans	8	-	-	237.44	-	-	170.18	-	-	111.63
Deposits & receivable	9	-	-	1624.79	-	-	1220.33	-	-	941.65
Financial Liabilities-Non Current										
Borrowings	18	-	-	0.00	-	-	0.00	-	-	0.00
Trade payables	19	-	-	0.00	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	232.43	-	-	326.90	-	-	344.57
Other Liabilities	20	-	-	455.38	-	-	546.99	-	-	483.49
Financial Assets-Current										
Trade receivables	13	-	-	2721.88	-	-	2650.61	-	-	2277.71
Cash & cash equivalents	14	-	-	527.00	-	-	326.16	-	-	284.17
Other Bank Balances	15	-	-	2745.64	-	-	4367.71	-	-	9089.09
Loans	8	-	-	206.30	-	-	0.96	-	-	1.25
Other Financial Assets	9	-	-	672.63	-	-	748.32	-	-	704.01
Financial Liabilities-Current										
Borrowings	18	-	-	250.00	-	-	0.00	-	-	0.00
Trade payables	19	-	-	983.50	-	-	864.53	-	-	795.87
Security Deposit and Earnest money	20	-	-	272.50	-	-	210.71	-	-	184.64
Other Liabilities	20	-	-	715.97	-	-	429.81	-	-	502.69

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

Comment: In case Level of Fair valuation hierarchy changes then the same shall be disclosed



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include:

- The use of quoted market prices of instruments
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(c) Fair values of financial assets and liabilities measured at amortised cost

(₹ in Crore)

	Note No.	31 st March 2017		31 st March, 2016		01 st April 2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets-Non Current							
Investments : Equity Shares Subsidiary Companies	7	528.60	528.60	101.76	101.76	5.76	5.76
Loans	8	237.44	237.44	170.18	170.18	111.63	111.63
Deposits & receivable	9	1624.79	1624.79	1220.33	1220.33	941.65	941.65
Financial Liabilities-Non Current			0.00		0		0
Borrowings	18	0.00	0.00	0.00	0.00	0.00	0.00
Trade payables	19	0.00	0.00	0.00	0.00	0.00	0.00
Security Deposit and Earnest money	20	232.43	232.43	326.90	326.90	344.57	344.57
Other Liabilities	20	455.38	455.38	546.99	546.99	483.49	483.49
Financial Assets-Current							
Trade receivables	13	2721.88	2721.88	2650.61	2650.61	2277.71	2277.71
Cash & cash equivalents	14	527.00	527.00	326.16	326.16	284.17	284.17
Other Bank Balances	15	2745.64	2745.64	4367.71	4367.71	9089.09	9089.09
Loans	8	206.30	206.30	0.96	0.96	1.25	1.25
Other Financial Assets	9	672.63	672.63	748.32	748.32	704.01	704.01
Financial Liabilities-Current							0
Borrowings	18	250.00	250.00	0.00	0.00	0.00	0.00
Trade payables	19	983.50	983.50	864.53	864.53	795.87	795.87
Security Deposit and Earnest money	20	272.50	272.50	210.71	210.71	184.64	184.64
Other Liabilities	20	715.97	715.97	429.81	429.81	502.69	502.69

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- Other Financial assets accounted at amortised cost is not carried at fair value as same is not material.
- The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy.

Significant estimates: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**2. RISK ANALYSIS AND MANAGEMENT****Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Company is exposed to market risk, credit risk and liquidity risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principals for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk:

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as including outstanding receivables.

Credit risk management:

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms

Fuel Supply Agreements

As contemplated in and in accordance with the terms of the NCDP, we enter into legally enforceable FSAs with our customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power Utilities (“PPUs”) and independent power producers (“IPPs”);
- FSAs with customers in non-power industries (including captive power plants (“CPPs”)); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the MoC.

Provision for expected credit loss: The Company provides for expected loss due to credit risk for doubtful / credit impaired assets, by lifetime expected credit losses (Simplified approach)

Expected Credit losses for trade receivables under simplified approach

(₹ in Crore)

As on 31.03.2017

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	13	1731.63	880.48	301.94	619.68	130.96	354.43	4019.12
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	354.43	354.43
Provision for Grade Slippage		-	-	-	-	-		942.81
Total Provision								1297.24

As on 31.03.2016

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	13	1382.49	256.22	491.52	124.42	395.96	334.32	2984.93
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	334.32	334.32

As on 01.04.2015

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	13	509.75	839	258.34	582.34	88.28	252.14	2529.85
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	252.14	252.14

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Reconciliation of loss allowance provision – Trade receivables**

(₹ in Crore)

Provisions	Note no.	Amount
Loss allowance on 01.04.2015	13	252.14
Change in loss allowance		82.18
Loss allowance on 31.03.2016	13	334.32
Changes in loss allowance		20.11
Provision for grade Slippage		942.81
Loss allowance on 31.03.2017	13	1297.24

Significant estimates and judgments Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default, consumer claims and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

C. Market risk**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

c) Capital management

The Company being a government entity manages its capital as per the guidelines of Department of Investment and Public Asset Management (DIPAM) under ministry of finance.

Capital Structure of the Company is as follows:

(₹ in Crore)

	31.03.2017	31.03.2016	01.04.2015
Equity Share capital	298.78	359.70	359.70
Preference share capital	-	-	-
Long term debt	-	-	-



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3. EMPLOYEE BENEFITS: RECOGNITION AND MEASUREMENT ^{Refer Note-28} (IND AS-19)

i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹ 497.17 Crore (₹ 497.79 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded-

- Gratuity
- Leave Encashment

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is ₹ 3922.53 Crore (₹ 3730.80 Crore).

(₹ In Crore)

Head	Opening Actuarial Liability as on 01.04.2016	Incremental Liability	Closing Actuarial Liability as on 31.03.2017
Gratuity	2887.69	21.23	2908.92
Earned Leave	520.92	103.77	624.69
Half Pay Leave	71.03	42.27	113.30
Leave Travel Concession - Executive	9.63	0.16	9.79
Leave Travel Concession – Non-Executive	19.91	0.43	20.34
Settlement Allowance Executives	8.97	1.18	10.15
Settlement Allowance Non-Executives	33.24	-0.02	33.22
Life Cover Scheme- Executives	0.89	0.05	0.94
Life Cover Scheme- Non-Executives	16.64	0.00	16.64
Group Personal Accident Insurance Scheme	0.23	0.01	0.24
Post-Retirement Medical Benefits-Executives	123.31	18.22	141.53
Post-Retirement Medical Benefits- Non Executives	0.00	5.58	5.58
Compensation to dependents in case of mine accidental death	38.34	-1.15	37.19
TOTAL	3730.80	191.73	3922.53

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Disclosure as per Actuary's Certificate**

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY & EL / HPL LIABILITY AS AT 31.03.2017

DISCLOSURE AS PER IND AS 19

(₹ in Crore)

Table 1: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Changes in Present Value of Obligation as at				
Present value of obligation as on last valuation	2,887.69	2,945.68	591.95	538.47
Current Service Cost	199.01	185.20	205.26	217.63
Interest Cost	196.86	220.31	38.84	38.18
Participant Contribution	-	-	-	-
Plan Amendments: Vested portion at end of period(Past Service)	-	-	-	-
Plan Amendments: Non-Vested portion at end of period(Past Service)	-	-	-	-
Actuarial gain/loss on obligations due to Change in Financial Assumption	135.68	-	86.87	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	(165.54)	(79.98)	(72.55)	(79.91)
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
The effect of change in Foreign exchange rates	-	-	-	-
Benefits Paid	344.77	383.53	112.38	122.42
Acquisition Adjustment	-	-	-	-
Disposal/Transfer of Obligation	-	-	-	-
Curtailment cost	-	-	-	-
Settlement Cost	-	-	-	-
Other(Unsettled Liability at the end of the valuation date)	-	-	-	-
Present value of obligation as on valuation date	2,908.92	2,887.69	737.99	591.95



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 2: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Changes in Fair Value of Plan Assets as at				
Fair value of Plan Assets at Beginning of period	2,860.09	2,875.86	-	-
Interest Income	207.36	230.07	31.46	-
Employer Contributions	239.60	118.66	501.77	-
Participant Contributions	-	-	-	-
Acquisition/Business Combination	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	344.77	383.53	112.38	-
The effect of asset ceiling	-	-	-	-
The effect of change in Foreign Exchange Rates	-	-	-	-
Administrative Expenses and Insurance Premium	-	-	-	-
Return on Plan Assets excluding Interest Income	31.46	19.03	(6.25)	-
Fair value of Plan Assets at End of measurement period	2,993.74	2,860.09	414.60	-

(₹ in Crore)

Table 3: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Table Showing Reconciliation to Balance Sheet				
Funded Status	84.82	(27.60)	(323.39)	(591.95)
Unrecognized Past Service Cost	-	-	-	-
Unrecognized Actuarial gain/loss at end of the period	-	-	-	-
Post Measurement Date Employer Contribution (Expected)	-	-	-	-
Unfunded Accrued/Prepaid Pension cost	-	-	-	-
Fund Asset	2,993.74	2,860.09	414.60	-
Fund Liability	2,908.92	2,887.69	737.99	591.95

(₹ in Crore)

Table 4: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Table Showing Plan Assumptions				
Discount Rate	7.25%	8.00%	7.25%	8.00%
Expected Return on Plan Asset	7.25%	8.00%	7.25%	8.00%
Rate of Compensation Increase(Salary Inflation) Exe Non Exe	9.00%	6.25%	9.00%	6.25%
Pension Increase Rate	N/A	N/A	N/A	N/A
Average expected future service (Remaining working Life)	10	11	10	11
Average Duration of Liabilities	10	11	10	11
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
Superannuation at age-Male	60	60	60	60
Superannuation at age-Female	60	60	60	60
Early Retirement & Disablement (All Causes Combined)	1% p.a	1% p.a	1% p.a	1% p.a

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 5: Disclosure Item	Gratuity		Leave Encashment	
	31.03.17	31.03.2016	31.03.2017	31.03.2016
Expense Recognized in statement of Profit/Loss as at				
Current Service Cost	199.01	185.20	205.26	217.63
Past Service Cost(vested)	-	-	-	-
Past Service Cost(Non-Vested)	-	-	-	-
Net Interest Cost	(10.50)	(9.76)	7.38	38.18
Cost(Loss)/(Gain) on settlement	-	-	-	-
Cost(Loss)/(Gain) on curtailment	-	-	-	-
Actuarial Gain loss Applicable only for last year	-	-	20.57	(79.91)
Employee Expected Contribution	-	-	-	-
Net Effect of changes in Foreign Exchange Rates	-	-	-	-
Benefit Cost(Expense Recognized in Statement of Profit/loss)	188.51	175.44	233.21	175.90

(₹ in Crore)

Table 6: Disclosure Item	Gratuity		Leave Encashment	
	31.03.17	31.03.16	31.03.17	31.03.16
Other Comprehensive Income				
Actuarial gain/loss on obligations due to Change in Financial Assumption	135.68	-	-	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	(165.54)	(79.98)	-	-
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
Total Actuarial (gain)/losses	(29.86)	(79.98)	-	-
Return on Plan Asset, Excluding Interest Income	31.47	19.03	-	-
The effect of asset ceiling	-	-	-	-
Balance at the end of the Period	(61.33)	(99.01)	-	-
Net(Income)/Expense for the Period Recognized in OCI	(61.33)	(99.01)	-	-

Table 7: Disclosure Item	
Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 8: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017		31.03.2017	
Sensitivity Analysis	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	2,823.10	2,999.68	711.64	766.11
% Change Compared to base due to sensitivity	2.95%	3.12%	-3.57%	3.81%
Salary Growth (-/+ 0.5%)	2,923.75	2,892.33	765.74	711.72
% Change Compared to base due to sensitivity	0.51%	-0.57%	3.76%	-3.56%
Attrition Rate (-/+ 0.5%)	2,911.24	2,906.59	738.58	737.40
% Change Compared to base due to sensitivity	0.08%	-0.08%	0.08%	-0.08%
Mortality Rate (-/+ 10%)	2,926.37	2,891.46	742.12	733.86
% Change Compared to base due to sensitivity	0.60%	-0.60%	0.56%	-0.56%

4. UNRECOGNIZED ITEMS:

A. Contingent Liabilities, Commitments and Contingent Assets (Ind AS-37)

- i) Contingent Liabilities: Following suits are pending against the Company at different forums. The financial impact, wherever available has been taken under contingent liabilities below, however, for other cases, management does not see any considerable impact on the financial position of the Company.

(₹ in Crore)

Sr. No	Description	Current period	Previous year
1	Central Govt.	5867.87	5140.83
2	State Govt. and Local Authority	681.01	135.48
3	CPSEs / SPSEs	62.87	54.16
4	Other suits against Co.	1279.01	1255.75
	TOTAL	7890.76	6586.22

- ii) Outstanding letters of Credits as on Balance Sheet date amounted to ₹ 927.50 Crore (₹ 59.31 Crore) for which there is a floating charge on Current Assets of the Company.
- iii) The Company has given Bank Guarantees of ₹3.96 Crore (₹ 3.96 Crore) for which there is a floating charge on Current Assets of the Company.

Commitments:

- (i) The amount remaining to be executed on capital account not provided for is ₹ 1923.66 Crore (₹ 1174.58 Crore).
- (ii) The amount remaining to be executed on revenue account not provided for is ₹ 3296.46 Crore (₹ 3164.73 Crore).

Others matters:

- i) Certain forged / extra payments of TA Bills were found in Hasdeo Area. On detailed checking by the Internal Audit Department / Vigilance Department the extra / irregular payment for the years 2005-06 to July 2012 of about ₹ 0.37 Crore on account of TA Bills has been detected. Departmental action has already been initiated against the erring staff and the involved persons i.e. one Cashier and one Cost Assistant have been suspended. Based on this investigation payment of such forged TA bills is still under investigation by CBI Bhilai.
- ii) One fraud case has been cropped up at Sohagpur Area in respect of salary/ wages billing by a clerk amounting to ₹ 0.16 Crore, out of which ₹ 0.09 Crore has been deposited by him. Balance amount is not recovered till date and involved person has been terminated from the service. The case is under investigation by CBI Jabalpur.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- iii) Excess payment is reported to be made to a security agency at Bishrampur Area & Korba Area amounting to ₹ 1.21 Crore & ₹ 0.32 Crore respectively. The cases are under investigation by CBI Bhilai.
- iv) Excess payment have been noticed in payment of security bills at Jamuna & Kotma (J&K) and Johilla Area also.
Excess payments made were ₹ 1.40 Crore at J & K Area and ₹ 1.10 Crore at Johilla Area. Cases are under investigation by CBI Jabalpur.
- v) Irregularities in deployment of OB Contractor at Bishrampur Area and payment involving ₹ 0.28 Crore. The case is under investigation.

5. OTHER INFORMATION**a) Government Assistance (Ind AS-20) (Refer Note No. 24)**

Subsidy received from Coal Controller Development Authority on account of capital nature works ₹ 2.32 Crore (₹ 0.00) has received during the year, Out of which ₹ 0.78 Crore have been adjusted and transferred to revenue. Further, Subsidy on account of revenue nature works ₹ 7.00 Crore (₹ 13.80 Crore) has been received during the year, these are shown under other operating revenue.

b) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31.03.2017 are given below:

(₹ in Crore)

Provisions	Note No.	Opening Balance as on 1.04.16	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Property, Plant and Equipment:	3					
Provision for Depreciation & impairment of Assets		714.80	692.88	(0.41)		1,407.27
Capital Work in Progress :	4					
Against CWIP :		7.41	3.21	(1.72)		8.90
Exploration And Evaluation Assets :	5					
Provision and Impairment:		-	-	-		-
Other Intangible Assets :	6					
Provision and Impairment:		-	-	-		-
Loans :	8					
Provision for Doubtful Loan		0.10	-	-		0.10
Other Non-Current Financial Assets:	9					
Deposits		-	-	-		-
Claims Receivables		6.55	-	(0.07)		6.48
Other Current Financial Assets:	9					
Claims Receivables		-	-	-		-
Other Receivables		5.29	0.14	-		5.43
Other Non-Current Assets :	10					
Capital Advance		0.53	-	-		0.53
Advance for revenue		0.79	-	-		0.79



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Provisions	Note No.	Opening Balance as on 1.04.16	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Other Current Assets :	10					
Advances for Revenue		-	-	-		-
Other Receivables		-	-	-		-
Inventories :	12					
Stock of Coal		-	-	-		-
Stock of Stores & Spares		47.79	3.32	-		51.11
Trade Receivables :	13					
Provision for bad & doubtful debts		334.32	962.92	-		1,297.24
Non-Current Provision :	21					
Employee Benefits						
- Gratuity		-	-	-	-	-
- Leave Encashment		544.01	-	(279.51)	-	264.50
- Other Employee Benefits		212.40	20.67	-	-	233.07
		-	-	-	-	-
Site Restoration / Mine Closure		1,028.08	69.78	-	-	1,097.86
Stripping Activity Adjustments		6,765.56	1,198.65	-	-	7,964.21
Others		-	-	-	-	-
Current Provision :	21					
- Gratuity		158.43	231.09	(333.12)	-	56.40
- Leave Encashment		51.04	233.21	(222.51)	-	61.74
- Ex- Gratia		312.28	26.47	-	-	338.75
- Performance Related Pay		525.26	-	(202.31)	-	322.95
- Other Employee Benefits		270.12	29.19	-	-	299.31
- NCWA-X		-	417.69	-	-	417.69
- 3 rd Pay Revision- Executives		-	17.65	-	-	17.65
Mine Closure		-	-	-	-	-
For Excise Duty on Closing Stock of Coal		136.11	-	(5.63)	-	130.48
Others		-	-	-	-	-

c) Earnings per share in terms of :

i) Net Profit

Sr. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders	2038.57	3257.55
ii)	Weighted Average no. of Equity Shares Outstanding	3570293	3597000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share)	5709.81	9056.30

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**ii) Other Comprehensive Income**

Sr. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Other Comprehensive Income attributable to Equity Share Holders	40.10	64.74
ii)	Weighted Average no. of Equity Shares Outstanding	3570293	3597000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share)	112.32	179.98

d) Related Party Disclosures**Key Managerial Personnel (During 2016-17)**

Name	Designation	Remark
Mr. B.R. Reddy	Chairman-Cum-Managing Director	w.e.f. 01.03.2016
Mr. A.P. Panda	Director (Finance)	w.e.f. 01.08.2013
Mr. R.P. Thakur	Director (Technical)/Operation	Upto 31.05.2016
Mr. R.S. Jha	Director (Personnel)	w.e.f. 29.09.2014
Mr. Kuldeep Prasad	Director (Technical) / Operation	w.e.f. 10.02.2016
Mr. Prabhat Kr Sinha	Director (Technical) / P&P	w.e.f. 03.08.2016
Mr. S.M. Yunus	Company Secretary	w.e.f. 17.08.2010

Govt. Nominee & Independent Directors

Mr. Vivek Bharadwaj	Govt. Nominee Director	w.e.f. 20.04.2015
Mr. C. K. Dey	Govt. Nominee Director	w.e.f. 19.03.2015
Mr. Sunil Kumar	Independent Director	w.e.f. 17.11.2015
Prof. B.S. Sahay	Independent Director	w.e.f. 17.11.2015

Remuneration of Key Managerial Personnel

(₹ in Crore)

Name of KMP	Short Term Benefit			Post-Employment benefit Contribution to PF & Other fund	Terminal Benefits		Total (Current Period / Year)	Total (Previous period / year)
	Gross Salary / sitting Fee	Perquisites (PRP, Perks etc.)	Medical Benefit		Gratuity	Leave Encashment etc.		
Shri OM Prakash	-	0.36	-	-	-	0.16	0.52	0.34
Shri B.R. Reddy	0.20	0.21	-	0.02	-	-	0.43	0.02
Shri A.P. Panda	0.21	0.11	-	0.03	-	-	0.35	0.29
Shri R.P. Thakur	0.03	0.20	-	-	0.10	0.19	0.52	0.31
Shri R.S. Jha	0.18	0.16	-	0.02	-	-	0.36	0.24
Shri Kuldeep Prasad	0.23	0.22	-	0.03	-	-	0.48	0.02
Shri Prabhat Kumar Sinha	0.13	0.03	-	0.02	-	-	0.18	-
Shri Sunil Kumar	0.07	-	-	-	-	-	0.07	0.02
Shri B.S. Sahay	0.07	-	-	-	-	-	0.07	0.02
Shri S.M. Yunus	0.17	0.18	-	0.02	-	-	0.37	0.25

Note:

- Provision on the basis of actuarial valuation of defined benefits have not been considered in the above Director's remuneration.
- Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹ 2000 per month as per service conditions.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Balances Outstanding as on 31.03.2017

Sr. No.	Particulars	As on 31.03.2017	As on 31.03.2016
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

Related Party Transactions within Group

The Company being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government.

The Company has entered into transactions with Coal India Ltd & its subsidiaries which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges and other expenditure incurred by or on behalf of other subsidiaries through current account.

As per Ind AS 24, the disclosures regarding nature and amount of significant transactions are given under respective notes.

e) Leases (IND AS-17)

1) Building- (Apollo Hospital):

The Company in terms of License Agreement dated 19th day of March 2001 executed with M/s Apollo Hospital Enterprises Ltd., Chennai has granted the latter a right to occupy and use the fully constructed main hospital building measuring 2,97,099.74 Sq. ft. (27611.50 Sq. M) and the residential quarters measuring 55,333 Sq. ft. (5142.47 Sq M) together with superstructures on the land such as substation building, sewerage treatment plant and pump house.

The License Agreement provides for a lease period of 30 years from the effective date of the commencement of the lease i.e. November 2001.

The lease rental payable by the Apollo Hospital is accounted for as per the agreement. As per the agreement, the lease rental receivable from Apollo Hospital on the Balance Sheet date, for main hospital building is ₹ 4/- per Sq. ft. per month (₹ 4/- per Sq. ft per month) ₹ 1.43 Crore or 1/3rd of net profit arrived from the operation of this division of the hospital of the licensee, whichever is more and for residential quarters the rate is ₹ 2/- per Sq. ft. per month (₹ 2/- per Sq. ft per month) amounting to ₹ 0.13 Crore. The lease rental by Apollo Hospital for the year ended on Balance Sheet date accounted for is ₹ 1.56 Crore (₹ 1.56 Crore) towards minimum rental.

The cost of the gross assets leased to Apollo Hospital Enterprises Ltd. furnished under the schedule of Fixed Assets is ₹ 31.32 Crore (₹ 31.32 Crore) accumulated depreciation as on Balance Sheet date is ₹ 9.74 Crore (₹ 9.20 Crore), the depreciation recognized in the Statement of Profit & Loss for the period ended is ₹ 0.54 Crore (₹ 0.54 Crore).

The future minimum lease rental receivable in the aggregate as at 31.03.2017 is ₹ 21.81 Crore (₹ 23.37 Crore) for each of the following period is as under:

		(₹ in Crore)	
		As at 31.03.2017	As at 31.03.2016
(I)	Not later than one year	1.56	1.56
(II)	Later than one year and not later than five year	6.23	6.23
(III)	Later than five years and till the period of lease	14.02	15.58

No contingent rents are recognized as income in the Profit and Loss Account.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**ii) Railway Siding :**

- (a) The Company in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.3 at Gevra Area on lease for a period of 20 years with effect from 23.05.2006. Lease Rent ₹ 1.46 Crore (₹ 1.33 Crore) received / receivable for the period / year ended 31.03.2017.
- (b) The Company in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.4 at Gevra Area for a lease period of 20 years w.e.f. 23.08.1999. Lease Rent ₹ 1.49 Crore (₹ 1.35 Crore) received / receivable for the period / year ended 31.03.2017.
- (c) The Company in terms of License agreement with M/s Gujarat State Electricity Board, Vadodara, Gujarat dated 17.10.2005 has granted the later a right to use the fully constructed Railway siding Junadih line no 5 at Gevra area for a period of 20 years with effect from 17.10.2005. Lease Rent ₹ 0.77 Crore (₹ 0.70 Crore) taken for the period / year ended 31.03.2017.
- (d) The Company in terms of Lease Agreements dated 15.10.2007 executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the fully constructed Railway Siding line no. 2 for an applied lease period of 30 years w.e.f Oct 2007 vide letter no. 13-14/81 dated 18.07.14. Lease Rent ₹ 1.06 Crore (₹ 1.15 Crore) received/ receivable for the period/ year ended 31.03.2017.
- (e) Leased out Assets (Junidih-3 , 4 & 5) valued ₹ 7.13 Crore (₹ 7.13 Crore) and accumulated depreciation as on Balance Sheet date is ₹ 6.95Crore (₹ 6.89 Crore), the depreciation recognized in the Statement of Profit & Loss for the period is ₹ 0.06 Crore (₹ 0.08 Crore).
- (f) Leased out Assets (Line No-2) to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) ₹ 15.74 Crore and accumulated depreciation as on Balance Sheet date is ₹ 10.71 Crore (₹ 9.60 Crore).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹ 63.84 Crore (₹ 44.06 Crore) for each of the following periods is as under:

(₹ in Crore)

Period	As at 31.03.2017					As at 31.03.2016
	Junadih Sdg -3 (a)	Junadih Sdg-4 (b)	Junadih Sdg-5 (c)	Line No 2 (d)	Total	
Not later than one year	1.46	1.49	0.77	1.57	5.29	3.70
Later than one year and not later than five year	9.77	1.64	5.17	6.28	22.86	14.34
Later than five years and till the period of lease	8.50	-	2.86	24.33	35.69	26.02

No contingent rents are recognized as income in the Profit and Loss Account.

iii) Land:

The Company in terms of Lease Agreements executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the land for construction of washery and siding facilities at Dipka Project on lease for a period of 30 years with effect from 30.03.2008. Lease Rent ₹ 4.10 Crore (₹ 1.57 Crore) received during the period / year ended 31.03.2017.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washer Limited) valued ₹ 0.83 Crore (₹ 0.83 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹ 0.39Crore (₹ 0.31 Crore).

The future minimum lease rental receivable in the aggregate at the end of the period is ₹ 22.90 Crore (₹ 34.54 Crore) for each of the following period / year is as under:

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016
(I) Not later than one year	2.41	1.57
(II) Later than one year and not later than five year	9.64	7.85
(III) Later than five years and till the period of lease	10.85	25.12

No contingent rents are recognized as income in the Profit and Loss Account.

DANKUNI COAL COMPLEX

Coal India Ltd. (Holding Company) has given on lease land, building and structures, plant and machinery of Dankuni Coal Complex at Kolkata from 01.04.1995, with absolute right to manufacture, sell its products including gas and by-products. The lease rent payable from 01.04.2016 onward to Coal India Ltd. is ₹ 1.80 Crore per annum.

f) Taxation (Ind AS-12)

(i) Current tax Assets (Net) ₹ 3058.34 Crore (₹ 2654.22 Crore) is detailed below :

(₹ in Crore)

Particular	As at 31.03.2017	As at 31.03.2016
Advance Income tax / Tax deducted at Source [including Tax Deposited Under Protest ₹ 2697.35 Crore (₹ 2697.35 Crore)]	2654.22	2799.72
Add : Tax Paid for Earlier years	990.57	0.00
Less : Provision Income Tax for Earlier years	109.74	0.00
Total [including Tax Deposited Under Protest ₹ 3646.70 Crore (2697.35 Crore)]	3754.53	2799.72
Add : Advance tax / TDS-Current year	1997.08	1938.69
Less : Provision Income tax-Current year	(1466.05)	(2084.19)
TOTAL (Net)	4285.56	2654.22

(ii) Deferred Tax Assets and Liability are being offset as they relate to Taxes on income levied by the same governing taxation laws.

(iii) Deferred Tax Asset / (Liability) as at 31st March, 2017 and as at 31st March 2016 is given below:-

(₹ In Crore)

Deferred Tax Liability:	As at 31.03.2017	As at 31.03.2016
Related to Fixed Assets	152.02	75.34
Deferred Tax Asset:		
Provision for doubtful Debts, claims, etc.	651.04	308.69
Employee separation and retirement	92.37	156.62
Others	26.48	40.82
Total deferred tax Assets	769.89	506.13
Net Deferred Tax Asset/ (Deferred Tax Liability) :	617.87	430.79

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**g) Goods procured by Coal India Ltd. on behalf of SECL**

As per existing practice, goods purchased by Coal India Ltd. on behalf of SECL is accounted for in the books of SECL directly.

h) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

i) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

j) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

k) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

l) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

m) Value of imports on CIF basis

(₹ in Crore)

Details	For the year ended 31.03.2017	For the year ended 31.03.2016
Raw Material	NIL	NIL
Capital Goods	211.88	0.23
Stores & Spares	0.40	43.71

n) Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Traveling Expenses	0.41	0.10
Training Expenses	8.81	0.92
Others	17.96	116.96

o) Earning in Foreign Exchange:

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	Nil	Nil
Training Expenses	Nil	Nil
Consultancy Charges	Nil	Nil



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

p) Total Consumption of Stores and Spares

(₹ in Crore)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	5.76	0.40	6.62	0.43
(ii) Indigenous	1416.47	99.60	1515.46	99.57
	1422.23	100.00	1522.08	100.00

q) Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

Loans given and Investments made are given under the respective heads.

r) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

(₹ in crore)

Sr. No.	Nature of Adjustments	Year ended 31.03.2016
		Audited
	Net Profit as per previous Indian GAAP (after tax)	3247.90
1	Re-measurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	77.55
2	Actuarial loss/gain on re-measurement of employee defined benefit plan as per Ind AS 19 recognised in "Other Comprehensive Income" (Net of tax)	(64.74)
3	Transfer of Prior period adjustments from P&L to retained earnings as per Ind AS 8 (Net of tax)	(3.16)
4	Any other item (Net of tax) ^{1,3}	0.00
	Net Profit as per Ind AS (after tax)	3257.55
	Other Comprehensive Income (after tax)	64.74
	Total Comprehensive Income as per Ind AS (after tax)	3322.29

6. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at 31st March, 2016 and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Fair value measurement of financial assets or financial liabilities (Ind AS 101.D20)

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the Company has opted to apply Ind AS 109 prospectively.

Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS)

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	3,908.82	374.06	4,282.88
Capital Work-in-Progress	4	849.99	(28.98)	821.01
Exploration and Evaluation Assets	5	369.05	-	369.05
Other Intangible assets	6	10.27	-	10.27
Intangible assets under development		-	-	-
Investment Property		-	-	-
Financial Assets		-	-	-
(i) Investments	7	5.76	-	5.76
(ii) Loans	8	111.63	-	111.63
(iii) Other Financial Assets	9	941.65	-	941.65
Deferred tax assets (net)		272.16	-	272.16
Other non-current assets	10	138.69	-	138.69
Total Non-Current Assets (A)		6,608.02	345.08	6,953.10
Current Assets				
Inventories	12	1,321.82	-	1,321.82
Financial Assets		-	-	-
(i) Investments	7	123.16	-	123.16
(ii) Trade Receivables	13	2,277.71	-	2,277.71
(iii) Cash & Cash equivalents	14	284.17	-	284.17
(iv) Other Bank balances	15	9,089.09	-	9,089.09
(v) Loans	8	1.25	-	1.25
(vi) Other Financial Assets	9	704.01	-	704.01
Current Tax Assets (Net)		2,799.72	-	2,799.72
Other Current Assets	11	130.88	(2.54)	128.34
Total Current Asset (B)		16,731.81	(2.54)	16,729.27
Total Assets		23,339.83	342.54	23,682.37



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS)

(₹ in Crore)

EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
Equity				
(a) Equity Share Capital	16	359.70	-	359.70
(b) Other Equity	17	9,184.41	129.21	9,313.62
Equity Attributable to Equity Shareholders of The Company		9,544.11	129.21	9,673.32
Non-Controlling Interest		-	-	-
Total Equity (A)		9,544.11	129.21	9,673.32
Liabilities				
Non-Current Liabilities		-	-	-
Financial Liabilities		-	-	-
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	-	-	-
(iii) Other financial liabilities	20	828.06	-	828.06
Provisions	21	7,425.80	213.33	7,639.13
Other non-current liabilities	22	-	-	-
Deferred Tax liabilities (net)		-	-	-
Total Non-Current Liabilities (B)		8,253.86	213.33	8,467.19
Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	795.87	-	795.87
(iii) Other Financial Liabilities	20	687.33	-	687.33
Other Current liabilities	23	2,768.27	-	2,768.27
Provisions	21	1,290.39	-	1,290.39
Current Tax liabilities (Net)		-	-	-
Total Current Liabilities (C)		5,541.86	-	5,541.86
Total Equity and Liabilities (A+B+C)		23,339.83	342.54	23,682.37

Reconciliation of equity as at 31st March, 2016 (date of transition to Ind AS)

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	4,028.84	335.16	4,364.00
Capital Work-in-Progress	4	738.06	-	738.06
Exploration and Evaluation Assets	5	506.16	-	506.16
Other Intangible assets	6	10.27	-	10.27
Intangible assets under development		-	-	-
Investment Property		-	-	-

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	Foot Note	Indian GAAP	Adjustment	Ind AS
Financial Assets				
(i) Investments	7	101.76	-	101.76
(ii) Loans	8	170.18	-	170.18
(iii) Other Financial Assets	9	1,220.33	-	1,220.33
Deferred tax assets (net)		430.79	-	430.79
Other non-current assets	10	105.01	-	105.01
Total Non-Current Assets (A)		7,311.40	335.16	7,646.56
Current Assets				
Inventories	12	1,829.42	-	1,829.42
Financial Assets		-	-	-
(i) Investments	7	95.72	-	95.72
(ii) Trade Receivables	13	2,650.61	-	2,650.61
(iii) Cash & Cash equivalents	14	326.16	-	326.16
(iv) Other Bank balances	15	4,367.71	-	4,367.71
(v) Loans	8	0.96	-	0.96
(vi) Other Financial Assets	9	748.32	-	748.32
Current Tax Assets (Net)		2,654.22	-	2,654.22
Other Current Assets	11	135.36	(2.53)	132.83
Total Current Asset (B)		12,808.48	(2.53)	12,805.95
Total Assets		20,119.88	332.63	20,452.51

Reconciliation of equity as at 31st March, 2016 (date of transition to Ind AS)

(₹ in Crore)

EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
Equity				
(a) Equity Share Capital	16	359.70	-	359.70
(b) Other Equity	17	4,741.06	203.59	4,944.65
Equity Attributable to Equity Shareholders of The Company		5,100.76	203.59	5,304.35
Non-Controlling Interest		-	-	-
Total Equity (A)		5,100.76	203.59	5,304.35
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	-	-	-
(iii) Other financial liabilities	20	873.89	-	873.89
Provisions	21	8,421.01	129.04	8,550.05
Other non-current liabilities	22	-	-	-
Deferred Tax liabilities (net)		-	-	-
Total Non-Current Liabilities (B)		9,294.90	129.04	9,423.94



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	864.53	-	864.53
(iii) Other Financial Liabilities	20	640.52	-	640.52
Other Current liabilities	23	2,765.93	-	2,765.93
Provisions	21	1,453.24	-	1,453.24
Current Tax liabilities (Net)		-	-	-
Total Current Liabilities (C)		5,724.22	-	5,724.22
Total Equity and Liabilities (A+B+C)		20,119.88	332.63	20,452.51

Reconciliation of profit or Loss for the year ended 31.03.2016

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustments	Ind AS
(I) Revenue from Operations	24			
A Sales (Net)		16745.67	1,198.20	17943.87
B Other Operating Revenue (Net)		391.18	23.42	414.60
Revenue from Operations (A+B)		17136.85	1,221.62	18358.47
(II) Other Income	25	1083.79	84.28	1168.07
(III) Total Income (I+II)		18220.64	1,305.90	19526.54
(IV) EXPENSES				
Cost of Materials Consumed	26	1522.08	-	1522.08
Changes in inventories of finished goods/work in progress and Stock in trade	27	(524.70)	-	(524.70)
Excise Duty		0.00	1,221.62	1221.62
Employee Benefits Expense	28	6404.74	99.01	6503.75
Power Expenses		620.81	-	620.81
Corporate Social Responsibility Expense	29	270.85	-	270.85
Repairs	30	204.03	-	204.03
Contractual Expense	31	2100.70	-	2100.70
Finance Costs	32	0.65	64.32	64.97
Depreciation/Amortization/ Impairment expense		680.22	35.74	715.96
Provisions	33	322.05	(93.33)	228.72
Write off	34	4.19	-	4.19
Stripping Activity Adjustment		816.60	-	816.60
Other Expenses	35	628.12	-	628.12
Total Expenses (IV)		13050.34	1327.36	14377.70

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	Foot Note	Indian GAAP	Adjustments	Ind AS
(V) Profit before exceptional items and Tax (I-IV)		5170.30	(21.46)	5148.84
(VI) Exceptional Items / Prior Period items		(3.16)	3.16	-
(VII) Profit before Tax (V-VI)		5173.46	(24.62)	5148.84
(VIII) Tax expense	36	1925.56	(34.27)	1891.29
(IX) Profit for the period from continuing operations (VII-VIII)		3247.90	9.65	3257.55
(X) Profit/(Loss) from discontinued operations		-	-	-
(XI) Tax expenses of discontinued operations		-	-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-	-
(XIII) Share in JV's/Associate's profit/(loss)		-	-	-
(XIV) Profit for the Period (IX+XII+XIII)		3247.90	9.65	3257.55
Other Comprehensive Income	37			
(i) Items that will not be reclassified to profit or loss		-	99.01	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(34.27)	(34.27)
(i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other Comprehensive Income		-	64.74	64.74
Total Comprehensive Income for the period (XIV+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		3247.90	74.39	3322.29

(ii) Mine Closure, Site Restoration and Decommissioning Obligation in Property, Plant and Equipment (Ind AS 101.D21)

Appendix 'A' to Ind AS 16 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first-time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, a first-time adopter will not need to estimate what provision would have been calculated at earlier reporting dates. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

As a first time adopter of Ind AS, the Company has calculated the Mine Closure, Site Restoration and Decommissioning Obligation at the date of transition assuming that the same liability (present value) existed when the asset was first acquired/constructed.

**NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)****(iii) Resettlement & Rehabilitation Policy of CIL**

With changing aspirations of Project Affected Persons (PAPs) and for faster acquisition of land, Resettlement & Rehabilitation Policy of CIL was revised in 2012 making it liberal and PAP friendly with more flexibility to the Board of Subsidiary Companies. The Policy provides for conducting baseline socioeconomic survey to identify PAPs enlisted to receive R&R benefits as well as to formulate Rehabilitation Action Plan (RAP) in consultation with PAPs and State Govt. The R&R Policy of Coal India Ltd., provides for payment of land compensation and solatium, employment or lump sum monetary compensation and annuity, compensation for home-stead, lump sum payment in lieu of alternate house site, subsistence allowance to each affected displaced family etc.

Others

- a) Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.
- b) Previous period's figures in Note No. 1 to 38 are in brackets.

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

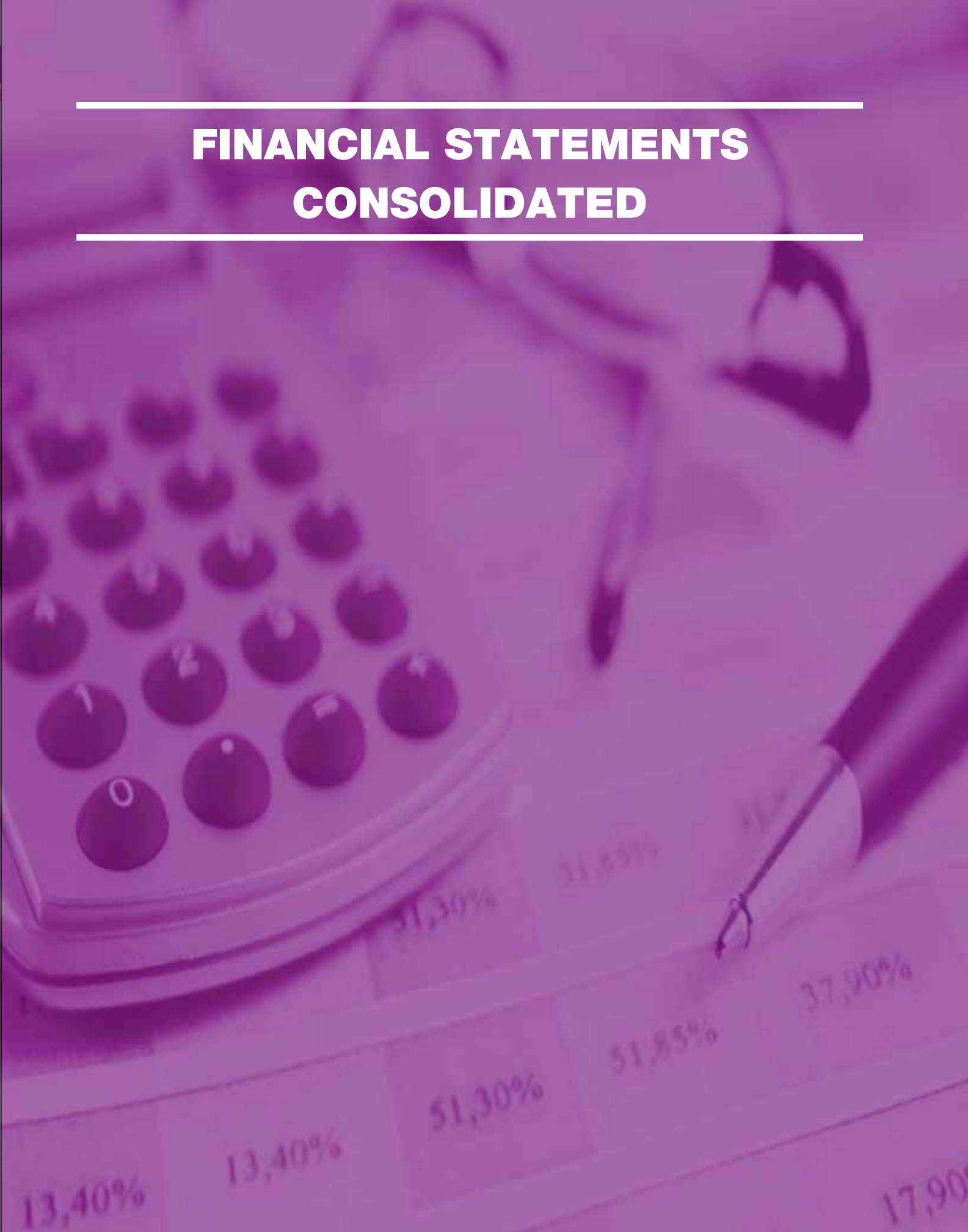
Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi

FINANCIAL STATEMENTS CONSOLIDATED





Comments of the Comptroller and Auditor General of India under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017

The preparation of Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 read with Section 129(4) of the Act based on Independent Audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24.05.2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit under Section 143(6)(a) read with Section 129(4) of the Act of the Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2017 which includes the Standalone Financial Statements of the of South Eastern Coalfields Limited and its subsidiaries, i.e., Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited for the year ended on that date. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

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 the behalf of the
Comptroller & Auditor General of India

Sd/-
(Reena Saha)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-II
Kolkata

Place : Kolkata
Dated: 23.06.2017

Independent Auditors' Report

To the Members of South Eastern Coalfields Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of "South Eastern Coalfields Limited" (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view



in conformity with the accounting principles generally accepted in India including the Ind AS, of the Consolidated financial position of the Company as at 31st March 2017 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended.

Other Matter

We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of 1569.63 Crore as at 31st March, 2017, total revenues of 0.64 Lakhs and net cash flows amounting to 436.63 Crore for the year ended on that date, as considered in the financial statements.

These financial statements have been audited by the other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(5) of the Act, we give in Annexure-I, a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Group.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-II, a statement on the matters specified in the paragraph 3 and 4 of the order.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examinations of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and consolidated statements of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) In pursuance with MCA Exemption Notification No. G.S.R. 463(E) dated 05.06.2015 in relation to the appointment of Directors, in which subsidiary Company of Government Company is being exempted for applicability of Section 164(2) of the Companies Act, 2013.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-III"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Holding Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note 38, para (1)(k) to the Consolidated Ind AS Financial Statement;

- ii. The Holding Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. The Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holding as well as dealing in specified bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For J N Mital & Company

Chartered Accountants
(FRN No. 003587N)

Sd/-

(CA Rajendra Mittal)

(Partner)

(M No. 084470)

Place: New Delhi

Date: 24-05-2017



ANNEXURE - I TO THE AUDITORS' REPORT

Annexure – I referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Independent Auditor’s Report to the member of the Company on the consolidated financial statements for the year ended 31st March 2017, we report that:

Report on Directions under section 143(5) of Companies Act 2013 in respect of M/s South Eastern Coalfields Ltd. for the year 2016-17

S. No.	Directions	Action taken & Auditor’s Reply	Impact on Accounts and financial statements
1	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available?	Title Deeds and/or Lease Deeds of Land and Building and Mining Rights prior to incorporation of the Company, are continue to be held in the name of the Holding Company of SECL (Coal India Limited) and its other Subsidiaries (Refer to Note 1 of financial statements). Yes, the Holding Company has clear title/lease deeds for freehold land of 344.947 hectares directly purchased by the Company. In respect of leasehold land vested under CBA (A&D) Act, 1957 and LA Act, 1894 to the tune of 22721.109 hectare and 1850.534 hectare and the Company is in possession of section 11 orders of CBA (A&D) Act, 1957 published in the official gazette. Similarly, the Company is in possession of 198.764 hectares of land acquired through executive orders, 9451.182 hectares acquired under state code and 4360.514 hectares acquired via Forest Conservation Act, 1980. As explained to us and on the basis of information obtained by us, no separate title deeds in the name of the Company are required to be in possession in respect of the above mentioned leasehold lands.	There is no impact on the financial statements.
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	No waiver/write off of debts/loans/interest etc. during the year.	There is no impact on the financial statements.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	As per the information and explanations provided to us that neither inventories are lying with third parties nor any assets were received as gift from government or other authorities.	There is no impact on the financial statements

Report on Additional directions under section 143(5) of the Companies Act, 2013 in respect of M/s South Eastern Coalfields Ltd. for the year 2016-17

S. No.	Additional directions	Action taken & Auditor’s Reply	Impact on accounts and financial statements
1.	Whether coal stock measurement was done keeping in view the contour map? Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	Yes, stock measurement was done keeping in view the contour map and physical stock measurement reports are accompanied by contour map. New heaps created during the year at various units have got approval of the competent authority.	There is no impact on the financial statements.

S. No.	Additional directions	Action taken & Auditor's Reply	Impact on accounts and financial statements
2.	Whether the Company conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an Area. If so, whether the concerned subsidiary followed the requisite procedure?	There is no merger/split/re-structure of an Area during the year under review and therefore no physical verification of assets and properties is required.	There is no impact on the financial statements.
3.	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of Annual Accounts for the year 2015-16?	As per the information and explanations given to us, uniform treatment of land acquisition and interest on delayed payment of land compensation to project affected persons (PAPs) in accordance with significant accounting policy of the Company are being considered by the Company.	There is no impact on the financial statements.
4.	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined?	Disputes, if any arising due to drastic variation between the results of two parts (SECL part and CIMFR part) are examined and sent for referee analysis, whose results are final and binding on both seller and purchasers.	There is no impact on the financial statements.

ANNEXURE – II TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Holding Company on the consolidated financial statements for the year ended 31st March 2017, we report that:

1. In respect of Fixed Assets:
 - a. The Holding Company has generally maintained proper records showing full particulars including quantitative details and location of Fixed Assets.
 - b. Physical verification of fixed assets had been made by the management as required by the policy of the group during the year under review.
 - c. In respect of land vested during Pre-incorporation period the title deeds are in the name of the Holding Company (Coal India) and its subsidiaries (Refer to Note 1 of Financial Statements). Yes, the Group has clear title/lease deeds for freehold and in respect of leasehold lands acquired under CBA Act, 1957, LA Act 1894, State Code, Executive Orders, and Forest Conservation Act, 1980, no such title deeds are necessary as informed and explained to us.
2. In respect of Inventories:

According to the information and explanations given by the management, the inventory has been physically verified by the Group's management at regular interval and material discrepancies noticed have been properly dealt with in the books of account.
3. As per the information and explanations given to us, the holding Company has granted loans to its subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Holding Company.
 - b) Since the repayment of interest does not fall due during the year as stipulated in the terms of arrangement, paragraph 3(b) of the order is not applicable.
 - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.



4. In our opinion and according to the information and explanations given to us, the Holding Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. In our opinion and according to the information and explanations given to us, the Holding Company has not accepted any deposits from the public.
6. We have broadly reviewed the cost records maintained by the Holding Company as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.
7. a) According to the information and explanation given by the Holding Company, the Statutory dues payable by the Company comprising of Provident fund, Sales tax, Stowing Excise duty, Service tax, Income tax deducted/collected at source, Entry tax, Professional Tax and Royalty etc., the Company has been regularly depositing the aforesaid undisputed dues to the appropriate authorities. There are no undisputed statutory dues as referred to above as on 31st March 2017 outstanding for a period of more than six months from the date, they become payable. The Employees State Insurance is not applicable to the area.
- b) The particulars of disputed statutory dues as on 31st March 2017 are as follows:

Name of the Area	Name of the Statute	Nature of the dues	Amount (Rs. in Crore)	Period to which relates	Forum where dispute is pending
Johilla	MP Municipalities Act, 1961	Terminal Tax	1.30	Sept, 04 to March 14	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	5.60	2001-02 to 2013-14	Addl / Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	0.39	98-99,01-02,04-05, 05-06, 06-07, 09-10,11-12	Addl / Dy. Commissioner of CT
	MP VAT Act, 2002	State Sales Tax / VAT	0.71	2003-04 to 2013-14	Addl / Dy. Commissioner of CT
DCC	Central Excise Act, 1944	Excise duty	2.1	Sep-2000 to March, 2002	CESTAT(Tribunal), Kolkata
	Central Excise Act, 1944	Excise duty	7.14	Sep-1996 to March, 2000	High Court, Kolkata
	W.B. Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	2.40	FY 2012-13 to FY 2015-16	High Court, Kolkata
Jamuna & Kotma	MPGATVA, 2005	MP Sadak Vikas Kar	242.89	2005-06 to 2016-17	Hon'ble Supreme Court of India
	Central Excise Act, 1944	Excise Duty	0.44	2016-17	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhinyam, 1976	Entry Tax	4.65	1993-94 to 2013-14	Addl / Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	2.07	1997-98 to 2013-14	Addl / Dy. Commissioner of CT
	MP VAT Act, 2002	State Sales Tax /VAT	27.42	2006-07 to 2013-14	Addl/ Dy. Commissioner of CT
	Service Tax	Service Tax	6.90	2016-17	Before Different authorities

Name of the Area	Name of the Statute	Nature of the dues	Amount (Rs. in Crore)	Period to which relates	Forum where dispute is pending
Bhatgaon	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	1.37	98-99, 02-03, 03-04	Appellate Authority
	Central Sales Tax Act, 1956	Central Sales Tax	1.42	2016-17	Addl/ Dy. Commissioner of CT
Raigarh	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.12	1999-2000	Tribunal, Raipur
		Entry Tax	0.14	2001-2002	ACCT, Raigarh
Korba Area	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.34	1981-82	Tribunal, Raipur
		Entry Tax	0.02	1992-93	ACCT, Korba
		Entry Tax	0.03	2002-03	ACCT, Korba
		Entry Tax	0.15	2004-05	ACCT, Korba
	M.P. General Sales Tax Act, 1956	Sales Tax	0.02	1991-92	ACCT, Raipur
Sohagpur	Service Tax	Service Tax	12.20	Upto 2016-17	Hon'ble Supreme Court of India
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	45.88	Upto 2016-17	Addl/ Dy. Commissioner of CT
	Central Sales Tax Act 1956	Central Sales Tax	1.77	Upto 2016-17	Addl/ Dy. Commissioner of CT
	M.P. Commercial Tax Act, 1994 / M.P. VAT Act 2002	State Sales Tax /VAT	14.92	Upto 2016-17	Addl/ Dy. Commissioner of CT
Baikunthpur	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	1.57	92-93, 95-96, 98-99, 00-01 To 03-04, 05-06,06-07 &07-08 & 2008-09 to 2012-13	Before different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	1.44	92-93, 95-96, 98-99, 00-01 To 03-04, 05-06,06-07 &07-08	Before different Authorities
Chirimiri	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.1	1987-88, 88-89, 98-99 to 02-03	CG Taxation Tribunal (Raipur)
	Central Sales Tax Act 1956	CST	0.34	2000-01 & 2001-02	High Court, Bilaspur
	Service Tax	Service Tax	0.27	2016-17	Before Different Authorities



Name of the Area	Name of the Statute	Nature of the dues	Amount (Rs. in Crore)	Period to which relates	Forum where dispute is pending
Hasdeo	Central Excise Act, 1944	Excise Duty	1.15	Up to 2016 - 17	Before Different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	129.11		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
	Central Sales Tax Act 1956	CST	23.69		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
	MP VAT Act,2002 / CG VAT Act, 2005	VAT	88.79		Addl. Commissioner of Commercial tax/ Dy. Commissioner of Commercial Tax
Bishrampur	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	2.15	94-95, 96-97 TO 98-99, 01-02, 02-03, 05-06	Before different Authorities
	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	1.88	94-95 to 03-04	Before different Authorities
	Nagar Panchayat Property Tax	Property Tax	1.09	2016-17	Before different Authorities
	Central Excise Act, 1944	Excise Duty	0.05	2016-17	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Gevra	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	53.51	183-84, 1990-91 to 04-05	Tribunal, Raipur
	Central Sales Tax Act, 1956	CST	1.69	1997-98 1999-00 2005-06	Tribunal, Raipur
	M.P. General Sales Tax Act, 1956	CGCT	0.01	1999-00	Tribunal, Raipur
CWS-CS Korba	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.38	2000-01	Additional Comm Bilaspur
	Central Excise Act ,1944	Excise Duty	0.19	2016-17	Central Excise and Service Tax Appellate Tribunal(SESTAT)/ CG High Court
Kusmunda	MP/CG Sthaniya Ksetra me Mal ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.02	2016-17	Tribunal, Raipur(C.G)
	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	0.07	2016-17	Tribunal, Raipur (C.G)
Dipka	M.P. General Sales Tax Act, 1956 / C.G. Commercial tax Act, 1994 / C.G. VAT Act, 2005	Sales Tax	1.00	2016-17	Appellate Tribunal Sales Tax Bilaspur

8. According to the information and explanation provided to us the Holding Company has not taken any loans or borrowings from financial institutions, banks, government or from debenture holders. Therefore, the question of default in repayment of loans does not arise.
9. The Holding Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Holding Company or on the Holding Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Holding Company, the Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Holding Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records, the Holding Company has not entered into any transactions with the related parties during the year except with state controlled enterprises which are exempted as per AS18. The provisions of sections 177 and 188 of the Act are not applicable to the Holding Company and therefore no disclosure required.
14. According to the information and explanations give to us and based on our examination of the records of the Holding Company, the Holding Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Holding Company, the Holding Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Holding Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For J N Mital & Company
Chartered Accountants
(FRN No. 003587N)

Sd/-
(CA Rajendra Mittal)
(Partner)
(M No. 084470)

Place: New Delhi
Date: 24-05-2017



ANEXURE III TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of South Eastern Coalfields Limited ("the Holding Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to

the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J N Mital & Company
Chartered Accountants
(FRN No. 003587N)

Sd/-
(CA Rajendra Mittal)
(Partner)
(M No. 084470)

Place: New Delhi
Date: 24-05-2017



Consolidated Balance Sheet

as at 31st March, 2017

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	4,522.99	4,366.76	4,285.77
(b) Capital Work-in-Progress	4	2,177.26	1,033.51	857.12
(c) Exploration and Evaluation Assets	5	758.31	506.16	369.05
(d) Other Intangible Assets	6	10.27	10.27	10.27
(e) Intangible Assets under development		-	-	-
(f) Investment Property		-	-	-
(g) Financial Assets				
(i) Investments	7	-	-	-
(ii) Loans	8	8.78	10.63	13.00
(iii) Other Financial Assets	9	1,624.87	1,220.41	944.13
(h) Deferred Tax Assets (net) <small>(Refer Note-38)</small>		617.87	430.79	272.16
(i) Other Non-Current Assets	10	218.06	236.02	234.00
Total Non-Current Assets (A)		9,938.41	7,814.55	6,985.50
(2) Current Assets				
(a) Inventories	12	1,700.07	1,829.42	1,321.82
(b) Financial Assets				
(i) Investments	7	153.88	95.72	123.16
(ii) Trade Receivables	13	2,721.88	2,650.61	2,277.71
(iii) Cash & Cash equivalents	14	990.04	352.57	290.87
(iv) Other Bank balances	15	2,745.64	4,367.71	9,089.09
(v) Loans	8	0.73	0.96	1.25
(vi) Other Financial Assets	9	689.95	756.68	703.00
(c) Current Tax Assets (Net) <small>(Refer Note-38)</small>		4,285.09	2,654.36	2,799.75
(d) Other Current Assets	11	224.58	132.85	128.36
Total Current Asset (B)		13,511.86	12,840.88	16,735.01
Total Assets		23,450.27	20,655.43	23,720.51
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	298.78	359.70	359.70
(b) Other Equity	17	3,052.94	4,944.32	9,313.39
Equity Attributable to Equity Shareholders of The Company		3,351.72	5,304.02	9,673.09
Non-Controlling Interest		281.21	41.19	2.23
Total Equity (A)		3,632.93	5,345.21	9,675.32

Consolidated Balance Sheet (Contd.)

(₹ in Crore)

	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	127.66	87.85	30.60
(ii) Trade payables	19	-	-	-
(iii) Other Financial Liabilities	20	687.81	873.89	828.06
(b) Provisions	21	9,559.64	8,550.03	7,639.14
(c) Deferred Tax Liabilities (Net)		-	-	-
(d) Other Non-Current Liabilities	22	1.55	-	-
Total Non-Current Liabilities (B)		10,376.66	9,511.77	8,497.80
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	359.19	-	-
(ii) Trade payables	19	983.51	864.55	795.88
(iii) Other Financial Liabilities	20	1,071.94	710.50	692.20
(b) Other Current Liabilities	23	5,381.07	2,770.16	2,768.92
(c) Provisions	21	1,644.97	1,453.24	1,290.39
(d) Current Tax Liabilities (Net)		-	-	-
Total Current Liabilities (C)		9,440.68	5,798.45	5,547.39
Total Equity and Liabilities (A+B+C)		23,450.27	20,655.43	23,720.51
Significant Accounting Policies	2			
Additional Notes on Accounts	38			
The accompanying Notes form an integral part of Financial Statements.				

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Consolidated Statement of Profit & Loss

For the Year Ended 31st March, 2017

(₹ in Crore)

	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
(I) Revenue from Operations			
A Sales (Net)	24	18486.10	17943.87
B Other Operating Revenue (Net)		450.43	414.60
Revenue from Operations (A+B)		18936.53	18358.47
(II) Other Income	25	1213.41	1168.08
(III) Total Income (I+II)		20149.94	19526.55
(IV) EXPENSES			
Cost of Materials Consumed	26	1422.23	1522.08
Changes in Inventories of Finished Goods/Work-in-Progress and Stock in Trade	27	128.57	(524.70)
Excise Duty		1302.65	1221.62
Employee Benefits Expense	28	7156.00	6503.75
Power & Fuel		719.77	620.81
Corporate Social Responsibility Expense	29	42.50	270.85
Repairs	30	188.86	204.03
Contractual Expense	31	2337.98	2100.70
Finance Costs	32	80.95	64.97
Depreciation/Amortization/Impairment expense		690.71	715.96
Provisions	33	988.90	228.72
Write off	34	-	4.19
Stripping Activity Expenses		1198.65	816.60
Other Expenses	35	705.82	628.27
Total Expenses (IV)		16963.59	14377.85
(V) Profit before exceptional items and Tax (I-IV)		3186.35	5148.70
(VI) Exceptional Items		-	-
(VII) Profit before Tax (V-VI)		3186.35	5148.70
(VIII) Tax expense	36	1148.00	1891.29
(IX) Profit for the period from continuing operations (VII-VIII)		2038.35	3257.41
(X) Profit/(Loss) from discontinued operations		-	-
(XI) Tax expenses of discontinued operations		-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII) Share in JV's/Associate's profit/(loss)		-	-
(XIV) Profit for the Period (IX+XII+XIII)		2,038.35	3,257.41
Other Comprehensive Income	37		
A (i) Items that will not be reclassified to profit or loss		61.33	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		(21.23)	(34.27)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV) Total Other Comprehensive Income		40.10	64.74

Statement of Profit & Loss (Contd.)

(₹ in Crore)

	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
(XVI) Total Comprehensive Income for the period (XIV+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		2,078.45	3,322.15
Profit attributable to:			
Owners of the Company		2,038.43	3,257.45
Non-controlling Interest		(0.08)	(0.04)
		2,038.35	3,257.41
Other Comprehensive Income attributable to:			
Owners of the Company		40.10	64.74
Non-controlling Interest		-	-
		40.10	64.74
Total Comprehensive Income attributable to:			
Owners of the Company		2,078.53	3,322.19
Non-controlling Interest		(0.08)	(0.04)
		2,078.45	3,322.15
(XVII) Earnings per equity share (for continuing operation):			
(1) Basic		5,709.42	9,056.02
(2) Diluted		5,709.42	9,056.02
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XIX) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		5,709.42	9,056.02
(2) Diluted		5,709.42	9,056.02
The accompanying Notes form an integral part of Financial Statements.			

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Consolidated Statement of Changes in Equity

For the Year Ended 31st March, 2017

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance As at 01.04.15	Changes in during the Year/ Period	Balance as at 31.03.2016	Balance As at 01.04.2016	Changes in during the year#	Balance as at 31.03.2017
29,87,750 (35,97,000) Equity Shares of ₹ 1000 each	359.70	-	359.70	359.70	(60.93)	298.78

The Company bought back its 6,09,250 numbers of Fully paid up Equity Shares of face value of 1,000 each through tender offer.

B. OTHER EQUITY

Particulars	Equity Portion of Preference Share Capital	Other Reserve				General Reserve	Retained Earnings	Total of Other Equity attributable to Equity holders	Non-Controlling Interests	Total
		Capital Reserve	Capital Redemption reserve	CSR Reserve	Sustainable Development Reserve					
Balance as at 01.04.2015	-	0.01	300.00	-	-	3,311.58	5,572.59	9,184.18	(0.13)	9184.05
Changes in accounting policy	-	-	-	-	-	-	128.58	128.58	-	128.58
Prior period errors	-	-	-	-	-	-	0.63	0.63	-	0.63
Balance as at 01.04.2015 (Restated)	-	0.01	300.00	-	-	3,311.58	5,701.80	9,313.39	(0.13)	9313.26
Total Comprehensive Income for the year	-	-	-	-	-	-	3322.19	3322.19	(0.04)	3322.15
Dividends	-	-	-	-	-	-	(6390.32)	(6390.32)	-	(6390.32)
Corporate Dividend tax	-	-	-	-	-	-	(1300.94)	(1300.94)	-	(1300.94)
Transfer to/from Retained Earnings	-	-	-	-	-	162.40	-	162.40	-	162.40
Transfer to General Reserve	-	-	-	-	-	-	(162.40)	(162.40)	-	(162.40)
Balance as at 31.03.2016 (Restated)	-	0.01	300.00	-	-	3,473.98	1,170.33	4,944.32	- 0.17	4,944.15
Balance as at 01.04.2016	-	0.01	300.00	-	-	3,473.98	1,170.33	4,944.32	(0.17)	4944.15
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 01.04.2016	-	0.01	300.00	-	-	3,473.98	1,170.33	4,944.32	(0.17)	4944.15
Total Comprehensive Income for the year	-	-	-	-	-	-	2,078.53	2,078.53	(0.08)	2078.45

Statement of Changes in Equity (Contd.)

Particulars	Equity Portion of Preference Share Capital	Other Reserve				General Reserve	Retained Earnings	Total of Other Equity attributable to Equity holders	Non-Controlling Interests	Total
		Capital Reserve	Capital Redemption reserve	CSR Reserve	Sustainable Development Reserve					
Dividends	-	-	-	-	-	(2,133.47)	(2,133.47)	-	(2,133.47)	
Corporate Dividend tax						(434.32)	(434.32)		(434.32)	
Transfer from /to Retained Earnings	-	-	-	-	103.93		103.93	-	103.93	
Transfer to General Reserve	-	-	-	-	-	(103.93)	(103.93)	-	(103.93)	
Buyback of Equity Shares			60.92			(1,463.04)	(1,402.12)		(1,402.12)	
Balance as at 31.03.2017	-	0.01	360.92	-	-	2,114.87	577.14	3,052.94	- 0.25	3,052.69

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Consolidated Cash Flow Statement (Indirect Method)

For the Year Ended 31st March, 2017

(₹ in Crore)

	For The Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Total Comprehensive Income before tax	3247.68	5247.71
Adjustment for:		
Depreciation & Impairment of Fixed Assets	690.71	715.96
Interest Income	(492.01)	(849.27)
Finance cost	11.15	0.65
Dividend from Mutual fund investments	(23.72)	(47.72)
Profit/Loss of sale of assets & Coal Block	(1.34)	0.24
Provision for Capital WIP and P&M in Stores	(0.92)	3.75
Liability Written Back during the period / year	(347.95)	(69.29)
Stripping Activity Expenses / Adjustment	1198.65	816.60
Operating Profit before Current / Non-Current Assets and Liabilities	4282.25	5818.63
Adjustments for :		
Trade Receivable	(71.27)	(372.90)
Inventories	129.35	(507.60)
Short/Long term Loans / Advances & Other Current Assets	(553.62)	(511.70)
Short/Long term Liabilities and Provisions	3750.01	283.61
Gratuity, leave encashments & Other Employees Benefit	(494.14)	147.87
Cash generated from operations	7042.58	4857.91
Income Tax paid / refund	(2992.92)	(1938.80)
Interest paid	(11.15)	(0.65)
Net Cash Flow from Operating Activities (A)	4038.51	2918.46
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2224.31)	(1080.66)
Deffered Grant for Fixed Assets	1.55	
Proceeds from sale of equipment / Coal Block	3.61	1.45
Proceeds/(Purchase) of Investments incl Fixed Deposit and Mutual Funds	1563.91	4748.82
Interest received on Fixed Deposit etc.	633.59	1014.09
Interest pertaining to Investments	2.62	13.08
Dividend from Mutual fund Investments	23.72	47.72
Net Cash Flow from Investing Activities (B)	4.69	4744.50

Cash Flow Statement (Contd.)

(₹ in Crore)

	For The Year Ended 31.03.2017	For the Year Ended 31.03.2016 (Restated)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt / (Repayment) of Borrowings	385.00	51.00
Buy Back of Shares (including taxes)	(1463.04)	0.00
Receipts from Non Controlling Interest	240.10	39.00
Dividend paid	(2133.47)	(6390.32)
Dividend Tax paid	(434.32)	(1300.94)
Net Cash used in Financing Activities (C)	(3405.73)	(7601.26)
Net Increase / Decrease in Cash & Bank Balances (A+B+C)	637.47	61.70
Cash and Cash equivalent (Opening Balance)	352.57	290.87
Cash and Cash equivalent (Closing Balance)	990.04	352.57
(All figures in bracket represent outflow)		

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Notes to Consolidated Financial Statements

NOTE - 1 : CORPORATE INFORMATION

South Eastern Coalfields Limited (SECL), a Mini Ratna, Un-listed Company with headquarters at Bilaspur, Chhattisgarh.

The Company is mainly engaged in mining and production of Coal. The major consumers of the Company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

SECL is a wholly-owned subsidiary of Coal India Limited. The operations of the Company are spread across 2 states in India. SECL is also operating a Coal Carbonization plant at Dankuni Coal Complex West Bengal. SECL also has two subsidiary Company viz. Chhattisgarh East Railway Limited and Chhattisgarh East West Railway Limited. Information of the Group structure is provided in Note no. 38.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The (consolidated) financial statements of the (Group) Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March 2016, the (Group) Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP). These financial statements for the year ended 31st March 2017 are the first financial statements of the (Group) Company prepared in accordance with Ind AS. Refer to Note no. 38 for information on first time adoption of Ind AS.

The Consolidated financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15).

The consolidated financial statements relate to South Eastern Coalfields Limited and proportionate stake in its two subsidiaries M/s Chhattisgarh East Railway Limited (CERL) and M/s. Chhattisgarh East-West Railway Limited (CEWRL).

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Ind AS 110- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs(MCA).

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from individual financial statements, which fairly present the needed disclosure.

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' up to two decimal points.

2.2 Basis of consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date when control ceases.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. A member of the group normally uses accounting policies as adopted by the group for like transactions and events in similar circumstances. In case of significant deviations, appropriate adjustments are made to the group member financial statement to ensure conformity with the groups accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.2.2 Associates

Associates are all entities over which the group has significant influence but no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105

The entity impairs its net investment in the associates on the basis of objective evidence.

2.2.3 Joint arrangements

Joint arrangements are those arrangements where the group is having joint control with one or more other parties.

Joint control is the contractually agreed sharing of control of the arrangement which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint Arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

2.2.4 Joint Operations

Joint operations are those joint arrangements whereby the group is having rights to the assets and obligations for the liabilities relating to the arrangements.

Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

2.2.5 Joint ventures

Joint ventures are those joint arrangements whereby the group is having rights to the net assets of the arrangements.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Investments in Joint venture are accounted for using the equity method of accounting, after initially being recognized at cost, except when the investment, or a portion thereof, classified as held for sale, in which case it is accounted in accordance with Ind AS 105.

The entity impairs its net investment in the joint venture on the basis of objective evidence.

2.2.6 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the



NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

2.2.7 Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any fair value of consideration paid or received is recognised within equity

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Current and Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

An entity shall classify a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition**2.4.1 Sales revenue**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government / other statutory bodies.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the group has assumed that recovery of excise duty flows to the group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the group on its own account, revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the group on its own account and are excluded from net revenue.

2.4.2 Interest

Interest income is recognised using the Effective Interest Method.

2.4.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.4.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation.

2.4.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the entity;

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs against which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit or loss under the general heading 'Other Income'.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

2.6 Leases

A **finance lease** is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An **operating lease** is a lease other than a finance lease.

2.6.1 Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

2.6.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6.1.2 Operating lease - Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

- (a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**2.6.2 Group as a lessor**

Operating leases Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.

Finance leases Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.7 Non-Current Assets held for Sale

The Group classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated.
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.8 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the group; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the group; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land

(incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building	: 3-60 years
Roads	: 3-10 years
Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 5-15 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

The estimated useful life of the assets is reviewed at the end of each financial year.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Lands" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc, which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the Company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the Company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The Company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.9 Mine Closure, Site Restoration and Decommissioning Obligation

The Company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The Company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The Company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan..

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.10 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

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

Commercial Operation

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

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

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

2.12 Intangible Assets

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

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

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

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

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies are however, classified as Intangible Assets and tested for impairment.

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

2.13 Impairment of Assets

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

2.14 Investment Property

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

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

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

2.15 Financial Instruments

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

2.15.1 Financial assets**2.15.1 Initial recognition and measurement**

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

2.15.2 Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

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

2.15.2.1 Debt instruments at amortised cost

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

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

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

2.15.2.2 Debt instrument at FVTOCI

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

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

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

2.15.2.3 Debt instrument at FVTPL

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

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

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

2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

2.15.2.5 Other Equity Investment

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

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

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

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

2.15.2.6 Derecognition

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

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

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

2.15.2.7 Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.15.3 Financial liabilities**2.15.3.1 Initial recognition and measurement**

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)****2.15.3.2 Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

2.15.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

2.15.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.15.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.15.4 Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The following table shows various reclassification and how they are accounted for

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

2.15.5 Offsetting of financial instruments

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

2.16. Borrowing Costs

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

2.17 Taxation

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

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

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



NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

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

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

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

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

2.18 Employee Benefits

2.18.1 Short-term Benefits

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

2.18.2 Post-employment benefits and other long term employee benefits

2.18.2.1 Defined Contributions Plans

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

2.18.2.2 Defined Benefits Plans

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

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

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

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.18.3 Other Employee benefits

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

2.19 Foreign Currency

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

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

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

2.20 Stripping Activity Expense/Adjustment

In case of opencast mining, the mine waste materials ("overburden") which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the Company has to incur such expenses over the life of the mine (as technically estimated by CMPDIL and recorded in the project report).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (COAL: OB) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue. Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Assets / Non-Current Provisions as the case may be.

**NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

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.

2.21 Inventories**2.21.1 Stock of Coal**

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the FIFO method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and spares and at the rate of 50% for stores & spares not moved for 5 years.

2.21.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.22 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

one or more future uncertain events not wholly within the control of the Company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.24 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.24.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

2.24.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements :
 - (i) represent faithfully the financial position, financial performance and cash flows of the entity;
 - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
 - (iii) are neutral, i.e. free from bias;
 - (iv) are prudent; and
 - (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.



NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The group operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The group continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

2.24.1.3 Operating lease

Group has entered into lease agreements. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.24.2 Estimates and assumptions

key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

2.24.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Group considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the

NOTE - 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 38.

2.24.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible asset under development

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated by Central Mine Planning and Design Institute Limited.

2.24.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Group estimates provision using the DCF method considering life of the project/mine based on following assumptions:

Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India

2.25 Abbreviation used:

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



NOTE - 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

PARTICULARS	Freehold Land	Other Land	Reclamation/ Site restoration Costs	Buildings	Plant and Equipments	Tele communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Mining Infrastructure	Surveyed Off Assets	Others	Total
Gross Carrying Amount:														
Balance as at 01.04.2015	10.79	843.02	370.90	534.05	2189.96	23.72	34.36	6.43	5.64	9.14	241.65	16.11	0.00	4285.77
Additions	0.00	197.36	0.00	144.60	373.19	1.96	11.70	2.09	25.52	1.65	53.88	6.01	0.00	817.96
Disposals /Retirements/Adjustments	0.00	(0.54)	0.00	0.72	(18.41)	(0.01)	(0.49)	0.05	6.98	(0.06)	(8.55)	(1.71)	0.00	(22.02)
Balance as at 31.03.2016	10.79	1039.84	370.90	673.37	2544.74	25.67	45.57	8.57	38.14	10.73	286.98	20.41	-	5,081.71
Balance as on 01.04.2016	10.79	1039.84	370.90	679.37	2544.74	25.67	45.57	8.57	38.14	10.73	286.98	20.41	-	5081.71
Additions	2.71	308.24	0.00	40.03	353.40	7.50	4.50	3.25	6.54	4.33	120.03	5.73	0.00	856.26
Disposals /Retirements/Adjustments	0.00	(0.24)	0.00	(0.05)	(4.68)	(2.21)	0.01	2.07	(1.03)	(0.22)	1.21	(2.27)	0.00	(7.41)
Balance as on 31.03.2017	13.50	1347.84	370.90	719.35	2893.46	30.96	50.08	13.89	43.65	14.84	408.22	23.87	-	5930.56
Accumulated Dep. and Impairment														
Balance as at 01.04.2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Charge for the year	0.00	94.01	35.74	34.52	501.30	4.51	6.49	2.08	9.31	2.10	25.06	0.00	0.00	715.12
Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.96	0.00	0.00	1.96
Disposals /Retirements/Adjustments	0.00	1.08	0.00	1.21	(3.11)	(0.10)	(0.05)	0.02	1.02	0.03	(2.23)	0.00	0.00	(2.13)
Balance as at 31.03.2016	0.00	95.09	35.74	35.73	498.19	4.41	6.44	2.10	10.33	2.13	24.79	-	-	714.95
Balance As on 01.04.2016	0.00	95.09	35.74	35.73	498.19	4.41	6.44	2.10	10.33	2.13	24.79	-	-	714.95
Charge for the year	0.00	109.14	34.24	28.36	464.81	4.92	4.97	1.61	12.92	2.21	27.71	0.00	0.00	690.89
Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.14	0.00	0.00	2.14
Disposals /Retirements/Adjustments	0.00	(3.40)	0.00	10.92	(13.02)	2.87	1.37	1.85	(4.00)	(0.85)	3.85	0.00	0.00	(0.41)
Balance As on 31.03.2017	0.00	200.83	69.98	75.01	949.98	12.20	12.78	5.56	19.25	3.49	58.49	-	-	1407.57
Net Carrying Amount														
Balance As on 31.03.2017	13.50	1147.01	300.92	644.34	1943.48	18.76	37.30	8.33	24.40	11.35	349.73	23.87	-	4522.99
Balance as at 31.03.2016	10.79	944.75	335.16	643.64	2046.55	21.26	39.13	6.47	27.81	8.60	262.19	20.41	-	4366.76
Balance as at 01.04.2015	10.79	843.02	370.90	534.05	2189.96	23.72	34.36	6.43	5.64	9.14	241.65	16.11	-	4285.77

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

PARTICULARS	Freehold Land	Other Land	Reclamation/ Site restoration Costs	Buildings (including water supply roads and culverts)	Plant and Equipments	Tele communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Mining Infrastructure	Surveyed Off Assets	Others	Total
Gross Carrying Amount														
as at 01.04.2015	10.79	1,433.86	681.99	980.28	5,674.08	60.17	86.97	30.62	27.43	58.48	566.62	16.11	-	9627.40
Accumulated Dep. and Impairment														
as at 01.04.2015	-	590.84	311.09	446.23	3,484.12	36.45	52.61	24.19	21.79	49.34	324.97	-	-	5341.63
Net Carrying Amount	10.79	843.02	370.90	534.05	2189.96	23.72	34.36	6.43	5.64	9.14	241.65	16.11	-	4285.77

Note:

- 3.1 On abolition of Coal Mines Welfare Organisation and Coal Mines Rescue Organisation (1985), the assets taken over at different Areas have been incorporated in the Accounts at a nominal value of ₹ 1.00 per asset.
- 3.2 Some title documents of asset are continue to be held in the name of the Holding Company and other subsidiaries.
- 3.3 Other Lands includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984.
- 3.4 Depreciation has been provided as per Schedule II of the Companies Act, 2013. Depreciation has been provided for the un-segregated class of asset on the basis of useful life applicable as per Schedule II of the Companies Act, 2013.
- 3.5 During the current year impairment in respect of property, plant and equipment amounting ₹ 2.14 Crore (₹ 1.96 Crore) has been charged to the Statement of Profit & Loss.

NOTE - 4 : CAPITAL WORK-IN-PROGRESS

(₹ in Crore)

PARTICULARS	Buildings	Plant and Equipments	Railway Sidings	Other Mining Infrastructure	Rail Corridor Development Expenses	Rail Corridor Under Construction	Total
Gross Carrying Amount:							
Balance as at 01.04.2015	117.56	348.86	-	354.59	5.07	31.04	857.12
Additions	47.99	213.41	-	207.18	23.95	235.39	727.92
Capitalisation / Deletion/ Adjustment	(145.33)	(306.98)	0.00	(91.81)	0.00	0.00	(544.12)
Balance as at 31.03.2016	20.22	255.29	-	469.96	29.02	266.43	1,040.92
Balance as on 01.04.2016	20.22	255.29	-	469.96	29.02	266.43	1,040.92
Additions	38.67	823.80	-	128.50	515.62	199.59	1,706.18
Capitalisation / Deletion/ Adjustment	(37.95)	(275.97)	0.00	(247.02)	0.00	0.00	(560.94)
Balance as on 31.03.2017	20.94	803.12	-	351.44	544.64	466.02	2,186.16
Provision and Impairment							
Balance as at 01.04.2015	-	-	-	-	-	-	-
Charge for the Year	0.04	7.31	-	0.06	-	-	7.41
Impairment during the Year	-	-	-	-	-	-	-
Capitalisation / Deletion/ Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2016	0.04	7.31	-	0.06	-	-	7.41
Balance as on 01.04.2016	0.04	7.31	-	0.06	-	-	7.41
Charge for the Year	-	3.21	-	-	-	-	3.21
Impairment during the Year	-	-	-	-	-	-	-
Capitalisation / Deletion/ Adjustment	(0.04)	(1.67)	0.00	(0.01)	0.00	0.00	(1.72)
Balance as on 31.03.2017	-	8.85	-	0.05	-	-	8.90
Net Carrying Amount							
Balance as on 31.03.2017	20.94	794.27	-	351.39	544.64	466.02	2,177.26
Balance as at 31.03.2016	20.18	247.98	-	469.90	29.02	266.43	1,033.51
Balance as at 01.04.2015	117.56	348.86	-	354.59	5.07	31.04	857.12

Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

(₹ in Crore)

PARTICULARS	Buildings (Including water Supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Rail Corridor Development Expenses	Rail Corridor Under Construction	Total
Gross Carrying Amount							
as at 01.04.2015	118.38	352.80	-	354.83	5.07	31.04	862.12
Accumulated Dep. and Impairment							
as at 01.04.2015	0.82	3.94	0.00	0.24	0.00	0.00	5.00
Net Carrying Amount	117.56	348.86	-	354.59	5.07	31.04	857.12

4.1 Items such as Conveyor Belt, Power Cable etc. in stock at the end of the year have been treated as capital goods in stores and shown under head 'Plant & Equipment'.



NOTE - 5 : EXPLORATION & EVALUATION ASSET

(₹ in Crore)

PARTICULARS	Exploration & Evaluation Costs
Gross Carrying Amount:	
Balance as at 01.04.2015	369.05
Additions	137.11
Capitalisation	-
Other Adjustments	-
Balance as at 31.03.2016	506.16
Balance As on 01.04.2016	506.16
Additions	252.15
Capitalisation	-
Other Adjustments	0
Balance As on 31.03.2017	758.31
Provision and Impairment	
Balance as at 01.04.2015	-
Provided during the year	-
Reversed during the year	-
Other Adjustments	-
Balance as at 31.03.2016	-
Impairment during the Year	-
Provided during the year	-
Impairment during The Year	-
Diposals/ Retirements	-
Other Adjustments	-
Balance As on 31.03.2017	-
Net Carrying Amount	
Balance As on 31.03.2017	758.31
Balance as at 31.03.2016	506.16
Balance as at 01.04.2015	369.05
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015	
	(₹ in Crore)
Gross Carrying Amount as at 01.04.2015	369.05
Accumulated Dep. and Impairment as at 01.04.2015	-
Net Carrying Amount	369.05

5.1 Expenditures incurred in connection with the exploration for and evaluation of coal resource before the technical feasibility and commercial viability of extracting coal are treated as Exploration and Evaluation Asset.

NOTE - 6 : INTANGIBLE ASSET

(₹ in Crore)

PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount:				
Balance as at 01.04.2015	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2016	-	10.27	-	10.27
Balance As on 01.04.2016	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2017	-	10.27	-	10.27
Amortisation and Impairment				
Balance as at 01.04.2015	-	-	-	-
Charge for the year	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2016	-	-	-	-
Balance As on 01.04.2016	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2017	-	-	-	-
Net Carrying Amount				
Balance As on 31.03.2017	-	10.27	-	10.27
Balance as at 31.03.2016	-	10.27	-	10.27
Balance as at 01.04.2015	-	10.27	-	10.27
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015				
				(₹ in Crore)
PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount				
as at 01.04.2015	-	10.27	-	10.27
Accumulated Dep. and Impairment				
as at 01.04.2015	-	-	-	-
Net Carrying Amount	-	10.27	-	10.27



NOTE - 7 : INVESTMENTS

(₹ in Crore)

Non-Current	(%) holding	Number of Bonds/shares current year/ (previous year)	Face value per Bonds/share current year/ (previous year)	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Investment in Bond of :						
Consumer Co-operative Societies Ltd. Baikunthpur (C.G.)	-	250 (250)	10.00 (10.00)	-	-	-
Total				-	-	-
Aggregate of Unquoted investments:				-	-	-
Aggregate of Quoted investments:				-	-	-
Market value of Quoted investments:				-	-	-
Current						
		Number of units current year/ (previous year)	NAV (In ₹)	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Mutual Fund Investment						
SBI Mutual Fund		149585.216 (3280.213)	1,003.250	15.01	0.33	-
Canara Robeco Mutual Fund		8985.372 (5533.161)	1,005.500	0.90	0.55	-
UTI Mutual Fund		1076627.85 (880925.808)	1,019.446	109.76	89.81	-
Union KBC Mutual Fund		199540.721 (31115.133)	1,000.651	19.98	3.11	-
BOI AXA Liquid Fund		82016.937 (19147.42)	1,002.648	8.23	1.92	-
Total				153.88	95.72	-
8.5 % Tax Free Special Bonds (Fully Paid Up) (on Securitisation of Sundry Debtors)						
State wise Break-up :						
Maharashtra		NIL (NIL) {256340}	1,000.00	-	-	25.63
Madhya Pradesh		NIL (NIL) {623800}	1,000.00	-	-	62.38
Gujarat		NIL (NIL) {351480}	1,000.00	-	-	35.15
Total				-	-	123.16
Grand Total				153.88	95.72	123.16
Aggregate of Unquoted investments:				-	-	123.16
Aggregate of Quoted investments:				153.88	95.72	-
Market value of Quoted investments:				153.88	95.72	-

NOTE - 8 : LOANS

(₹ in Crore)

	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
Non-Current						
Loans to Related parties		-		-		-
Loan To Subsidiaries (CERL & CEWRL)						
- Secured considered good	-		-		-	
- Unsecured considered good	-		-		-	
- Doubtful	-		-		-	
	-		-		-	
Less : Provision for Doubtful Loans	-	-	-	-	-	-
Loan to employees						
- Secured considered good ^{8.1}	8.78		10.63		13.00	
- Unsecured considered good	-		-		-	
- Doubtful	0.10		0.10		0.10	
	8.88		10.73		13.10	
Less : Provision for Doubtful Loans	0.10	8.78	0.10	10.63	0.10	13.00
Total		8.78		10.63		13.00
CLASSIFICATION						
Secured		8.78		10.63		13.00
Unsecured - Considered good						
- Doubtful		0.10		0.10		0.10
Current						
Loan To Subsidiaries (CERL)						
- Secured considered good	-		-		-	
- Unsecured considered good	-		-		-	
- Doubtful	-		-		-	
	-		-		-	
Less : Provision for Doubtful Loans	-	-	-	-	-	-
Loan to Employees						
- Secured considered good	-		-		-	
- Unsecured considered good	0.73		0.96		1.25	
- Doubtful	-		-		-	
	0.73		0.96		1.25	
Less: Provision for doubtful Loans	-	0.73	-	0.96	-	1.25
Total		0.73		0.96		1.25
CLASSIFICATION						
Secured						
Unsecured - Considered good		0.73		0.96		1.25
- Doubtful						

8.1 Loan to Employees includes House Building Loan, and Car Loan provided by Company to Employees.



NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
Non-Current						
Bank deposits		-		-		-
Deposit with bank under Mine Closure Plan ^{9.5}		1,048.37		871.53		700.05
Receivable for Mine Closure Expenses ^{9.3}		230.87		32.17		11.72
Other Deposits ^{9.1}		170.03		153.80		134.98
Less: Provision for doubtful deposits		- 170.03		- 153.80		- 134.98
Other Receivables						
- Secured considered good		-		-		-
- Unsecured considered good ^{9.2}		175.60		162.91		97.38
- Doubtful		6.48		6.55		11.11
		182.08		169.46		108.49
Less: Provision for bad & doubtful receivables		6.48 175.60		6.55 162.91		11.11 97.38
TOTAL		1,624.87		1,220.41		944.13
Current						
Surplus Fund with CIL ^{9.4}		-		70.94		-
Receivables from Escrow Account for Mine Closure Expenses		-		-		-
Current Account with Subsidiaries of SECL		-		-		-
Interest accrued						
- Investment		-		2.62		7.85
- Deposit with Banks		90.26		231.84		404.51
- Others		- 90.26		- 234.46		- 412.36
Other Deposits ^{9.6}		121.74		87.59		36.20
Less: Provision for doubtful deposits		- 121.74		- 87.59		- 36.20
Claims receivables						
- Unsecured considered good		0.94		16.79		2.34
Less : Provision for doubtful claims		- 0.94		- 16.79		- 2.34
Other Receivables		482.44		352.19		256.23
Less: Provision for bad & doubtful receivables		5.43 477.01		5.29 346.90		4.13 252.10
TOTAL		689.95		756.68		703.00

- 9.1 Other Deposits ₹ 170.03 Crore (₹ 153.80 Crore) {₹ 134.98 Crore} deposited for Utilities i.e. P&T, Electricity etc.
- 9.2 Other Receivable ₹ 175.60 Crore (₹ 162.91 Crore) {₹ 97.38 Crore} deposited under protest with tax authorities and others.
- 9.3 Receivable for Mine Closure Expenses for mines in operation are identified for mine closure activities. Subject to certification by CMPDIL the claim will be lodged for withdrawal of Deposit in Escrow account under Mine Closure Plan. Receivables for Mine closure expenses related to closed mines will only be recognised on the basis of certification by CMPDIL. Further, identification of other expenses incurred on Mine Closure Activities in respect of closed / running mines is under process.

9.4 Current Accounts with Subsidiaries / Holding Company:

The Current account balances / Surplus with the CIL & subsidiary companies are reconciled on regular intervals, and the same as on balance sheet date has been reconciled. Adjustment arising out of reconciliation are carried out continuously. Current account Transactions with the Holding Company and with its other subsidiaries are accounted for on the basis of debit / credit memos and such are free of interest. However, revenue expenses pending adjustment are provided for.

9.5 Amount deposited in Escrow Account is not freely available for use as being deposited under the Mine Closure Plan Scheme. Escrow Account has been opened for all 90 Mines in operation having closing balance ₹ 1048.37 Crore (₹ 871.53 Crore) which includes interest earned (Net of TDS) ₹ 190.59 Crore (Interest ₹ 123.98 Crore).

9.6 Other Deposits ₹ 73.56 Crore includes ₹ 4.02 Crore (₹ 10.29 Crore) of CERL given to IRCON International Ltd. for execution of works related to the East Rail Corridor (Phase-I) project.

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
(i) Capital Advances^{10.1}	688.97		226.20		216.35	
Less: Deferred Fair Value Loss - Ind AS Adjust.	470.38		-		-	
Less: Provision for doubtful Loans & Advances	0.53	218.06	0.53	225.67	0.53	215.82
(ii) Advances other than capital advances						
(a) Security Deposit for utilities	-		-		-	
Less : Provision for Doubtful Deposits	-	-	-	-	-	-
(b) Other Deposits	-		-		-	
Less : Provision doubtful debts	-	-	-	-	-	-
(c) Advances to related parties						
(d) Advances for Revenue	0.79		11.14		18.97	
Less : Provision for doubtful Loans & Advances	0.79	-	0.79	10.35	0.79	18.18
(e) Exploratory drilling Works						
Less : Provision						
(f) Prepaid Expenses						
(g) Others						
TOTAL		218.06		236.02		234.00

10.1 Capital Advance ₹ 688.97 Crore (₹ 226.20 Crore) includes ₹ 337.26 Crore (₹ 101.83 Crore) of CERL and ₹ 162.73 Crore (₹ 29.19 Crore) of CEWRL given to South East Central Railway (SECR) for acquisition of Land as non interest bearing refundable advance and as per Ind AS-109, provision for deferred fair value loss ₹ 317.29 Crore (₹ 0.00) and ₹ 153.09 (₹ 0.00) made on such advances respectively. Further, Advance given to IRCON for Deposit works by CERL ₹ 25.66 Crore (0.00) and by CEWRL ₹ 20.02 Crore (0.00).



NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
(a) Advance for Capital						
Less : Provision for Doubtful Advances	-	-	-	-	-	-
(b) Advance for Revenue	41.10		38.11		38.74	
Less : Provision for doubtful advances	-	41.10	-	38.11	-	38.74
(c) Advance payment of statutory dues	-		-		-	
Less : Provision for doubtful advances	-	-	-	-	-	-
(d) Advance to Related Parties		-		-		-
(e) Advance to Employees	5.18		6.96		5.58	
Less : Provision for doubtful advances	-	5.18	-	6.96	-	5.58
(f) Advance to Others						
- Secured considered good	-		-		-	
Less : Provision for doubtful advances	-	-	-	-	-	-
(g) Deposits		-		-		-
(h) Cenvat / Vat Credit Receivable		170.98		87.61		83.90
(i) Prepaid Expenses		7.32		0.17		0.14
TOTAL		224.58		132.85		128.36

NOTE - 12 : INVENTORIES

(₹ in Crore)

	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
(a) Stock of Coal ^{12.3}	1,291.01		1,442.15		902.46	
Coal under development	-		-		1.21	
Less : Provision	-		-		-	
Stock of Coal (Net)		1,291.01		1,442.15		903.67
(b) Stock of Stores & Spares (at cost) ^{12.1}	286.96		287.79		301.58	
Stores in Transit	18.07		15.72		17.77	
	305.03		303.51		319.35	
Less : Provision	51.11		47.79		46.53	
Net Stock of Stores & Spares (at cost)		253.92		255.72		272.82
(c) Stock of Medicine at Central Hospital		1.02		-		-
(d) Net Stock of Workshop Jobs						
Work-in-progress and Finished Goods	154.12		131.55		145.33	
Less : Provision	-	154.12	-	131.55	-	145.33
		1,700.07		1,829.42		1,321.82

12.1 The Closing Stock of Stores at Central and Regional Stores has been considered in the Accounts as per balances appearing in Financial Ledger on progressive monthly weighted average method.

12.2 Inventories have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

12.3 Refer Annexure to Note-12 for Quantative details of Stock of Coal.

ANNEXURE TO NOTE - 12

Table A : Reconciliation of closing stock of Coal adopted in Account with Book stock :

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

Particulars	Current Period / Year						Previous Year					
	Overall Stock-Vendable		DCC (Coal, Coal fines, gas etc.)		Total		Overall Stock-Vendable		DCC (Coal, Coal fines, gas etc.)		Total	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1 (A) Opening stock	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
(B) Adjustment in Opening Stock												
Total	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
2 Production*	1400.03						1379.34					
Sub-Total (1+2)	1520.05						1507.50					
3 Off-Take:												
(A) Outside Despatch**	1376.06	18467.42	0.00	18.68	1376.06	18486.10	1386.54	17918.00	0.00	25.87	1386.54	17943.87
(B) Outside Despatch Development Mine												
(C) Own Consumption	0.66	17.11			0.66	17.11	0.94	21.51			0.94	21.51
Sub-Total (3)	1376.72	18484.53	0.00	18.68	1376.72	18503.21	1387.48	17939.51	0.00	25.87	1387.48	17965.38
4 Derived Stock#	143.33	1195.91	2.20	110.72	145.53	1306.63	120.02	1365.42	2.02	92.05	122.04	1457.47
5 Measured Stock#	139.33	1167.18	1.98	99.68	141.31	1266.86	116.94	1337.21	1.80	81.20	118.74	1418.41
Difference (4-5)	4.00	28.73	0.22	11.04	4.22	39.77	3.08	28.21	0.22	10.85	3.30	39.06
6 Break-up of Difference:												
(A) Excess within 5%	3.31	25.23	0.00	0.00	3.31	25.23	2.71	24.14	0.01	0.21	2.72	24.35
(B) Shortage within 5%	0.03	1.04	0.00	0.04	0.03	1.08	0.45	0.61	0.00	0.00	0.45	0.61
(C) Excess beyond 5%#	0.72	4.54	0.22	11.08	0.94	15.62	0.82	4.68	0.21	10.64	1.03	15.32
(D) Shortage beyond 5% ##	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing stock in A/c (5+6A-6B)	142.61	1191.37	1.98	99.64	144.59	1291.01	119.20	1360.74	1.81	81.41	121.01	1442.15

* Production includes 44.80 Lakh Tonne from Gare Palma IV/2&3 OC and 8.44 lakh tonne from Gare Palma IV/1.

** Outside despatch includes 34.64 Lakh tonne from Gare Palma IV/2&3 amounting to ₹ 331.19 Crore net sales and 6.54 lakh tonne from Gare Palma IV/1 amounting to ₹ 92.22 Crore net sales.

Stock includes 11.42 Lakh tonne Coal amounting to ₹ 27.28 Crore is lying at Gare Palma IV/2 & 3 and 1.90 lakh tonne Coal amounting to ₹ 6.33 Crore is lying at Gare Palma IV/1 for which Coal India has been appointed as a designated custodian. Further, Closing Stock Includes vendable fired Stock of Coal 0.29 Lakh tonne of Jampali OC of Raigarh Area.

Excess of Derived Stock Over Measured Stock beyond 5%, consist 0.11 Lte amounting to ₹ 1.11 Crore of Amgaon OC (Bishrampur Area) & 0.61 Lte amounting to ₹ 3.43 Crore of Jampali OC (Raigarh Area).

Excess beyond 5% 0.22 Lte amounting to ₹ 11.08 Crore is excess of books stock over measured stock of coal fines at DCC.

Table B : Summary of Closing Stock of Coal

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

Particulars	Current Period / Year						Previous Year					
	Raw Coal		DCC (Coal, Coal fines, gas etc.)		Total		Raw Coal		DCC (Coal, Coal fines, gas etc.)		Total	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock	120.02	1365.42	2.02	92.05	122.04	1457.47	128.16	849.72	1.07	53.95	129.23	903.67
Less: Non-vendable Coal	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
Adjusted Opening Stock (Vendable)	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
Production	1400.03						1379.34					
Offtake												
(A) Outside Despatch	1376.06	18467.42		18.68	1376.06	18486.10	1386.54	17918.00		25.87	1386.54	17943.87
(B) Coal feed to Washeries	0.00	0.00			0.00	0.00	0.00	0.00			0.00	0.00
(C) Own Consumption ¹	0.66	17.11			0.66	17.11	0.94	21.51			0.94	21.51
TOTAL	1376.72	18484.53		18.68	1376.72	18503.21	1387.48	17939.51		25.87	1387.48	17965.38
Closing Stock *	143.33	1195.91	2.20	110.72	145.53	1306.63	120.02	1365.42	2.02	92.05	122.04	1457.47
Less: Shortage	0.72	4.54	0.22	11.08	0.94	15.62	0.82	4.68	0.21	10.64	1.03	15.32
Closing Stock *	142.61	1191.37	1.98	99.64	144.59	1291.01	119.20	1360.74	1.81	81.41	121.01	1442.15

* Non-vendable Stock – Nil

Note:

- Own consumption includes 0.54 lakh Tonnes valuing ₹ 13.75 Crore, being the coal transferred to Dankuni Coal Complex and 0.12 lakh Tonnes valuing ₹ 3.36 Crore issued for other purposes.
- Closing stock of coal at Dankuni Coal Complex includes raw coal 0.05 Lte valuing ₹ 2.54 Crore and closing stock of Coal fines 2.15 Lakh tonnes valuing ₹ 97.05 Crore.



NOTE - 13 : TRADE RECEIVABLES [Refer Note 38(1)]

(₹ in Crore)

	As at 31.03.2017		As at 31.03.2016 (Restated)		As at 01.04.2015 (Restated)	
Current						
(i) Trade Receivables						
- Secured considered good ^{13.1}	233.67		139.42		159.17	
- Unsecured considered good	2,488.21		2,511.19		2,118.54	
- Doubtful	1,297.24		334.32		252.14	
	4,019.12		2,984.93		2,529.85	
Less : Provision for bad & doubtful debts	1,297.24	2,721.88	334.32	2,650.61	252.14	2,277.71
TOTAL		2,721.88		2,650.61		2,277.71

13.1 Secured Trade Receivable have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

13.2 Trade Receivables are secured either by deposits or through Bank Guarantees to the extent available.

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
(a) Balances with Banks			
- In Deposit Accounts	-	-	-
- In Current Accounts	990.02	352.11	285.21
- In Cash Credit Accounts	-	-	5.32
(b) Cheques, Drafts and Stamps in hand	-	-	-
(c) Cash on hand	0.02	0.46	0.34
(d) Remittance in transit	-	-	-
(f) Others	-	-	-
Less : Overdraft	-	-	-
TOTAL	990.04	352.57	290.87

14.1 Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments are Nil. There is no repatriation restrictions in respect of cash and bank balances of the Company.

14.2 Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December, 2016 are as below:

(₹ in Crore)

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	0.22	0.11	0.33
(+) Permitted Receipts#	0.02	50.59	50.61
(-) Permitted Payments#	-	37.46	37.46
(-) Amount deposited in Banks	0.24	13.06	13.30
Closing cash in hand as on 30.12.2016	-	0.18	0.18

Permitted Receipts of SBNs at Hospitals, other denomination notes withdrawal from Banks and payment to employees.

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Balances with Banks			
In deposit accounts	2,745.64	4,367.71	9,089.09
Mine Closure Plan	-	-	-
Unpaid dividend accounts	-	-	-
TOTAL	2,745.64	4,367.71	9,089.09

- 15.1 Balances with Banks in Deposits includes Balances with banks having maturity period of more than 3 months but not exceeding 12 months.
- 15.2 Fixed Deposit amounting to ₹ 0.32 Crore at Dankuni Coal Complex, a unit of the Company is in name of Coal India Ltd. Interest earned and TDS thereon has been transferred to CIL.
- 15.3 Deposit accounts with Banks includes ₹ 408.37 Crore (₹ 504.41 Crore) held by the Company is being deposited in separate Bank accounts which has been recovered from the consumers for Terminal Tax, from suppliers on explosives bills.

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
Authorised			
(i) 1,00,00,000 (1,00,00,000) Equity Shares of ₹ 1000/- each	1000.00	1000.00	1000.00
	1000.00	1000.00	1000.00
Issued, Subscribed and Paid-up			
29,87,750 (35,97,000) Equity Shares of ₹ 1000/- each	298.78	359.70	359.70
	298.78	359.70	359.70

- 16.1 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 Nominee		
As at 31.03.2017	2987750	100
As at 31.03.2016 (Restated)	3597000	100
As at 01.04.2015 (Restated)	3597000	100

- 16.2 During the period, the Company has not issued any shares. However pursuant to letter of offer dated 12.03.2017 the Company bought back its 6,09,250 numbers of Equity Shares of face value of ₹ 1,000 each fully paid up through tender offer and extinguished these shares. Post such buy-back the number of fully paid equity shares as on 31.03.2017 stand as 29,87,750.
- 16.3 The Company has only one class of equity shares having a face value ₹ 1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.



NOTE - 17 : OTHER EQUITY

(₹ in Crore)

	Preference Share Capital	Other Reserves				General Reserve	Retained Earnings	Total
		Capital Redemption reserve	Capital reserve	CSR Reserve	Sustainable Development Reserve			
Balance as at 01.04.2015	-	300.00	0.01	-	-	3,311.58	5,572.59	9,184.18
Additions during the year	-	-	-	-	-	-	-	-
Changes in accounting policy	-	-	-	-	-	-	128.58	128.58
Prior period errors	-	-	-	-	-	-	0.63	0.63
Restated Balance as at 01.04.2015	-	300.00	0.01	-	-	3,311.58	5,701.80	9,313.39
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	162.40	-	162.40
Total comprehensive income during the year	-	-	-	-	-	-	3,322.19	3,322.19
Appropriations								
Transfer to General reserve	-	-	-	-	-	-	(162.40)	(162.40)
Transfer to Other reserves	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	(6390.32)	(6390.32)
Final Dividend	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	(1300.94)	(1300.94)
Any other change	-	-	-	-	-	-	-	-
Balance as at 31.03.2016 - Restated	-	300.00	0.01	-	-	3,473.98	1,170.33	4,944.32
Balance as at 01.04.2016	-	300.00	0.01	-	-	3,473.98	1,170.33	4,944.32
Additions during the year	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated Balance as at 01.04.2016	-	300.00	0.01	-	-	3,473.98	1,170.33	4,944.32
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Transfer from Other reserves/ Retained earnings	-	-	-	-	-	103.93	-	103.93
Total comprehensive income during the year	-	-	-	-	-	-	2,078.53	2,078.53
Appropriations								
Transfer to General reserve	-	-	-	-	-	-	(103.93)	(103.93)
Transfer to Other reserves	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	(2133.47)	(2133.47)
Final Dividend	-	-	-	-	-	-	0.00	0.00
Corporate Dividend tax	-	-	-	-	-	-	(434.32)	(434.32)
Buyback of Equity Shares ^{17.3}	-	60.92	-	-	-	(1463.04)	-	(1402.12)
Balance as at 31.03.2017	-	360.92	0.01	-	-	2,114.87	577.14	3,052.94

17.1 **Authorised Preference Share Capital :**

30,00,000 (30,00,000) 10% Cumulative Redeemable Preference Shares of ₹ 1000/- each amounting to ₹ 300.00 Crore.

17.2 **Issued, Subscribed and Paid up Preference Share Capital : NIL**

17.3 ₹ 1463.04 Crore includes Buyback consideration ₹ 1200.19 Crore and ₹ 262.85 Crore tax u/s 115QA of Income tax Act, 1961.

NOTE 18: BORROWINGS

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Non-Current			
Term loan			
Loan from Related Parties ^{18.1}	127.66	87.85	30.60
Other Loans			
TOTAL	127.66	87.85	30.60
CLASSIFICATION 1			
Secured	127.66	87.85	30.60
Unsecured	-	-	-
Current			
Loans repayable on demand			
From Coal India Ltd ^{18.3}	250.00	-	-
Loans from Related Parties ^{18.2}	109.19	-	-
Other Loans	-	-	-
TOTAL	359.19	-	-
CLASSIFICATION 1			
Secured	109.19	-	-
Unsecured	-	-	-



18.1 - NON CURRENT LOAN FROM RELATED PARTIES

Name of Related Parties	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
	Principle	Interest	Principle	Interest	Principle	Interest
IRCON International Limited	78.00	14.75	58.50	5.42	30.00	0.60
CSIDCL	30.00	4.91	22.50	1.43	NIL	NIL
TOTAL	108.00	19.66	81.00	6.85	30.00	0.60

Loan from IRCON International Ltd.

Loan from IRCON International Ltd. consist ₹ 39.00 Crore (₹ 39.00 Crore) of M/s Chhattisgarh East Railway Limited (CERL) and ₹ 39.00 Crore (₹ 19.50 Crore) of M/s Chhattisgarh East-West Railway Limited (CEWRL) which are secured by first charge on all infrastructures to be created/ developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Interest due as on Balance sheet date are ₹ 9.98 Crore (₹ 5.03 Crore) & ₹ 4.77 Crore (₹ 0.39) for CERL & CEWRL respectively. Rate of interest are @ 12% per annum with compounding at quarterly rests.

Loan from CSIDCL

Loan from CSIDCL consist ₹ 15.00 Crore (₹ 15.00 Crore) of M/s Chhattisgarh East Railway Limited (CERL) and ₹ 15.00 Crore (₹ 7.50 Crore) of M/s Chhattisgarh East-West Railway Limited (CEWRL) which are secured by first charge on all infrastructures to be created/ developed and all future receivables of borrowers. Repayment period of loan shall be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Interest due ₹ 3.08 Crore (₹ 1.25 Crore) & ₹ 1.83 Crore (₹ 0.18) for CERL & CEWRL respectively. Rate of interest are @ 12% per annum with compounding at quarterly rests.

18.2 - CURRENT LOAN FROM RELATED PARTIES

Name of Related Parties	As at 31-03-2017		As at 31-03-2016 (Restated)		As at 01-04-2015 (Restated)	
	Principle	Interest	Principle	Interest	Principle	Interest
IRCON International Limited	78.00	0.69	NIL	NIL	NIL	NIL
CSIDCL	30.00	0.50	NIL	NIL	NIL	NIL
TOTAL	108.00	1.19	NIL	NIL	NIL	NIL

CERL has entered into a Term Loan Agreement with IRCON and CSIDCL on 26.05.2016, 30.01.2017 and 17.01.2017 at a rate linked to SBI MCLR as on 01.05.2016 with a spread of 50 basis points which comes to 9.65% per annum with compounding at quarterly rests. The repayment period of loan shall be within 6 months of the Financial Closure of Phase-I Project of CERL or within 1 year from the date of the signing of this loan agreement, whichever is earlier.

18.3 Loan provided by Coal India Ltd (Holding Company) ₹ 250.00 Crore on 31.03.2017. The rate of interest of the loan is 6.35% p.a.

NOTE - 19 : TRADE PAYABLES

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Current			
Trade Payables for Micro, Small and Medium Enterprises	3.48	2.82	7.23
Other Trade Payables for			
- Stores and Spares	-	-	-
- Power & Fuel	84.54	69.62	63.75
- Others ^{19.1}	895.49	792.11	724.90
TOTAL	983.51	864.55	795.88

19.1 Others includes liabilities related to contractual works and other expenses.

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Non-Current			
Security Deposits	232.43	326.90	344.57
Earnest Money Deposit	-	-	-
Others ^{20.1}	455.38	546.99	483.49
	687.81	873.89	828.06
Current			
Current Account With Subsidiaries	-	-	-
Current Account with Coal India Ltd.	40.60	-	47.06
Current Maturities of Long Term debt	-	-	-
Unpaid dividends	-	-	-
Security Deposits	213.52	158.42	134.78
Earnest money	59.03	52.33	49.87
Interim dividend	-	-	-
Others ^{20.2}	758.79	499.75	460.49
TOTAL	1071.94	710.50	692.20

20.1 ₹ 455.38 Crore (₹ 546.99 Crore) includes ₹ 444.63 Crore (₹ 536.60 Crore) relating to amount realized from customers and employees on account of cases pending before various courts / arbitration with interest earned on bank deposits related to such liabilities.

20.2 Others includes Liabilities relating to Capital Goods, Payables to PF / Pension Authorities and liability provided on account of claims by consumers for underloading & quality etc.



NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Non-Current			
Employee Benefits			
- Gratuity	-	-	-
- Leave Encashment	264.50	544.01	494.28
- Other Employee Benefits	233.07	212.40	232.17
Mine Closure ^{21.4}	1097.86	1028.06	963.73
Stripping Activity Adjustments ^{21.1}	7964.21	6765.56	5948.96
Others	-	-	-
TOTAL	9559.64	8550.03	7639.14
Current			
For Employee Benefits			
- Gratuity	56.40	158.43	149.49
- Leave Encashment	61.74	51.04	45.75
- Ex- Gratia	338.75	312.28	264.45
- Performance Related Pay ^{21.2}	322.95	525.26	503.21
- Other Employee Benefits ^{21.3}	299.31	270.12	224.63
- NCWA-X ^{21.5}	417.69	-	-
- Pay Revision- Executives ^{21.6}	17.65	-	-
Mine Closure	-	-	-
For Excise Duty on Closing Stock of Coal	130.48	136.11	102.26
Others	-	-	0.60
TOTAL	1644.97	1453.24	1290.39

- 21.1 Stripping Activity Adjustments consists of Deferred Stripping Activity expenses and Other Stripping Activity Adjustment.
- 21.2 An amount of ₹ 4.36 Crore paid as advance against Performance Related Pay (PRP), adjusted against the provision made.
- 21.3 Provision for Other Employee Benefits includes ₹ 259.54 Crore (₹ 223.14 Crore) provided for Superannuation benefits @ 9.84% till balance sheet date.
- 21.4 Provision for Mine Closure :
- Mine Closure Provision has been estimated using the Discounted Cash flow Method and cost per hectare as specified in guidelines issued by ministry of Ministry of Coal, GOI, has been considered for estimation.
- 21.5 Pending finalisation of National Coal Wage Agreement (NCWA-X) for Non-Executives, an estimated lump sum provision @8000/- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017.
- 21.6 Pending finalisation of Pay Revision for Executives, an estimated lump sum provision @18000/- per Executive per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017.

NOTE - 22 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Deffered Income	1.55	-	-
Shifting & Rehabilitation Fund	-	-	-
	1.55	-	-

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2017	As at 31-03-2016 (Restated)	As at 01-04-2015 (Restated)
Capital Expenditure	-	-	-
Liability for Salary Wages and Allowances	398.21	395.53	403.07
Statutory Dues:			
Sales Tax/Vat	28.43	15.23	19.95
Provident Fund & Others	101.40	96.55	100.73
Central Excise Duty	-	3.01	-
Royalty & Cess on Coal	187.08	137.87	151.13
Stowing Excise Duty	25.52	24.31	21.85
Clean Energy Cess	1020.28	738.47	225.56
District Mineral Exploration Trust	238.05	60.19	-
National Mineral Foundation Trust	4.97	29.99	-
Other Statutory Levies	53.79	63.63	70.74
Income Tax deducted/collected at Source	39.19	42.93	38.33
Income Tax deducted/collected at Source	1,698.71	1,212.18	628.29
Advance from customers / others ^{23.1}	3284.15	1162.45	1737.56
Others liabilities ^{23.2}	-	-	-
TOTAL	5,381.07	2,770.16	2,768.92

23.1 Advance & Deposit from Customers & Others includes ₹ 15.48 Crore received from Devnara Coalfields Ltd. towards recoverable cost of exploration of Rajgamar Dip Side (Devnara coal block).

23.2 No unpaid dividend amount is due for payment to Investor Education & Protection Fund.



NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)	For the Year ended 31-03-2016 (Restated)
A. Sales of Coal	29215.53	24900.03	24900.03
Less :Statutory Levies			
Royalty	2249.44	2169.94	2169.94
Cess on Coal	319.87	319.75	319.75
Stowing Excise Duty	137.61	138.65	138.65
Central Sales Tax	257.93	245.55	245.55
Clean Energy Cess	5504.33	3024.89	3024.89
State Sales Tax/VAT	806.75	639.91	639.91
National Mineral Exploration Trust	57.59	41.07	41.07
District Mineral foundation	1247.52	231.73	231.73
Other Levies	148.39	144.67	144.67
Total Levies	10729.43	6956.16	6956.16
Net Sales (A)	18486.10	17943.87	17943.87
B. Other Operating Revenue			
Subsidy for Sand Stowing & Protective Works	7.78	13.80	13.80
Loading and additional transportation charges	485.92	418.05	362.90
Less : Other Statutory Levies	43.27	17.25	40.67
Other Operating Revenue (B)	450.43	414.60	391.18
Revenue From Operations (A+B)	18936.53	18358.47	18335.05

24.1 Net Sales of current period includes ₹ 331.19 Crore sale of 34.64 Lakh Te coal related to Gare Palma IV/2&3 Mine and ₹ 92.22 Crore sale of 6.54 lakh Te coal of Gare Palma IV/1 for which Coal India Ltd. has been appointed as custodian akin to a designated custodian w.e.f 01.04.2015.

24.2 Net Sales of includes Excise Duty ₹ 1277.07 Crore (₹ 1198.20 Crore)

24.3 Other Operating Revenue includes Excise Duty ₹ 25.58 Crore (₹ 23.42 Crore)

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)	For the Year ended 31-03-2016 (Restated)
Interest Income			
Deposit with Banks	255.82	710.87	710.87
Investment	-	7.85	7.85
Loans	0.12	0.17	0.17
Fund parked with Coal India Limited (Holding Co.)	16.40	1.16	1.16
Interest on Escrow Account	73.92	63.83	
Others	219.67	129.22	129.22
Dividend Income			
Dividend from Mutual Fund	23.72	47.72	47.72
Other Non-Operating Income			
Profit on Sale of Assets	1.36	0.19	0.19
Lease Rent	14.07	15.43	15.43
Liability Write Back	347.95	69.29	69.29
Excise Duty on Decrease in Stock	4.60	-	-
Others	255.78	122.35	122.35
TOTAL	1213.41	1168.08	1104.25



NOTE 26 : COST OF MATERIAL CONSUMED

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Explosives	300.86	315.36
Timber	6.96	8.62
Oil & Lubricants	423.18	417.54
HEMM Spares	186.97	200.63
Other Consumable Stores & Spares	504.26	579.93
TOTAL	1422.23	1522.08

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
A Coal		
Opening Stock	1442.15	902.46
Add: Adjustment of opening stock ^{27.1}		1.21
Less: Deterioration	-	-
Net Opening Stock	1442.15	903.67
Less:-		
Closing Stock	1291.01	1442.15
Less: Deterioration		
Net Closing Stock	1291.01	1442.15
Change in Inventory of Coal (A)	151.14	(538.48)
B Workshop made finished goods and WIP		
Opening Stock	131.55	145.33
Add: Adjustment		
Less: Provision		
Net Opening Stock	131.55	145.33
Less:		
Closing Stock	154.12	131.55
Less: Provision		
Net Closing Stock	154.12	131.55
Change in Inventory of workshop (B)	(22.57)	13.78
Change in Inventory of Stock in trade (A+B) { Decretion / (Accretion) }	128.57	(524.70)

27.1 During the previous year Vijaya West Mine at Chirimiri brought to revenue and Development Stock 0.04 lakh tonne amounting ₹ 1.21 Crore adjusted in revenue stock.

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Salary, Wages, Allowances, Bonus etc.	4559.55	4586.01
Ex-Gratia	326.61	331.23
Performance Related Pay	39.07	41.68
Contribution to P.F. & Other Funds (Ref. Note-38.3)	551.82	545.37
Gratuity (Ref. Note-38.3)	231.09	194.59
Leave Encashment (Ref. Note-38.3)	233.04	175.90
Voluntary Retirement Schemes	-	-
Workman Compensation	0.83	1.12
Medical Expenses for existing employees	124.74	112.86
Medical Expenses for retired employees	8.83	11.55
Grants to Schools & Institutions	48.25	42.60
Sports & Recreation	4.42	6.67
Canteen & Creche	0.14	0.14
Power - Township	259.67	213.01
Hire Charges of Bus, Ambulance etc.	15.12	11.89
Other Employee Benefits	317.48	229.13
NCWA X-Provision ^{28.1}	417.69	-
Pay Revision- Executives ^{28.2}	17.65	-
	7156.00	6503.75

28.1 Pending finalisation of National Coal Wage Agreement (NCWA-X) for Non-Executives, an estimated lump sum provision @8000/- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017.

28.2 Pending finalisation of Pay Revision for Executives, an estimated lump sum provision @18000/- per Executive per month, considering total impact of increase in all elements of salary & wages (including the employer's PF Contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017.

NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
CSR Expenses	42.50	270.85
TOTAL	42.50	270.85

CSR Policy framed by Coal India Ltd. incorporated the features of the Companies Act, 2013 and other relevant notifications. The fund for CSR, 2% of the average net profit for the three immediate preceding financial years or ₹ 2.00 per tonne of coal production of previous year, whichever is higher, comes to ₹ 120.24 Crore (₹ 127.68 Crore). Further, an amount of ₹ 186.35 Crore (₹ 108.61 Crore) is Non-lapsable.



NOTE 30 : REPAIRS

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Building	22.51	21.37
Plant & Machinery	159.98	176.99
Others	6.37	5.67
TOTAL	188.86	204.03

30.1 Others includes Repair expenses incurred on repairs of Items Other than Building & plant and Machinery.

NOTE 31 : CONTRACTUAL EXPENSES

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Transportation Charges:		
- Sand		
- Coal	839.70	802.47
- Stores & Others	-	
Wagon Loading	26.82	22.64
Hiring of P&M	645.11	546.73
Other Contractual Work	826.35	728.86
TOTAL	2337.98	2100.70

NOTE 32 : FINANCE COST

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Interest Expenses		
Borrowings	-	-
Unwinding of Interest	69.80	64.32
Loss on Exchange Rate Variance	-	-
Others	11.15	0.65
Other Borrowing Cost	-	-
TOTAL (A)	80.95	64.97

NOTE 33 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
(A) Provision made For		
Doubtful debts	962.92	82.18
Doubtful Advances & Claims	0.07	-
Stores & Spares	3.32	1.26
Others	22.59	148.68
TOTAL (A)	988.90	232.12
(B) Provision Reversal		
Doubtful debts		
Doubtful Advances & Claims	-	3.40
Stores & Spares	-	-
Others	-	-
TOTAL (B)		3.40
TOTAL (A-B)	988.90	228.72

NOTE 34 : WRITE OFF (NET OF PAST PROVISIONS)

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Doubtful debts	-	-
Less :- Provided earlier	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
Others	-	4.19
Less :- Provided earlier	-	-
	-	4.19
TOTAL	-	4.19



NOTE 35 : OTHER EXPENSES

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Travelling expenses		
- Domestic	32.45	31.13
- Foreign	0.41	0.10
Training Expenses	10.61	10.16
Telephone & Postage	8.36	7.58
Advertisement & Publicity	10.21	12.58
Freight Charges	10.34	14.51
Demurrage	22.13	22.24
Donation/Subscription	0.03	0.08
Security Expenses	95.73	66.48
Service Charges of CIL ^{35.3}	70.70	67.83
Hire Charges	49.91	38.70
CMPDIL Charges ^{35.2}	62.63	50.99
Legal Expenses	2.51	1.71
Bank Charges	0.09	0.25
Guest House Expenses	2.37	2.32
Consultancy Charges	5.01	1.92
Under Loading Charges	76.84	63.71
Loss on Sale/Discard/Surveyed of Assets	0.02	0.43
Auditor's Remuneration & Expenses		
- For Audit Fees	0.39	0.22
- For Taxation Matters	0.02	0.02
- For Other Services	0.22	0.18
- For Reimbursement of Exps.	0.44	0.14
Internal & Other Audit Expenses	2.75	2.37
Rehabilitation Charges ^{35.1}	82.78	81.96
Royalty & Cess	2.38	2.91
Central Excise Duty	-	35.16
Rent	2.93	0.61
Rates & Taxes	40.34	12.66
Insurance	0.09	0.02
Lease Rent ^{35.4}	2.36	0.48
Rescue/Safety Expenses	16.92	17.99
Dead Rent/Surface Rent	0.75	6.86
Siding Maintenance Charges	8.06	10.87
Land/Crops Compensation	0.01	0.20
R & D expenses	0.39	2.33
Environmental & Tree Plantation Expenses	50.25	24.65
Miscellaneous expenses	34.39	35.92
TOTAL	705.82	628.27

35.1 As per the decision of Ministry of Coal, an amount of ₹ 82.78 Crore (₹ 81.96 Crore) was debited to Rehabilitation expenses towards mobilisation of funds for implementation of action plan for shifting and rehabilitation, dealing with fire and stabilisation of unstable Areas at ECL and BCCL.

35.2 CMPDIL Charges are related to revenue nature works by CMPDIL.

35.3 Service Charges of CIL related to services provided by CIL.

35.4 Lease Rent includes ₹ 1.80 Crore plus taxes, Rent paid to CIL for Dankuni Coal Complex.

NOTE 36 : TAX EXPENSE

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
Current Year	1,444.82	2,049.92
Deferred tax	(187.08)	(158.63)
Earlier Years	(109.74)	-
TOTAL	1148.00	1891.29

NOTE 37 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

	For the Year ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
(A) (i) Items that will not be reclassified to profit or loss		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	61.33	99.01
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	61.33	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	21.23	34.27
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
	21.23	34.27
TOTAL (A)	40.10	64.74
(B) (i) Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	-	-
TOTAL (B)	-	-
TOTAL (A+B)	40.10	64.74



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

1. FAIR VALUE MEASUREMENT

(a) Financial Instruments by Category

(₹ in Crore)

	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets-Non Current										
Investments : Equity Shares Subsidiary Companies	7	-	-	0.00	-	-	0.00	-	-	0.00
Loans	8	-	-	8.78	-	-	10.63	-	-	13.00
Other Financial Assets	9	-	-	1624.87	-	-	1220.41	-	-	944.13
Financial Liabilities- Non-Current										
Borrowings	18	-	-	127.66	-	-	87.85	-	-	30.60
Trade payables	19	-	-	0.00	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	232.43	-	-	326.90	-	-	344.57
Other Liabilities	20	-	-	455.38	-	-	546.99	-	-	483.49

	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets-Current										
Investments : Mutual Fund	7	153.88	-	-	95.72	-	-	123.16	-	-
Trade receivables	13	-	-	2721.88	-	-	2650.61	-	-	2277.71
Cash & cash equivalents	14	-	-	990.04	-	-	352.57	-	-	290.87
Other Bank Balances	15	-	-	2745.64	-	-	4367.71	-	-	9089.09
Loans	8	-	-	0.73	-	-	0.96	-	-	1.25
Other Financial Assets	9	-	-	689.95	-	-	756.68	-	-	703
Financial Liabilities-Current										
Borrowings	18	-	-	359.19	-	-	0.00	-	-	0.00
Trade payables	19	-	-	983.51	-	-	864.55	-	-	795.88
Security Deposit and Earnest money	20	-	-	272.55	-	-	210.75	-	-	184.65
Other Liabilities	20	-	-	799.39	-	-	499.75	-	-	507.55

(b) Fair value hierarchy

Security Deposits:-

The Company considers that the “Security Deposits” does not include a significant financing component. The milestone payments (security deposits) coincide with the Company’s performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the Company, from the contractor failing to adequately complete its obligations under the contract’. Accordingly transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crore)

Financial assets and liabilities measured at fair value – recurring fair value measurement	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL										
Investments :										
Mutual Fund	7	153.88	-	-	95.72	-	-	123.16	-	-
Financial Liabilities										
If any item		-	-	-	-	-	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 st March, 2017	Note No.	31 st March 2017			31 st March 2016			01 st April 2015		
		Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets-Non-Current										
Investments : Equity Shares	7	-	-	0.00	-	-	0.00	-	-	0.00
Subsidiary Companies										
Loans	8	-	-	8.78	-	-	10.63	-	-	13.00
Deposits & receivable	9	-	-	1624.87	-	-	1220.41	-	-	944.13
Financial Liabilities-Non-Current										
Borrowings	18	-	-	127.66	-	-	87.85	-	-	30.60
Trade payables	19	-	-	0.00	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	232.43	-	-	326.90	-	-	344.57
Other Liabilities	20	-	-	455.38	-	-	546.99	-	-	483.49
Financial Assets-Current										
Trade receivables	13	-	-	2721.88	-	-	2650.61	-	-	2277.71
Cash & cash equivalents	14	-	-	990.04	-	-	352.57	-	-	290.87
Other Bank Balances	15	-	-	2745.64	-	-	4367.71	-	-	9089.09
Loans	8	-	-	0.73	-	-	0.96	-	-	1.25
Other Financial Assets	9	-	-	689.95	-	-	756.68	-	-	703.00
Financial Liabilities-Current										
Borrowings	18	-	-	359.19	-	-	0.00	-	-	0.00
Trade payables	19	-	-	983.51	-	-	864.55	-	-	795.88
Security Deposit and Earnest money	20	-	-	272.55	-	-	210.75	-	-	184.65
Other Liabilities	20	-	-	799.39	-	-	499.75	-	-	507.55

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

Comment: In case Level of Fair valuation hierarchy changes then the same shall be disclosed.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include:

- The use of quoted market prices of instruments
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(D) Fair values of financial assets and liabilities measured at amortised cost

(₹ in Crore)

	Note No.	31 st March 2017		31 st March, 2016		01 st April 2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets-Non Current							
Investments : Equity Shares Subsidiary Companies	7	0.00	0.00	0.00	0.00	0.00	0.00
Loans	8	8.78	8.78	10.63	10.63	13.00	13.00
Deposits & receivable	9	1624.87	1624.87	1220.41	1220.41	944.13	944.13
Financial Liabilities-Non-Current			0.00		0.00		0.00
Borrowings	18	127.66	127.66	87.85	87.85	30.60	30.60
Trade payables	19	0.00	0.00	0.00	0.00	0.00	0.00
Security Deposit and Earnest money	20	232.43	232.43	326.90	326.90	344.57	344.57
Other Liabilities	20	455.38	455.38	546.99	546.99	483.49	483.49
Financial Assets-Current							
Trade receivables	13	2721.88	2721.88	2650.61	2650.61	2277.71	2277.71
Cash & cash equivalents	14	990.04	990.04	352.57	352.57	290.87	290.87
Other Bank Balances	15	2745.64	2745.64	4367.71	4367.71	9089.09	9089.09
Loans	8	0.73	0.73	0.96	0.96	1.25	1.25
Other Financial Assets	9	689.95	689.95	756.68	756.68	703.00	703.00
Financial Liabilities-Current							0.00
Borrowings	18	359.19	359.19	0.00	0.00	0.00	0.00
Trade payables	19	983.51	983.51	864.55	864.55	795.88	795.88
Security Deposit and Earnest money	20	272.55	272.55	210.75	210.75	184.65	184.65
Other Liabilities	20	799.39	799.39	499.75	499.75	507.55	507.55

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- Other Financial assets accounted at amortised cost is not carried at fair value as same is not material.
- The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy.

Significant estimates: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**2. RISK ANALYSIS AND MANAGEMENT****Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Company is exposed to market risk, credit risk and liquidity risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principals for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk:

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as including outstanding receivables.

Credit risk management:

Macro-economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Fuel Supply Agreements

As contemplated in and in accordance with the terms of the NCDP, we enter into legally enforceable FSAs with our customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power Utilities (“PPUs”) and independent power producers (“IPPs”);
- FSAs with customers in non-power industries (including captive power plants (“CPPs”)); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the MoC.

Provision for expected credit loss: The Company provides for expected loss due to credit risk for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach)

Expected Credit losses for trade receivables under simplified approach

(₹ in Crore)

As on 31.03.2017

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 years	Due for 3 years	Due for more than 3 years	Total
Gross carrying amount	13	1723.28	888.81	365.30	556.30	130.98	354.45	4019.12
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	354.45	354.45
Provision for Grade Slippage		-	-	-	-	-		942.79
Total Provision								1297.24

As on 31.03.2016

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	13	1382.49	256.22	491.52	124.42	395.96	334.32	2984.93
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	334.32	334.32

As on 01.04.2015

Ageing	Note No.	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	13	509.75	839	258.34	582.34	88.28	252.14	2529.85
Expected loss rate		-	-	-	-	-	100%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	252.14	252.14

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of loss allowance provision – Trade receivables

(₹ in Crore)

Provisions	Note no.	Amount
Loss allowance on 01.04.2015	13	252.14
Change in loss allowance		82.18
Loss allowance on 31.03.2016	13	334.32
Changes in loss allowance		20.13
Provision for grade Slippage		942.79
Loss allowance on 31.03.2017	13	1297.24

Significant estimates and judgments Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default, consumer claims and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

C. Market risk**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

c) Capital management

The Company being a government entity manages its capital as per the guidelines of Department of Investment and Public Asset Management (DIPAM) under ministry of finance.

Capital Structure of the Company is as follows:

(₹ in Crore)

	31.03.2017	31.03.2016	01.04.2015
Equity Share capital	298.78	359.70	359.70
Preference share capital	-	-	-
Long term debt	-	-	-



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3. EMPLOYEE BENEFITS: RECOGNITION AND MEASUREMENT (Refer. Note 28) (IND AS-19)

i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is ₹ 497.17 Crore (₹ 497.79 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded-

- Gratuity
- Leave Encashment

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is ₹ 3922.53 Crore (₹ 3730.80 Crore).

(₹ In Crore)

Head	Opening Actuarial Liability as on 01.04.2016	Incremental Liability	Closing Actuarial Liability as on 31.03.2017
Gratuity	2887.69	21.23	2908.92
Earned Leave	520.92	103.77	624.69
Half Pay Leave	71.03	42.27	113.30
Leave Travel Concession - Executive	9.63	0.16	9.79
Leave Travel Concession – Non-Executive	19.91	0.43	20.34
Settlement Allowance Executives	8.97	1.18	10.15
Settlement Allowance Non-Executives	33.24	(0.02)	33.22
Life Cover Scheme- Executives	0.89	0.05	0.94
Life Cover Scheme- Non-Executives	16.64	-	16.64
Group Personal Accident Insurance Scheme	0.23	0.01	0.24
Post-Retirement Medical Benefits-Executives	123.31	18.22	141.53
Post-Retirement Medical Benefits- Non Executives	-	5.58	5.58
Compensation to dependents in case of mine accidental death	38.34	(1.15)	37.19
TOTAL	3730.80	191.73	3922.53

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Disclosure as per Actuary's Certificate**

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

ACTUARIAL VALUATION OF GRATUITY & EL/ HPL LIABILITY AS AT 31.03.2017

DISCLOSURE AS PER IND AS 19

(₹ in Crore)

Table 1: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Changes in Present Value of Obligation as at	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Present value of obligation as on last valuation	2,887.69	2,945.68	591.95	538.47
Current Service Cost	199.01	185.20	205.26	217.63
Interest Cost	196.86	220.31	38.84	38.18
Participant Contribution	-	-	-	-
Plan Amendments: Vested portion at end of period(Past Service)	-	-	-	-
Plan Amendments: Non-Vested portion at end of period (Past Service)	-	-	-	-
Actuarial gain/loss on obligations due to Change in Financial Assumption	135.68	-	86.87	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	(165.54)	(79.98)	(72.55)	(79.91)
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
The effect of change in Foreign exchange rates	-	-	-	-
Benefits Paid	344.77	383.53	112.38	122.42
Acquisition Adjustment	-	-	-	-
Disposal/Transfer of Obligation	-	-	-	-
Curtailment cost	-	-	-	-
Settlement Cost	-	-	-	-
Other(Unsettled Liability at the end of the valuation date)	-	-	-	-
Present value of obligation as on valuation date	2,908.92	2,887.69	737.99	591.95



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 2: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Changes in Fair Value of Plan Assets as at				
Fair value of Plan Assets at Beginning of period	2,860.09	2,875.86	-	-
Interest Income	207.36	230.07	31.46	-
Employer Contributions	239.60	118.66	501.77	-
Participant Contributions	-	-	-	-
Acquisition/Business Combination	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	344.77	383.53	112.38	-
The effect of asset ceiling	-	-	-	-
The effect of change in Foreign Exchange Rates	-	-	-	-
Administrative Expenses and Insurance Premium	-	-	-	-
Return on Plan Assets excluding Interest Income	31.46	19.03	(6.25)	-
Fair value of Plan Assets at End of measurement period	2,993.74	2,860.09	414.60	-

(₹ in Crore)

Table 3: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Table Showing Reconciliation to Balance Sheet				
Funded Status	84.82	(27.60)	(323.39)	(591.95)
Unrecognized Past Service Cost	-	-	-	-
Unrecognized Actuarial gain/loss at end of the period	-	-	-	-
Post Measurement Date Employer Contribution (Expected)	-	-	-	-
Unfunded Accrued/Prepaid Pension cost	-	-	-	-
Fund Asset	2,993.74	2,860.09	414.60	-
Fund Liability	2,908.92	2,887.69	737.99	591.95

(₹ in Crore)

Table 4: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Table Showing Plan Assumptions				
Discount Rate	7.25%	8.00%	7.25%	8.00%
Expected Return on Plan Asset	7.25%	8.00%	7.25%	8.00%
Rate of Compensation Increase (Salary Inflation) Exe Non Exe	9.00%	6.25%	9.00%	6.25%
Pension Increase Rate	N/A	N/A	N/A	N/A
Average expected future service (Remaining working Life)	10	11	10	11
Average Duration of Liabilities	10	11	10	11
Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
Superannuation at age-Male	60	60	60	60
Superannuation at age-Female	60	60	60	60
Early Retirement & Disablement (All Causes Combined)	1% p.a	1% p.a	1% p.a	1% p.a

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 5: Disclosure Item Expense Recognized in statement of Profit/Loss as at	Gratuity		Leave Encashment	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Current Service Cost	199.01	185.20	205.26	217.63
Past Service Cost(vested)	-	-	-	-
Past Service Cost(Non-Vested)	-	-	-	-
Net Interest Cost	(10.50)	(9.76)	7.38	38.18
Cost(Loss)/(Gain) on settlement	-	-	-	-
Cost(Loss)/(Gain) on curtailment	-	-	-	-
Actuarial Gain loss Applicable only for last year	-	-	20.57	(79.91)
Employee Expected Contribution	-	-	-	-
Net Effect of changes in Foreign Exchange Rates	-	-	-	-
Benefit Cost (Expense Recognized in Statement of Profit/loss)	188.51	175.44	233.21	175.90

(₹ in Crore)

Table 6: Disclosure Item Other Comprehensive Income	Gratuity		Leave Encashment	
	31.03.17	31.03.16	31.03.17	31.03.16
Actuarial gain/loss on obligations due to Change in Financial Assumption	135.68	-	-	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	(165.54)	(79.98)	-	-
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
Total Actuarial (gain)/losses	(29.86)	(79.98)	-	-
Return on Plan Asset, Excluding Interest Income	31.47	19.03	-	-
The effect of asset ceiling	-	-	-	-
Balance at the end of the Period	(61.33)	(99.01)	-	-
Net(Income)/Expense for the Period Recognized in OCI	(61.33)	(99.01)	-	-

Table 7: Disclosure Item Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 8: Disclosure Item	Gratuity		Leave Encashment	
	31.03.2017		31.03.2017	
Sensitivity Analysis	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	2,823.10	2,999.68	711.64	766.11
% Change Compared to base due to sensitivity	2.95%	3.12%	-3.57%	3.81%
Salary Growth (-/+ 0.5%)	2,923.75	2,892.33	765.74	711.72
% Change Compared to base due to sensitivity	0.51%	-0.57%	3.76%	-3.56%
Attrition Rate (-/+ 0.5%)	2,911.24	2,906.59	738.58	737.40
% Change Compared to base due to sensitivity	0.08%	-0.08%	0.08%	-0.08%
Mortality Rate (-/+ 10%)	2,926.37	2,891.46	742.12	733.86
% Change Compared to base due to sensitivity	0.60%	-0.60%	0.56%	-0.56%

4. UNRECOGNIZED ITEMS:

A. Contingent Liabilities, Commitments and Contingent Assets (Ind AS-37)

- i) Contingent Liabilities: Following suits are pending against the Company at different forums. The financial impact, wherever available has been taken under contingent liabilities below, however, for other cases, management does not see any considerable impact on the financial position of the Company.

(₹ in Crore)

Sl. No.	Description	Current period	Previous year
1	Central Govt.	5867.87	5140.83
2	State Govt. and Local Authority	681.01	135.48
3	CPSEs / SPSEs	62.87	54.16
4	Other suits against Co.	1279.01	1255.75
	TOTAL	7890.76	6586.22

- ii) Outstanding letters of Credits as on Balance Sheet date amounted to ₹ 927.50 Crore (₹ 59.31 Crore).
- iii) The Company has given Bank Guarantees of ₹ 3.96 Crore (₹ 3.96 Crore) for which there is a floating charge on Current Assets of the Company.

Commitments:

- (i) The amount remaining to be executed on capital account not provided for is ₹ 2422.85 Crore (₹ 1174.58 Crore).
- (ii) The amount remaining to be executed on revenue account not provided for is ₹ 3296.46 Crore (₹ 3164.73 Crore).

Others matters:

- i) Certain forged / extra payments of TA Bills were found in Hasdeo Area. On detailed checking by the Internal Audit Department/ Vigilance Department the extra/ irregular payment for the years 2005-06 to July 2012 of about ₹ 0.37 Crore on account of TA Bills has been detected. Departmental action has already been initiated against the erring staff and the involved persons i.e. one Cashier and one Cost Assistant have been suspended. Based on this investigation payment of such forged TA bills is still under investigation by CBI Bhilai.
- ii) One fraud case has been cropped up at Sohagpur Area in respect of salary/ wages billing by a clerk amounting to ₹ 0.16 Crore, out of which ₹ 0.09 Crore has been deposited by him. Balance amount is not recovered till date and involved person has been terminated from the service. The case is under investigation by CBI Jabalpur.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- iii) Excess payment is reported to be made to a security agency at Bishrampur Area & Korba Area amounting to ₹ 1.21 Crore & ₹ 0.32 Crore respectively. The cases are under investigation by CBI Bhilai.
- iv) Excess payment have been noticed in payment of security bills at Jamuna & Kotma (J&K) and Johilla Area also.
Excess payments made were ₹ 1.40 Crore at J & K Area and ₹ 1.10 Crore at Johilla Area. Cases are under investigation by CBI Jabalpur.
- v) Irregularities in deployment of OB Contractor at Bishrampur Area and payment involving ₹ 0.28 Crore. The case is under investigation.

5. OTHER INFORMATION**a) Government Assistance (Ind AS-20) (Refer Note No. 24)**

Subsidy received from Coal Controller Development Authority on account of capital nature works ₹ 2.32 Crore (₹ 0.00) has received during the year, Out of which ₹ 0.78 Crore have been adjusted and transferred to revenue. Further, Subsidy on account of revenue nature works ₹ 7.00 Crore (₹ 13.80 Crore) has been received during the year, these are shown under other operating revenue.

b) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31.03.2017 are given below:

(₹ in Crore)

Provisions	Note No.	Opening Balance as on 1.04.16	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Property, Plant and Equipment:	3					
Provision for Depreciation & impairment of Assets		714.95	693.03	(0.41)		1,407.57
Capital Work in Progress :	4					
Against CWIP :		7.41	3.21	(1.72)		8.90
Exploration And Evaluation Assets :	5					
Provision and Impairment:		-	-	-		-
Other Intangible Assets :	6					
Provision and Impairment:		-	-	-		-
Loans :	8					
Provision for Doubtful Loan		0.10	-	-		0.10
Other Non-Current Financial Assets:	9					
Deposits		-	-	-		-
Claims Receivables		6.55	-	(0.07)		6.48
Other Current Financial Assets:	9					
Claims Receivables		-	-	-		-
Other Receivables		5.29	0.14	-		5.43
Other Non-Current Assets :	10					
Capital Advance		0.53	-	-		0.53
Advance for revenue		0.79	-	-		0.79



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Provisions	Note No.	Opening Balance as on 1.04.16	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Other Current Assets :	10					
Advances for Revenue		-	-	-		-
Other Receivables		-	-	-		-
Inventories :	12					
Stock of Coal		-	-	-		-
Stock of Stores & Spares		47.79	3.32	-		51.11
Trade Receivables :	13					
Provision for bad & doubtful debts		334.32	962.92	-		1,297.24
Non-Current Provision :	21					
Employee Benefits						
- Gratuity		-	-	-	-	-
- Leave Encashment		544.01	-	(279.51)	-	264.50
- Other Employee Benefits		212.40	20.67	-	-	233.07
Site Restoration/ Mine Closure		1,028.08	69.78	-	-	1,097.86
Stripping Activity Adjustments		6,765.56	1,198.65	-	-	7,964.21
Others		-	-	-	-	-
Current Provision :	21					
- Gratuity		158.43	-	(102.03)	-	56.40
- Leave Encashment		51.04	10.70	-	-	61.74
- Ex- Gratia		312.28	26.47	-	-	338.75
- Performance Related Pay		525.26	-	(202.31)	-	322.95
- Other Employee Benefits		270.12	29.19	-	-	299.31
- NCWA-X		-	417.69	-	-	417.69
- 3 rd Pay Revision- Executives		-	17.65	-	-	17.65
Mine Closure		-	-	-	-	-
For Excise Duty on Closing Stock of Coal		136.11	-	(5.63)	-	130.48
Others		-	-	-	-	-

c) Earnings per share in terms of :

i) Net Profit

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders	2038.43	3257.45
ii)	Weighted Average no. of Equity Shares Outstanding	3570293	3597000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share)	5709.42	9056.02

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**ii) Other Comprehensive Income**

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Other Comprehensive Income attributable to Equity Share Holders	40.10	64.74
ii)	Weighted Average no. of Equity Shares Outstanding	3570293	3597000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 1000/- per share)	112.32	179.98

d) Related Party Disclosures**Key Managerial Personnel (During 2016-17)**

Name	Designation	Remark
Mr. B.R. Reddy	Chairman-Cum-Managing Director	w.e.f. 01.03.2016
Mr. A.P. Panda	Director (Finance)	w.e.f. 01.08.2013
Mr. R.P. Thakur	Director (Technical)/Operation	Upto 31.05.2016
Mr. R.S. Jha	Director (Personnel)	w.e.f. 29.09.2014
Mr. Kuldip Prasad	Director (Technical) / Operation	w.e.f. 10.02.2016
Mr. Prabhat Kr Sinha	Director (Technical) / P&P	w.e.f. 03.08.2016
Mr. S.M. Yunus	Company secretary	w.e.f. 17.08.2010

Govt. Nominee & Independent Directors

Mr. Vivek Bharadwaj	Govt. Nominee Director	w.e.f. 20.04.2015
Mr. C. K. Dey	Govt. Nominee Director	w.e.f. 19.03.2015
Mr. Sunil Kumar	Independent Director	w.e.f. 17.11.2015
Prof. B.S. Sahay	Independent Director	w.e.f. 17.11.2015

Remuneration of Key Managerial Personnel

(₹ in Crore)

Name of KMP	Short Term Benefit			Post-Employment benefit Contribution to PF & Other fund	Terminal Benefits		Total (Current Period / Year)	Total (Previous period / year)
	Gross Salary / Sitting Fee	Perquisites (PRP, Perks etc.)	Medical Benefit		Gratuity	Leave Encashment etc.		
Shri OM Prakash	-	0.36	-	-	-	0.16	0.52	0.34
Shri B.R. Reddy	0.20	0.21	-	0.02	-	-	0.43	0.02
Shri A.P. Panda	0.21	0.11	-	0.03	-	-	0.35	0.29
Shri R.P. Thakur	0.03	0.20	-	-	0.10	0.19	0.52	0.31
Shri R.S. Jha	0.18	0.16	-	0.02	-	-	0.36	0.24
Shri Kuldeep Prasad	0.23	0.22	-	0.03	-	-	0.48	0.02
Shri Prabhat Kumar Sinha	0.13	0.03	-	0.02	-	-	0.18	-
Shri Sunil Kumar	0.07	-	-	-	-	-	0.07	0.02
Shri B.S. Sahay	0.07	-	-	-	-	-	0.07	0.02
Shri S.M. Yunus	0.17	0.18	-	0.02	-	-	0.37	0.25

Note:

- Provision on the basis of actuarial valuation of defined benefits have not been considered in the above Director's remuneration.
- Besides above, whole time Directors have been allowed to use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹ 2000 per month as per service conditions.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Balances Outstanding as on 31.03.2017

Sl. No.	Particulars	As on 31.03.2017	As on 31.03.2016
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

Related Party Transactions within Group

The Company being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government.

The Company has entered into transactions with Coal India Ltd & its subsidiaries which include Apex charges, Rehabilitation charges, CMPDIL Expenses, R&D Expenses, Lease rent, Interest on Surplus Fund, IICM charges and other expenditure incurred by or on behalf of other subsidiaries through current account.

As per Ind AS 24, the disclosures regarding nature and amount of significant transactions are given under respective notes.

e) LEASES (IND AS-17)

i) BUILDING- (Apollo Hospital):

The Company in terms of License Agreement dated 19th day of March 2001 executed with M/s Apollo Hospital Enterprises Ltd., Chennai has granted the latter a right to occupy and use the fully constructed main hospital building measuring 2,97,099.74 Sq. ft. (27611.50 Sq. M.) and the residential quarters measuring 55,333 Sq. ft. (5142.47 Sq. M.) together with superstructures on the land such as substation building, sewerage treatment plant and pump house.

The License Agreement provides for a lease period of 30 years from the effective date of the commencement of the lease i.e. November 2001.

The lease rental payable by the Apollo Hospital is accounted for as per the agreement. As per the agreement, the lease rental receivable from Apollo Hospital on the Balance Sheet date, for main hospital building is ₹ 4/- per Sq. ft. per month (₹ 4/- per Sq. ft per month) ₹ 1.43 Crore or 1/3rd of net profit arrived from the operation of this division of the hospital of the licensee, whichever is more and for residential quarters the rate is ₹ 2/- per Sq. ft. per month (₹ 2/- per Sq. ft per month) amounting to ₹ 0.13 Crore. The lease rental by Apollo Hospital for the year ended on Balance Sheet date accounted for is ₹ 1.56 Crore (₹ 1.56 Crore) towards minimum rental.

The cost of the gross assets leased to Apollo Hospital Enterprises Ltd. furnished under the schedule of Fixed Assets is ₹ 31.32 Crore (₹ 31.32 Crore) accumulated depreciation as on Balance Sheet date is ₹ 9.74 Crore (₹ 9.20 Crore), the depreciation recognized in the Statement of Profit & Loss for the period ended is ₹ 0.54 Crore (₹ 0.54 Crore).

The future minimum lease rental receivable in the aggregate as at 31.03.2017 is ₹ 21.81 Crore (₹ 23.37 Crore) for each of the following period is as under:

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016
(I) Not later than one year	1.56	1.56
(II) Later than one year and not later than five year	6.23	6.23
(III) Later than five years and till the period of lease	14.02	15.58

No contingent rents are recognized as income in the Profit and Loss Account.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**ii) RAILWAY SIDING :**

- (a) The Company in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.3 at Gevra Area on lease for a period of 20 years with effect from 23.05.2006. Lease Rent ₹ 1.46 Crore (₹ 1.33 Crore) received / receivable for the period/ year ended 31.03.2017.
- (b) The Company in terms of License Agreements dated 03.01.2007 and 16.05.2008 executed with M/s Aryan Coal Beneficiations Pvt. Ltd., New Delhi has granted the later a right to use the fully constructed Railway Siding Junadih No.4 at Gevra Area for a lease period of 20 years w.e.f. 23.08.1999. Lease Rent ₹ 1.49 Crore (₹ 1.35 Crore) received / receivable for the period / year ended 31.03.2017.
- (c) The Company in terms of License agreement with M/s Gujarat State Electricity Board, Vadodara, Gujarat dated 17.10.2005 has granted the later a right to use the fully constructed Railway siding Junadih line No. 5 at Gevra area for a period of 20 years with effect from 17.10.2005. Lease Rent ₹ 0.77 Crore (₹ 0.70 Crore) taken for the period / year ended 31.03.2017.
- (d) The Company in terms of Lease Agreements dated 15.10.2007 executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the fully constructed Railway Siding line no. 2 for an applied lease period of 30 years w.e.f Oct 2007 vide letter no. 13-14/81 dated 18.07.14. Lease Rent ₹ 1.06 Crore (₹ 1.15 Crore) received/ receivable for the period/ year ended 31.03.2017.
- (e) Leased out Assets (Junadih-3, 4 & 5) valued ₹ 7.13 Crore (₹ 7.13 Crore) and accumulated depreciation as on Balance Sheet date is ₹ 6.95 Crore (₹ 6.89 Crore), the depreciation recognized in the Statement of Profit & Loss for the period is ₹ 0.06 Crore (₹ 0.08 Crore).
- (f) Leased out Assets (Line No-2) to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) ₹ 15.74 Crore and accumulated depreciation as on Balance Sheet date is ₹ 10.71 Crore (₹ 9.60 Crore).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹ 63.84 Crore (₹ 44.06 Crore) for each of the following periods is as under:

(₹ in Crore)

Period	As at 31.03.2017					As at 31.03.2016
	Junadih Sdg -3 (a)	Junadih Sdg-4 (b)	Junadih Sdg-5 (c)	Line No 2 (d)	Total	
Not later than one year	1.46	1.49	0.77	1.57	5.29	3.70
Later than one year and not later than five year	9.77	1.64	5.17	6.28	22.86	14.34
Later than five years and till the period of lease	8.50	-	2.86	24.33	35.69	26.02

No contingent rents are recognized as income in the Profit and Loss Account.

iii) LAND:

The Company in terms of Lease Agreements executed with M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) has granted the later a right to use the land for construction of washery and siding facilities at Dipka Project on lease for a period of 30 years with effect from 30.03.2008. Lease Rent ₹ 4.10 Crore (₹ 1.57 Crore) received during the period/ year ended 31.03.2017.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washer Limited) valued ₹ 0.83 Crore (₹ 0.83 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹ 0.39 Crore (₹ 0.31 Crore).

The future minimum lease rental receivable in the aggregate at the end of the period is ₹ 22.90 Crore (₹ 34.54 Crore) for each of the following period / year is as under:

(₹ in Crore)

	As at 31.03.2017	As at 31.03.2016
(I) Not later than one year	2.41	1.57
(II) Later than one year and not later than five year	9.64	7.85
(III) Later than five years and till the period of lease	10.85	25.12

No contingent rents are recognized as income in the Profit and Loss Account.

DANKUNI COAL COMPLEX

Coal India Ltd. (Holding Company) has given on lease land, building and structures, plant and machinery of Dankuni Coal Complex at Kolkata from 01.04.1995, with absolute right to manufacture, sell its products including gas and by-products. The lease rent payable from 01.04.2016 onward to Coal India Ltd. is ₹ 1.80 Crore per annum.

(f) TAXATION (IND AS- 12)

(i) Current tax Assets (Net) ₹ 3058.34 Crore (₹ 2654.22 Crore) is detailed below :

(₹ in Crore)

Particular	As at 31.03.2017	As at 31.03.2016
Advance Income tax / Tax deducted at Source [including Tax Deposited Under Protest ₹ 2697.35 Crore (₹ 2697.35 Crore)]	2654.36	2799.75
Add : Tax Paid for Earlier years	990.57	-
Less : Provision Income Tax for Earlier years	109.74	-
Total [including Tax Deposited Under Protest ₹ 3646.70 Crore (₹ 2697.35 Crore)]	3754.67	2799.75
Add : Advance tax / TDS - Current year	2002.35	1938.80
Less : Provision Income tax-Current year	(1471.93)	(2084.19)
TOTAL (Net)	4285.09	2654.36

(ii) Deferred Tax Assets and Liability are being offset as they relate to Taxes on income levied by the same governing taxation laws.

(iii) Deferred Tax Asset / (Liability) as at 31st March, 2017 and as at 31st March 2016 is given below:-

(₹ In Crore)

Deferred Tax Liability:	As at 31.03.2017	As at 31.03.2016
Related to Fixed Assets	152.02	75.34
Deferred Tax Asset:		
Provision for doubtful Debts, claims, etc.	651.04	308.69
Employee separation and retirement	92.37	156.62
Others	26.48	40.82
Total deferred tax Assets	769.89	506.13
Net Deferred Tax Asset/ (Deferred Tax Liability) :	617.87	430.79

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**g) Goods procured by Coal India Ltd. on behalf of SECL**

As per existing practice, goods purchased by Coal India Ltd. on behalf of SECL is accounted for in the books of SECL directly.

h) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

i) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

j) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

k) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

l) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

m) Value of imports on CIF basis

(₹ in Crore)

Details	For the year ended 31.03.2017	For the year ended 31.03.2016
Raw Material	NIL	NIL
Capital Goods	211.88	0.23
Stores & Spares	0.40	43.71

n) Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Traveling Expenses	0.41	0.10
Training Expenses	8.81	0.92
Others	17.96	116.96

o) Earning in Foreign Exchange:

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	Nil	Nil
Training Expenses	Nil	Nil
Consultancy Charges	Nil	Nil



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

p) Total Consumption of Stores and Spares

(₹ in Crore)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	5.76	0.40	6.62	0.43
(ii) Indigenous	1416.47	99.60	1515.46	99.57
	1422.23	100.00	1522.08	100.00

q) Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

Loans given and Investments made are given under the respective heads.

r) Significant accounting policy

Significant accounting policy (Note-2) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

(₹ in crore)

S. No.	Nature of Adjustments	Year ended 31.03.2016
		Audited
	Net Profit as per previous Indian GAAP (after tax)	3247.90
1	Re-measurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	77.55
2	Actuarial loss/gain on re-measurement of employee defined benefit plan as per Ind AS 19 recognised in "Other Comprehensive Income" (Net of tax)	(64.74)
3	Transfer of Prior period adjustments from P&L to retained earnings as per Ind AS 8 (Net of tax)	(3.16)
4	Any other item (Net of tax) 1.3	-
	Net Profit as per Ind AS (after tax)	3257.41
	Other Comprehensive Income (after tax)	64.74
	Total Comprehensive Income as per Ind AS (after tax)	3322.15

On incorporation of subsidiaries, in terms of Memorandum of Understanding (MOU) signed on 03.11.2012 between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh (GoCG) for establishment of two Railway Corridors viz., East Corridor and East West Corridor, two (2) Subsidiary Companies of SECL have been Incorporated under the Companies Act, 1956 viz., M/s Chhattisgarh East Railway Limited (CERL) and M/s. Chhattisgarh East-West Railway Limited (CEWRL) has deposited money/ transferred debits for capital and other expenditure.

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The position of investment and other current account as at 31.03.2017 is as under:

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Minority Interest as per Consolidated Accounts as on 31.03.2017
M/s Chhattisgarh East Railway Limited ("CERL")	67.23%	12.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹ 100.14 Crore
M/s. Chhattisgarh East-West Railway Limited ("CEWRL")	64.06%	25.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹ 181.07 Crore
				₹ 281.21 Crore

Name of the Entity in the Group	Net Assets		Net Profit		Other Comprehensive Income		Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent- SECL*	93.35	3352.19	100	2038.57	100	40.10	100	2078.67
Share in Subsidiaries:								
CERL**	-	(0.27)	-	(0.10)	-	0.00	-	(0.10)
CEWRL**	-	(0.20)	-	(0.04)	-	0.00	-	(0.04)
Non-Controlling Interest Subsidiaries:								
CERL	2.37	100.14	-	(0.05)	-	0.00	-	(0.05)
CEWRL	4.28	181.07	-	(0.03)	-	0.00	-	(0.03)
		3632.93		2038.35		40.10		2078.45

* As per Standalone Financial Statements of Parent Company

** Share in Subsidiaries Net Assets is after adjustment of Mutual Assets & liabilities of Parent and Subsidiary.

6. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31st March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at 31st March, 2016 and for the year ended 31st March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements as at and for the year ended 31st March 2016.



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) **Fair value measurement of financial assets or financial liabilities (Ind AS 101.D20)**

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the Company has opted to apply Ind AS 109 prospectively.

Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS)

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	3,911.71	374.06	4,285.77
Capital Work-in-Progress	4	886.10	(28.98)	857.12
Exploration and Evaluation Assets	5	369.05	-	369.05
Other Intangible assets	6	10.27	-	10.27
Intangible assets under development		-	-	-
Investment Property		-	-	-
Financial Assets		-	-	-
(i) Investments	7	-	-	-
(ii) Loans	8	13.00	-	13.00
(iii) Other Financial Assets	9	944.13	-	944.13
Deferred tax assets (net)		272.16	-	272.16
Other non-current assets	10	234.00	-	234.00
Total Non-Current Assets (A)		6,640.42	345.08	6,985.50
Current Assets				
Inventories	12	1,321.82	-	1,321.82
Financial Assets		-	-	-
(i) Investments	7	123.16	-	123.16
(ii) Trade Receivables	13	2,277.71	-	2,277.71
(iii) Cash & Cash equivalents	14	290.87	-	290.87
(iv) Other Bank balances	15	9,089.09	-	9,089.09
(v) Loans	8	1.25	-	1.25
(vi) Other Financial Assets	9	703.00	-	703.00
Current Tax Assets (Net)		2,799.75	-	2,799.75
Other Current Assets	11	130.90	(2.54)	128.36
Total Current Asset (B)		16,737.55	(2.54)	16,735.01
Total Assets		23,377.97	342.54	23,720.51

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS)

(₹ in Crore)

EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
Equity				
(a) Equity Share Capital	16	359.70	-	359.70
(b) Other Equity	17	9,184.18	129.21	9,313.39
Equity Attributable to Equity Shareholders of The Company		9,543.88	129.21	9,673.09
Non-Controlling Interest		2.23	-	2.23
Total Equity (A)		9,546.11	129.21	9,675.32
Liabilities				
Non-Current Liabilities		-	-	-
Financial Liabilities		-	-	-
(i) Borrowings	18	30.60	-	30.60
(ii) Trade payables	19	-	-	-
(iii) Other financial liabilities	20	828.06	-	828.06
Provisions	21	7,425.81	213.33	7,639.14
Other non-current liabilities	22	-	-	-
Deferred Tax liabilities (net)		-	-	-
Total Non-Current Liabilities (B)		8,284.47	213.33	8,497.80
Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	795.88	-	795.88
(iii) Other Financial Liabilities	20	692.20	-	692.20
Other Current liabilities	23	2,768.92	-	2,768.92
Provisions	21	1,290.39	-	1,290.39
Current Tax liabilities (Net)		-	-	-
Total Current Liabilities (C)		5,547.39	-	5,547.39
Total Equity and Liabilities (A+B+C)		3,377.97	342.54	23,720.51



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of equity as at 31st March, 2016 (date of transition to Ind AS)

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	4,031.60	335.16	4,366.76
Capital Work-in-Progress	4	1,033.51	-	1,033.51
Exploration and Evaluation Assets	5	506.16	-	506.16
Other Intangible assets	6	10.27	-	10.27
Intangible assets under development		-	-	-
Investment Property		-	-	-
Financial Assets				
(i) Investments	7	-	-	-
(ii) Loans	8	10.63	-	10.63
(iii) Other Financial Assets	9	1,220.41	-	1,220.41
Deferred Tax Assets (Net)		430.79	-	430.79
Other Non-Current Assets	10	236.02	-	236.02
Total Non-Current Assets (A)		7,479.39	335.16	7,814.55
Current Assets				
Inventories	12	1,829.42	-	1,829.42
Financial Assets		-	-	-
(i) Investments	7	95.72	-	95.72
(ii) Trade Receivables	13	2,650.61	-	2,650.61
(iii) Cash & Cash equivalents	14	352.57	-	352.57
(iv) Other Bank balances	15	4,367.71	-	4,367.71
(v) Loans	8	0.96	-	0.96
(vi) Other Financial Assets	9	756.68	-	756.68
Current Tax Assets (Net)		2,654.36	-	2,654.36
Other Current Assets	11	135.38	(2.53)	132.85
Total Current Asset (B)		12,843.41	(2.53)	12,840.88
Total Assets		20,322.80	332.63	20,655.43

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of equity as at 31st March, 2016 (date of transition to Ind AS)

(₹ in Crore)

EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
Equity				
(a) Equity Share Capital	16	359.70	-	359.70
(b) Other Equity	17	4,740.73	203.59	4,944.32
Equity Attributable to Equity Shareholders of The Company		5,100.43	203.59	5,304.02
Non-Controlling Interest		41.19		41.19
Total Equity (A)		5,141.62	203.59	5,345.21
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	87.85	-	87.85
(ii) Trade payables	19	-	-	-
(iii) Other financial liabilities	20	873.89	-	873.89
Provisions	21	8,420.99	129.04	8,550.03
Other non-current liabilities	22	-	-	-
Deferred Tax liabilities (net)		-	-	-
Total Non-Current Liabilities (B)		9,382.73	129.04	9,511.77
Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	-	-	-
(ii) Trade payables	19	864.55	-	864.55
(iii) Other Financial Liabilities	20	710.50	-	710.50
Other Current liabilities	23	2,770.16	-	2,770.16
Provisions	21	1,453.24	-	1,453.24
Current Tax liabilities (Net)		-	-	-
Total Current Liabilities (C)		5,798.45	-	5,798.45
Total Equity and Liabilities (A+B+C)		20,322.80	332.63	20,655.43



NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of Profit or Loss for the year ended 31.03.2016

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustments	Ind AS
(I) Revenue from Operations	24			
A Sales (Net)		16745.67	1198.20	17943.87
B Other Operating Revenue (Net)		391.18	23.42	414.60
Revenue from Operations (A+B)		17136.85	1,221.62	18358.47
(II) Other Income	25	1083.80	84.28	1168.08
(III) Total Income (I+II)		18220.65	1305.90	19526.55
(IV) EXPENSES				
Cost of Materials Consumed	26	1522.08	-	1522.08
Changes in inventories of finished goods/work in progress and Stock in trade	27	(524.70)	-	(524.70)
Excise Duty		-	1,221.62	1221.62
Employee Benefits Expense	28	6404.74	99.01	6503.75
Power Expenses		620.81	-	620.81
Corporate Social Responsibility Expense	29	270.85	-	270.85
Repairs	30	204.03	-	204.03
Contractual Expense	31	2100.70	-	2100.70
Finance Costs	32	0.65	64.32	64.97
Depreciation/Amortization/ Impairment expense		680.22	35.74	715.96
Provisions	33	322.05	(93.33)	228.72
Write off	34	4.19	-	4.19
Stripping Activity Adjustment		816.60	-	816.60
Other Expenses	35	628.27	-	628.27
Total Expenses (IV)		13050.49	1327.36	14377.85
(V) Profit before exceptional items and Tax (I-IV)		5170.16	(21.46)	5148.70
(VI) Exceptional Items / Prior Period items		(3.16)	3.16	-
(VII) Profit before Tax (V-VI)		5173.32	(24.62)	5148.70
(VIII) Tax expense	36	1925.56	(34.27)	1891.29
(IX) Profit for the period from continuing operations (VII-VIII)		3247.76	9.65	3257.41

NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	Foot Note	Indian GAAP	Adjustments	Ind AS
(X) Profit/(Loss) from discontinued operations		-	-	-
(XI) Tax expenses of discontinued operations		-	-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-	-
(XIII) Share in JV's/Associate's profit/(loss)		-	-	-
(XIV) Profit for the Period (IX+XII+XIII)		3247.76	9.65	3257.41
Other Comprehensive Income	37			
(i) Items that will not be reclassified to profit or loss		-	99.01	99.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(34.27)	(34.27)
(i) Items that will be reclassified to profit or loss		-	-	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	0.00
Total Other Comprehensive Income		-	64.74	64.74
Total Comprehensive Income for the period (XIV+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		3247.76	74.39	3322.15

(ii) **Mine Closure, Site Restoration and Decommissioning Obligation in Property, Plant and Equipment (Ind AS 101.D21)**

Appendix 'A' to Ind AS 16 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first-time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, a first-time adopter will not need to estimate what provision would have been calculated at earlier reporting dates. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

As a first time adopter of Ind AS, the Company has calculated the Mine Closure, Site Restoration and Decommissioning Obligation at the date of transition assuming that the same liability (present value) existed when the asset was first acquired/constructed.

**NOTE - 38 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)****(iii) Resettlement & Rehabilitation Policy of CIL**

With changing aspirations of Project Affected Persons (PAPs) and for faster acquisition of land, Resettlement & Rehabilitation Policy of CIL was revised in 2012 making it liberal and PAP friendly with more flexibility to the Board of Subsidiary Companies. The Policy provides for conducting baseline socioeconomic survey to identify PAPs enlisted to receive R&R benefits as well as to formulate Rehabilitation Action Plan (RAP) in consultation with PAPs and State Govt. The R&R Policy of Coal India Ltd., provides for payment of land compensation and solatium, employment or lump sum monetary compensation and annuity, compensation for home-stead, lump sum payment in lieu of alternate house site, subsistence allowance to each affected displaced family etc.

Others

- Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.
- Previous period's figures in Note No. 1 to 38 are in brackets.

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi

Statement Containing Salient Features of the Financial Statement of Subsidiaries (Form AOC-1)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A" : Subsidiaries

(₹ In Crore)

Sl. No.	Particulars	Name of the Subsidiary Companies	
		Chhattisgarh East Railway Limited	Chhattisgarh East-West Railway Limited
1	Reporting Period	01.04.2016 to 31-03-2017	01.04.2016 to 31-03-2017
2	Reporting Currency	Rupees	Rupees
3	Share Capital	306.00	504.06
4	Reserves & Surplus	(0.41)	(0.31)
5	Total Assets	868.04	701.59
6	Total Liabilities	868.04	701.59
7	Investments	0.00	0.00
8	Turnover	0.00	0.00
9	Profit before Taxation	(0.15)	(0.07)
10	Provision for Taxation	0.00	0.00
11	Profit after Taxation	(0.15)	(0.07)
12	Proposed Dividend	0.00	0.00
13	% of Share holding as on 31-03-2017	67.23	64.06

Sd/
(S. M. Yunus)
Company Secretary

Sd/
(CA Y. V. Subbarao)
GM (Finance)

Sd/
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



Annexure - I & IX to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ANNEXURE - I TO REGULATION 33

Statement of Consolidated Unaudited/ Audited Results for the Quarter ended 31.03.2017, Quarter ended 31.12.2016, Quarter ended 31.03.2016, Year ended 31.03.2017 & Year ended 31.03.2016.

PART - I

(₹ In Crore)

Sl. No.	Particulars	For the Quarter Ended 31-03-2017	For the Quarter Ended 31-12-2016	For the Quarter Ended 31-03-2016	For the Year Ended 31-03-2017	For the Year ended 31-03-2016 (Restated)
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income From operations					
	Gross Sales	8427.72	8387.93	6152.49	29215.53	24900.03
	Less : levies	2914.76	3349.00	1731.40	10729.43	6956.16
	Net Sales (Total)	5512.96	5038.93	4421.09	18486.10	17943.87
	Less : Sales as custodian	0.00	0.00	(130.10)	0.00	0.00
	(a) Net Sales / Income from Operations (Net of Excise Duty)	5512.96	5038.93	4551.19	18486.10	17943.87
	(b) Other Operating Income	122.80	122.26	108.25	450.43	414.60
	Total income from operations (net)	5635.76	5161.19	4659.44	18936.53	18358.47
2	Expenses					
	(a) Cost of Material Consumed	475.32	348.74	445.00	1422.23	1522.08
	(b) Purchase of Stock in trade	0.00	0.00	0.00	0.00	0.00
	(c) Changes in Inventories of Finished Goods Work-in-progress and stock-in-trade	67.50	221.81	(564.21)	128.57	(524.70)
	(d) Excise Duty	375.84	380.40	288.09	1302.65	1221.62
	(e) Employees Benefit Expenses	2111.32	1652.59	1688.50	7156.00	6503.75
	(f) Depreciation & Impairment	171.82	173.21	182.73	690.71	715.96
	(g) Power & Fuel	187.37	191.23	158.02	719.77	620.81
	(h) Coprorate Social Responsibility Expneses	29.84	4.16	167.74	42.50	270.85
	(i) Repairs	57.59	49.08	55.96	188.86	204.03
	(j) Contractual Expenses	679.64	643.93	706.92	2337.98	2100.70
	(k) Other Expenditures	235.83	133.97	229.94	705.82	628.27
	(l) Provisions/Write off (net)	504.24	296.61	231.07	988.90	232.91
	(m) Deferred Stripping Activity Expenses	883.14	279.03	301.94	1198.65	816.60
	(n) Other Stripping Activity Expenses	0.00		0.00	0.00	0.00
	Total Expenses (a to m)	5779.45	4374.76	3891.70	16882.64	14312.88
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(143.69)	786.43	767.74	2053.89	4045.59
4	Other Income	430.78	262.80	393.40	1213.41	1168.08
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	287.09	1049.23	1161.14	3267.30	5213.67
6	Finance Costs	145.15	(90.47)	29.98	80.95	64.97
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	141.94	1139.70	1131.16	3186.35	5148.70
8	Exceptional items	0.00	0.00	0.00	0.00	0.00

PART - I (Contd.)

(₹ In Crore)

Sl. No.	Particulars	For the Quarter Ended	For the Quarter Ended	For the Quarter Ended	For the Year Ended	For the Year ended
		31-03-2017	31-12-2016	31-03-2016	31-03-2017	31-03-2016
		Unaudited	Unaudited	Unaudited	Audited	(Restated) Audited
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	141.94	1139.70	1131.16	3186.35	5148.70
10	Tax Expenses	86.91	399.11	456.30	1148.00	1891.29
11	Net Profit (+) / Loss (-) for the period (11+12)	55.03	740.59	674.86	2038.35	3257.41
12	Share of Profit /(Loss) of Jointly controlled entities and associates					
13	Non Controlling Interest	(0.03)	(0.01)	(0.01)	(0.08)	(0.04)
14	Net Profit/(Loss) after taxes after minority interest and share of jointly controlled entities and associates [A]	55.06	740.60	674.87	2038.43	3257.45
15	Other Comprehensive Income /(Loss) [B]	120.55	0.05	9.78	40.10	64.74
16	Share of Profit /(Loss) of Jointly controlled entities and associates	0.00	0.00	0.00	0.00	0.00
17	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00
18	Other Comprehensive Income after minority interest and share of jointly controlled entities and associates [B]	120.55	0.05	9.78	40.10	64.74
19	Total Comprehensive Income /(Loss) [A+B]	175.61	740.65	684.65	2078.53	3322.19
20	Paid-up equity share capital [29,87,750 (3597000) Equity shares of face value of ₹ 1000 per share fully paid up]	298.78	359.70	359.70	298.78	359.70
21.	Earning Per Share (EPS) (before extraordinary items) (of ₹ ___/- each not annualised)					
	(a) Basic	153.07	2058.94	1876.20	5709.42	9056.02
	(b) Diluted EPS	153.07	2058.94	1876.20	5709.42	9056.02
22.	Earnings per share (after extraordinary items) (of ₹ ___/- each not annualised)					
	(a) Basic	153.07	2058.94	1876.20	5709.42	9056.02
	(b) Diluted EPS	153.07	2058.94	1876.20	5709.42	9056.02

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



PART - II

(₹ in Crore)

Sl. No.	Particulars	For the Quarter Ended 31-03-2017 Unaudited	For the Quarter Ended 31-12-2016 Unaudited	For the Quarter Ended 31-03-2016 Unaudited	For the Year Ended 31-03-2017 audited	For the Year ended 31-03-2016 (Restated) audited
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding :					
	- No. of Shares	-	-	-	-	-
	- Percentage of shareholding	-	-	-	-	-
2	Promoters and promoter group Shareholding**					
	a) Pledged/ Encumbered					
	- No. of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-
	b) Non-Encumbered					
	- No. of Shares	2987750	3597000	3597000	2987750	3597000
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of Shares (as a % of the total share capital of the Company)	100.00	100.00	100.00	100.00	100.00

Sl. No.	Particulars	For the Quarter Ended 31.03.2017
B	INVESTOR COMPLAINTS	
	Pending at th beginning of the quarter	N.A.
	Received during the quarter	N.A.
	Disposed of during the quarter	N.A.
	Remaining unresolved at the end of the quarter	N.A.

Sd/
(S. M. Yunus)
Company Secretary

Sd/
(CA Y. V. Subbarao)
GM (Finance)

Sd/
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi

ANNEXURE - IX TO REGULATION 33

Statement of Consolidated Assets and Liabilities

Sl. No.	PARTICULARS	₹ in Crore)	
		As at 31-03-2017	As at 31-03-2016 (Restated)
A	EQUITY AND LIABILITIES		
1	Shareholders' Fund		
	a) Share Capital	298.78	359.70
	b) Reserves & Surplus	3,052.94	4,944.32
	c) Money received against share warrants	-	-
	Sub-Total Shareholders' Funds	3,351.72	5,304.02
2	Share application money pending allotment	-	-
3	Non Controlling Interest	281.21	41.19
4	Non-Current Liabilities		
	a) Long Term Borrowing	127.66	87.85
	b) Deferred Tax Liabilities (Net)	-	-
	c) Other Long Term Liabilities	689.36	873.89
	d) Long Term Provisions	9,559.64	8,550.03
	Sub-Total Non-Current Liabilities	10,376.66	9,511.77
5	Current Liabilities		
	a) Short Term Borrowings	359.19	-
	b) Trade Payables	983.51	864.55
	c) Other Current Liabilities	6,453.01	3,480.66
	d) Short Term Provisions	1,644.97	1,453.24
	Sub-Total Current Liabilities	9,440.68	5,798.45
	Total Equity and Liabilities	23,450.27	20,655.43
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	7,468.83	5,916.70
	(b) Goodwill on Consolidation	-	-
	(c) Non Current Investments	-	-
	(d) Deferred Tax Assets (Net)	617.87	430.79
	(e) Long Term Loans and Advances	1,633.65	1,231.04
	(f) Other Non-Current Assets	218.06	236.02
	Sub-Total Non-Current Assets	9,938.41	7,814.55



Statement of Consolidated Assets and Liabilities (Contd.)

Sl. No.	PARTICULARS	₹ in Crore)	
		As at 31-03-2017	As at 31-03-2016 (Restated)
2	Current Assets		
(a)	Current Investments	153.88	95.72
(b)	Inventories	1,700.07	1,829.42
(c)	Trade Receivables	2,721.88	2,650.61
(d)	Cash & Bank Balance	3,735.68	4,720.28
(e)	Short Term Loans & Advances	4,975.77	3,412.00
(f)	Other Current Assets	224.58	132.85
	Sub-Total Current Assets	13,511.86	12,840.88
	Total - Assets	23,450.27	20,655.43

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi

Statement of Audited Results

(₹ in Crore except EPS)

Sl. No.	Particulars	Quarter Ended (Consolidated)			Year Ended (Consolidated)	Year Ended (Consolidated)
		31-03-2017	31-12-2016	31-03-2016	31-03-2017	31-03-2016
1	Total Income from Operations (Gross Sales)	8427.72	8387.93	6152.49	29215.53	24900.03
2	Net Profit /(Loss) for the period (before tax exceptional and/or Extraordinary items)	141.94	1139.70	1131.16	3186.35	5125.29
3	Net Profit / (Loss) for the period before tax (after Exceptional and / or Extraordinary items)	141.94	1139.70	1131.16	3186.35	5125.29
4	Net Profit / (Loss) for the period after tax (after Exceptional and / or Extraordinary items)	55.06	740.60	674.87	2038.43	3257.45
5	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	175.61	740.65	684.65	2078.53	3322.19
6	Equity Share Capital	298.78	359.70	359.70	298.78	359.70
7	Reserves (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of previous year)					4944.32
8	Earnings per share (of ₹____/- each) (for continuing and discontinued operation)					
1.	Basic (₹)	153.07	2058.94	1876.20	5709.42	9056.02
2.	Diluted EPS (₹)	153.07	2058.94	1876.20	5709.42	9056.02

Sd/-
(S. M. Yunus)
Company Secretary

Sd/-
(CA Y. V. Subbarao)
GM (Finance)

Sd/-
(A. P. Panda)
Director (Finance)
(DIN - 06664375)

Sd/-
(B. R. Reddy)
Chairman-cum-Managing Director
(DIN - 07001710)

As per our report annexed
For J N Mital & Co.
Chartered Accountants
Firm Regn. No. 003587N

Sd/-
[CA Rajendra Mittal]
Partner
Membership No. 084470

Date : 24.05.2017
Place: New Delhi



CEO and CFO Certification

To,
The Board of Directors,
South Eastern Coalfields Limited.

We, B.R. Reddy, Chairman-cum-Managing Director & CEO and A.P. Panda, Director (Finance) & CFO, responsible for the Finance function certify that:

- a. We have reviewed the Financial Statements of the Company for the year ended 31st March, 2017 together with Accounting Policies and Additional Notes thereon as well as Financial Results for the year ended 31st March, 2017 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, Applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee that:
 - i. There has not been any significant changes in Internal Control over Financial Reporting during the period under reference;
 - ii. There has not been any significant change in Accounting Policies during the period. However, there were changes in measurement and recognition of certain Income / Expenses and Assets / Liabilities necessitated by implementation / transition to Ind AS w.e.f 01.04.2015, which have been adequately disclosed in appropriate places in Significant Accounting Policies and Notes to the Financial Statements.; and
 - iii. We have not become aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

Sd/-
(A. P. Panda)

Director (Finance) & CFO
(DIN - 06664375)

Sd/-
(B. R. Reddy)

Chairman-cum- Managing Director & CEO
(DIN - 07001710)

Place: New Delhi
Date: 24-05-2017

Notice of Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting of the members of SOUTH EASTERN COALFIELDS LIMITED will be held on **Tuesday, the 11th July, 2017 at 11.00 AM at the Registered Office of the Company at Seepat Road, Bilaspur - 495 006 (Chhattisgarh)**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) for the year 2016-17 together with the Statement containing salient features of Financial Statements of subsidiaries, Board's Report, Auditors' Report thereon and Comments of the Comptroller & Auditor General of India in terms of Section 143(6) of the Companies Act, 2013.
2. To confirm payment of Two Interim dividends paid on equity shares of the Company as Final dividend for the year 2016-17.
3. To appoint a Director in place of Shri A. P. Panda (DIN: 06664375), 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 a Director in place of Shri C. K. Dey (DIN: 03204505), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To ratify the remunerations of Cost Auditors appointed for conducting Cost Audit of the Company for the years 2016-17, 2017-18 & 2018-19, as recommended by the Audit Committee and approved by the Board of Directors of SECL, by passing the following resolution with or without modification(s):

"RESOLVED THAT the remunerations of Cost Auditors for conducting Cost Audit of respective areas of SECL for the years 2016-17, 2017-18 & 2018-19, as recommended by the Audit Committee and approved by the Board of Directors of SECL at its 249th Meeting held on 04.09.2016 (Item No. 249:4:23), be and are hereby ratified."

By order of the Board of Directors
For **South Eastern Coalfields Limited**

Sd/-
(**S.M. Yunus**)
Company Secretary

Registered Office:

Seepat Road, Bilaspur (CG) - 495 006

Date: 7th July, 2017

NOTES:

1. The Shareholders are requested to give their consent in writing or by electronic mode for calling the Annual General Meeting at a shorter notice pursuant to the provisions of the Section 101(1) of the Companies Act, 2013.
2. 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. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS (48 HRS.) BEFORE THE TIME OF COMMENCEMENT OF THE MEETING. BLANK PROXY FORM (FORM MGT – 11) IS ATTACHED.
3. Corporate Member(s) are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
4. Relevant Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business, as set out above is also annexed hereto.
5. All documents referred to in the notices and annexure thereto along with other mandatory registers/documents are open for inspection at the registered office of the Company on all working days during business hours, prior to the date of 31st Annual General Meeting.
6. Pursuant to the provisions of Section 171(1)(b) and 189(4) of the Companies Act, 2013, the registers required to be kept open for inspection at every Annual General Meeting of the Company, shall be accessible during the continuance of the meeting to any person having the right to attend the meeting.

**Distribution:**

(With a request to make it convenient to attend the meeting personally or through Proxy (of Individual member)/ Authorized representative, as applicable):

1. M/s. Coal India Limited, Kolkata. **(Member)**
2. Shri Sutirtha Bhattacharya, Chairman, CIL, Kolkata. **(Member)**
3. Shri C. K. Dey, Director (Finance), CIL, Kolkata. **(Member)**
4. Shri B. R. Reddy, CMD, SECL, Bilaspur. **(Member)**
5. Shri B. S. Sahay, Independent Director and Chairman, Audit Committee of SECL Board.
6. Shri Mukesh Choudhary, Govt. Nominee Director.
7. Shri Sunil Kumar, Independent Director.
8. Shri Vinod Jain, Independent Director.
9. Shri A. P. Panda, Director (Finance), SECL.
10. Dr. R. S. Jha, Director (Personnel), SECL.
11. Shri Kuldip Prasad, Director (Technical) Operations, SECL.
12. Shri P. K. Sinha, Director (Technical) Projects & Planning, SECL.
13. M/s. J. N. Mital & Co., CA, Principal Statutory Auditors.
14. M/s. Nirani & Co., Lead Cost Auditor.
15. M/s. AGR Reddy & Co., Secretarial Auditor.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**ITEM NO. 5 : RATIFICATION OF THE REMUNERATIONS OF COST AUDITORS**

The SECL Board at its 249th meeting held on 04.09.2016 (Item No. 249:4:23) had approved the Audit Committee Recommendations to appoint the Cost Audit Firms together with their Audit Fee, OPE & Applicable taxes for conducting Cost Audit of the company for the years 2016-17, 2017-18 and 2018-19.

Section 148(3) of the Companies Act, 2013 provides that *“the audit under Section 148 subsection (2) shall be conducted by a Cost Accountant in practice who shall be appointed by the Board on such remuneration as may be determined by the members in such manner as may be prescribed”*.

Further, Rule 14 of the Companies (Audit and Auditors) Rules, 2014 reads as under:

14. Remuneration of the Cost Auditor: For the purpose of sub-section (3) of Section 148,-

- (a) *In the case of companies which are required to constitute an audit committee —*
- i. *the Board shall appoint an individual, who is a cost accountant in practice, or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such cost auditor;*
 - ii. *the remuneration recommended by the Audit Committee under (i) shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.*

In view of the above, the remuneration of Cost Auditors for conducting Cost Audit for the years 2016-17, 2017-18 and 2018-19, as recommended by the Audit Committee and approved by the Board of Directors of SECL are required to be ratified by Shareholders in a general meeting, by way of Special resolution as under:

“RESOLVED THAT the remunerations of Cost Auditors for conducting Cost Audit of respective areas of SECL for the years 2016-17, 2017-18 & 2018-19, as recommended by the Audit Committee and approved by the Board of Directors of SECL at its 249th Meeting held on 04.09.2016 (Item No. 249:4:23), be and are hereby ratified.”

None of the Director, Manager, Key Managerial Personnel, or their relatives is concerned or interested, financial or otherwise, in respect of the above resolution.

By order of the Board of Directors
For **South Eastern Coalfields Limited**

Sd/-
(S.M. Yunus)
Company Secretary

Registered Office:

Seepat Road, Bilaspur (CG) - 495 006

Date: 7th July, 2017



स्वच्छ भारत
एक कदम स्वच्छता की ओर



Complete Social Responsibility
A step ahead of Corporate Social Responsibility



SOUTH EASTERN COALFIELDS LIMITED

Follow SECL on:



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@secl_cil



Scan me:



South Eastern Coalfields Limited (A Mini Ratna PSU)

Seepat Road, Bilaspur (Chhattisgarh) - 495006

Tel: 07752-246379-399 | Fax : 07752-246451

Website: www.secl-cil.in, www.secl.gov.in