

Empowering India



Enabling Life

Contents

CORPORATE OVERVIEW

Vision & Mission	2
SECL at a Glance	3
Corporate Information	4
Board of Directors	5
The Year at a Glance	6
Performance Trend	7
Chairman's Letter	10
Awards and Accolades	15
Operational Statistics	16
Directors' Profile	23
Our Management Team	32
Our Presence	35

STATUTORY REPORTS

Board's Report	37
Report on Performance of Subsidiaries	103
Annual Report on CSR	109
Secretarial Audit Report	124
Information u/s 134(3) (m) of the Companies Act, 2013	128
Report on Corporate Governance	131
Certificate on Corporate Governance	147
Management Discussion and Analysis Report	148

FINANCIAL STATEMENTS

Comments of C&AG of India	162
Auditors' Report	164
Balance Sheet	181
Statement of Profit & Loss	183
Statement of Changes in Equity	185
Cash Flow Statement	186
Notes to Financial Statements	188
Comments of C&AG of India (on Consolidated Financial Statements)	263
Auditors' Report (on Consolidated Financial Statements)	265
Balance Sheet (Consolidated)	276
Statement of Profit & Loss (Consolidated)	278
Statement of Changes in Equity (Consolidated)	280
Cash Flow Statement (Consolidated)	281
Notes to Financial Statements (Consolidated)	283
Statement containing salient features of Financials of Subsidiaries (AOC-1)	362
Annexure-I & IX under Regulation 33 of SEBI (LODR) Regulations	365
CEO & CFO Certification	367
Notice of 35 th Annual General Meeting	368

VISION & MISSION



VISION

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



MISSION

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

SECL at a Glance

South Eastern Coalfields Limited (SECL) is single largest Coal producing Company of India, with **150.61 Million Tonnes** of coal production in FY 2020-21.

Coal reserves of SECL are spread over the States of **Chhattisgarh & Madhya Pradesh** and the Company is operating **67 mines** (41 mines in CG & 26 mines in MP).

₹ 26,639.62 Crore

Gross Sales

₹ 2,044.50 Crore

Profit Before Tax (PBT)

12.66 Te

Output-per-Man-shift (OMS)

₹ 432.23 Crore

Final Dividend for the FY 2020-21



CORPORATE INFORMATION

Corporate Identification Number (CIN): U 10102CT1985GOI003161

REGISTERED OFFICE

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

Whole-Time Directors

Shri A. P. Panda, CMD & CEO (w.e.f. 28.12.2018),
Shri M. K. Prasad, D(T) O (w.e.f. 01.11.2020)
Shri S.M. Choudhary, D(F) & CFO (w.e.f. 12.10.2019) &
D(P) Addl. Charge (w.e.f. 01.02.2021)
Shri S. K. Pal, D(T) P&P (w.e.f. 15.12.2020)
Dr. R. S. Jha, D(P)
(w.e.f. 30.09.2014 up to 31.01.2021)
Shri R. K. Nigam, D(T) O
(w.e.f. 01.05.2019 up to 31.10.2020)
Shri M. K. Prasad, D(T) P&P
(w.e.f. 18.06.2019 up to 14.12.2020)

Govt. Nominee Directors

Ms. Vismita Tej, IRS, JS (MoC) (w.e.f. 30.12.2020)
Shri Binay Dayal, D(T), CIL (w.e.f. 05.07.2021)
Shri Sanjiv Soni, D(F), CIL
(w.e.f. 29.10.2019 up to 30.06.2021)
Shri S. B. Negi, IPS, JS (MoC)
(w.e.f. 28.10.2020 up to 30.12.2020)
Shri R.K. Sinha, IAS, JS (MoC)
(w.e.f. 29.11.2019 up to 10.07.2020)

Independent Directors

CA Shri S.K. Deshpande (w.e.f. 25.07.2019)

Permanent Invitee

Shri Chhatrasal Singh (PCOM, SECR)(w.e.f. 02.03.2020)

Company Secretary

Shri S. M. Yunus (w.e.f. 17.08.2010)

STATUTORY AUDITORS

M/s. O. P. Totla & Co., Raipur

BRANCH AUDITORS

M/s. Maheshwari & Associates, Kolkata
M/s. KGRS & Co., Kolkata
M/s. R. Shah & Co., Bhopal

COST AUDITORS

M/s. Chakraborty Kapoor & Co., LLP, New Delhi
M/s. Y. S. Thakar & Associates, Vadodara
M/s. Arindam & Associates, Raipur, Chhattisgarh

SECRETARIAL AUDITOR

M/s. D. Hanumanta Raju & Co., PCS, Hyderabad

SUBSIDIARIES

Chhattisgarh East Railway Ltd., Raipur
CIN: U45203CT2013GOI000729
Chhattisgarh East-West Railway Ltd., Raipur
CIN: U45203CT2013GOI000768

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
Canara Bank
Oriental Bank of Commerce
Corporation Bank

DEPOSITORY

M/s. National Securities Depository Limited

REGISTRAR & SHARE TRANSFER AGENT

M/s. Venture Capital and Corporate Investments Pvt. Ltd.,
Hyderabad.

ISIN

INE02GF01011

BOARD OF DIRECTORS

BOARD OF DIRECTORS (DURING 2020-21)

Chairman-cum-Managing Director/CEO

Shri A. P. Panda (w.e.f. 28.12.2018)

Whole-Time Directors

Shri M. K. Prasad, D(T) O (w.e.f. 01.11.2020)

Shri S.M. Choudhary, D(F)& CFO (w.e.f. 12.10.2019) & D(P) Addl. Charge (w.e.f. 01.02.2021)

Shri S. K. Pal, D(T) P&P (w.e.f. 15.12.2020)

Dr. R. S. Jha, D(P) (w.e.f. 30.09.2014 up to 31.01.2021)

Shri R. K. Nigam, D(T) O (w.e.f. 01.05.2019 up to 31.10.2020)

Shri M. K. Prasad, D(T) P&P
(w.e.f. 18.06.2019 up to 14.12.2020)

Govt. Nominee Directors

Ms. Vismita Tej (w.e.f. 30.12.2020)
IRS, Joint Secretary, Ministry of Coal,
Govt. of India, New Delhi

Shri S.B. Negi
(w.e.f. 28.10.2020 upto 30.12.2020)
IPS, Joint Secretary, Ministry of Coal,
Govt. of India, New Delhi

Shri R.K. Sinha, IAS (w.e.f. 29.11.2019 upto 10.07.2020)

Shri Sanjiv Soni (w.e.f. 29.10.2019 upto 30.06.2021)
Director (Finance), Coal India Limited

Independent Director

CA Shri S.K. Deshpande (w.e.f. 25.07.2019),
Chartered Accountant

Permanent Invitee

Shri Chhatrasal Singh (w.e.f. 02.03.2020)
Principal Chief Operations Manager
South East Central Railway (SECR)
Bilaspur (CG)

Company Secretary

Shri S. M. Yunus
(w.e.f. 17.08.2010)

BOARD OF DIRECTORS (As on 12.08.2021)

Chairman-cum-Managing Director/CEO

Shri A. P. Panda

Whole-Time Directors

Shri M. K. Prasad, Director (Tech) Oprn.

Shri S. M. Choudhary, Director (Finance)/ CFO & Director (Personnel) Addl. Charge

Shri S. K. Pal, Director (Tech) P&P

Govt. Nominee Directors

Ms. Vismita Tej
IRS, Joint Secretary, Ministry of Coal, Gol

Shri Binay Dayal
Director (Technical), Coal India Limited

Independent Director

CA Shri S.K. Deshpande
Chartered Accountant

Permanent Invitee

Shri Chhatrasal Singh
Principal Chief Operations Manager
South East Central Railway (SECR)
Bilaspur (CG)

The year at a Glance

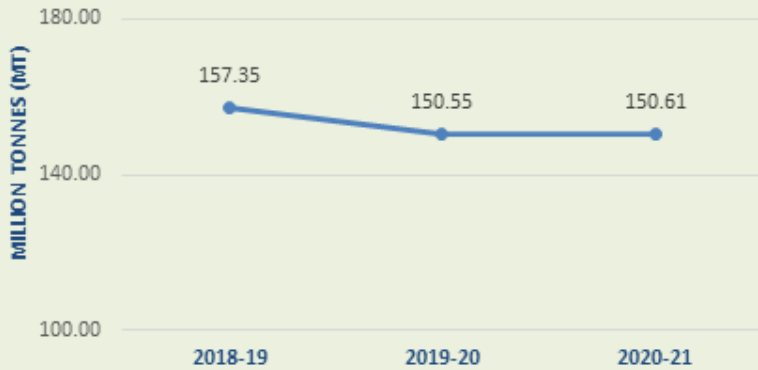
Particulars	Unit	2020-21	2019-20
Production of Raw Coal:			
i. Coal Production from Opencast Mines	Million Tonnes	138.43	136.46
ii. Coal Production from Underground Mines	Million Tonnes	12.18	14.09
Total Coal Production	Million Tonnes	150.61	150.55
Sale of Coal	₹ in Crore	26639.62	27086.06
Profit Before Tax (PBT)	₹ in Crore	2044.50	2521.47
Profit After Tax (PAT)	₹ in Crore	1439.95	1734.92
Dividend	₹ in Crore	432.23	1617.52
Dividend Tax	₹ in Crore	-	332.49
Retained Profit	₹ in Crore	1069.63	330.21
Net Fixed Asset	₹ in Crore	7178.46	6009.14
Net-Worth	₹ in Crore	4308.00	3064.35
Long-term Loans	₹ in Crore	-	-
Capital Employed	₹ in Crore	13362.84	11979.30
Value Added	₹ in Crore	14183.90	14588.38
Average Manpower employed during the year	Number	49453	53265
Value Added per Employee	₹ in Crore	0.29	0.27
Debt to Net Worth	Ratio	-	-
Return on Capital Employed	%	15.30	21.05
Face value per Share	₹	1000.00	1000.00
Dividend per Share	₹	647.00	2421.23
Book Value per Share	₹	6448.56	4586.97
Earnings per Share	₹	2155.43	2596.97

NOTE:

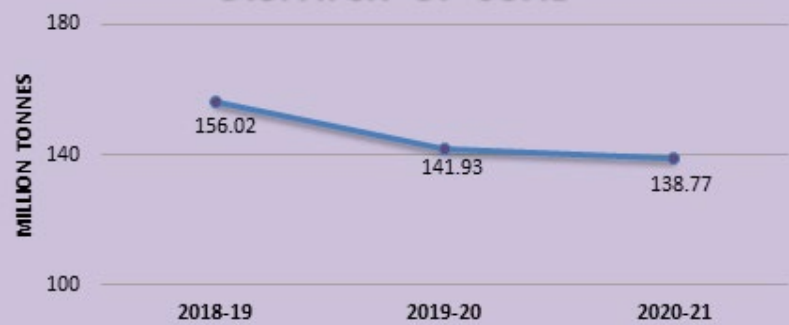
[Previous period's figures have been regrouped and rearranged wherever considered necessary for comparison.]

PERFORMANCE TRENDS

COAL PRODUCTION



DISPATCH OF COAL



GROSS SALES

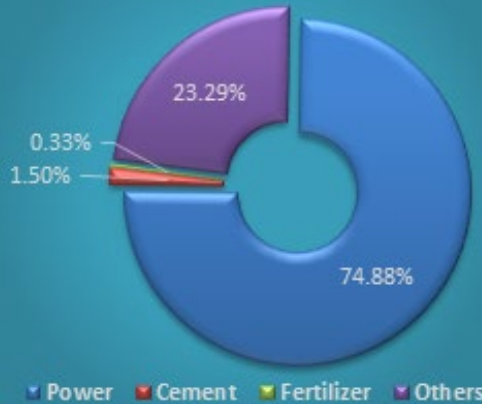


CORPORATE OVERVIEW

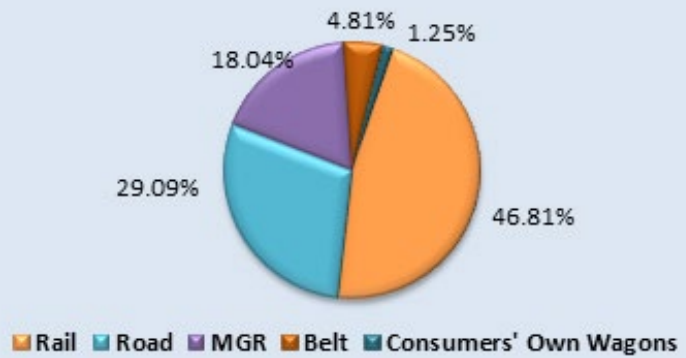
STATUTORY REPORTS

FINANCIAL STATEMENTS

SECTOR-WISE COAL DISPATCH 2020-21



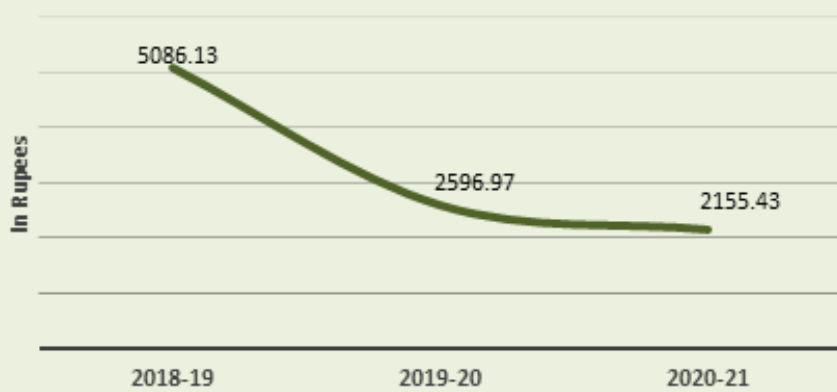
MODE-WISE COAL DISPATCH 2020-21



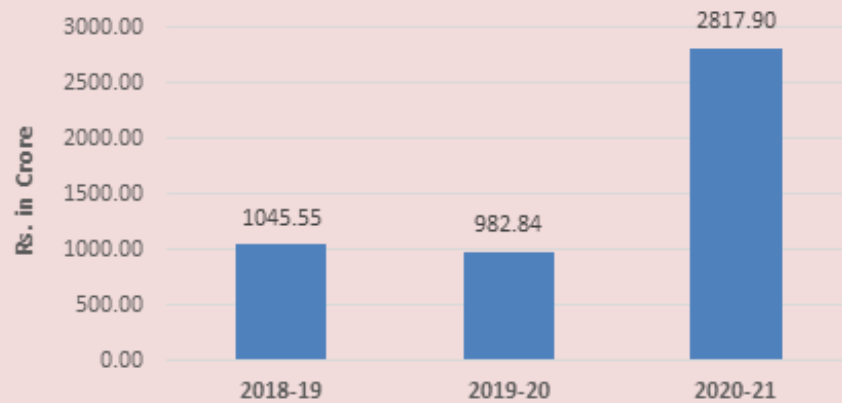
PROFIT BEFORE TAX



EARNINGS PER SHARE



CAPITAL EXPENDITURE



NET WORTH



Chairman's Letter



Dear Shareholders,

While presenting the performance of your company for the Financial Year 2020-21, it gives me great pride to cheer up our participating athletes and players at the Olympiad to bring accolades for our great nation. It's significant because the same sportive adrenaline rush, has pushed our workmen to produce more than 150 MT in a year and remarkably so, over the last three consecutive years. Many strategic steps helped in turning around the performance of the company in the fourth quarter contrary to the general expectations. It is also true that every such feat invites greater responsibility, which warrants us to reinforce our dedication with humility and show a stronger commitment to build up all such activities in line with the vision of the company - To be the leading energy supplier in the country.

The Board's Report and the Audited Financial Statements of your Company for the year ended 31st March, 2021 have already been provided to all the shareholders. With your permission, I take them as read.

Pandemic Shock

An unprecedented pandemic in the form of Corona virus has made an indelible impact on the economies of many nations across the globe including India since the beginning of the year. The arrival of an unknown virus, fear of transmission, deficient health care system, regional spike in virus positive cases, lockdowns measures, shutdowns, movement restrictions, migration of workers, uncertainty in business operations, rise in mortality rates across regions and above all, the failure to anticipate about the beginning of viral end prior to vaccination etc, have compounded the adverse impact on the economic activities and livelihood on the cross sections of the society. Consequent to unlocking of restrictive measures in phases, the life returned but not to the same old shape, instead into a masked one, i.e., a new normal. The pandemic has forced many nations to adopt various measures to contain its spread and transmission, which in turn helped such economies to revive out of deep depression, recession and unimaginable financial crisis.

In this scenario, uninterrupted energy supply played a key role in revival of the economy. It is a fact that energy acts as a catalyst to boost industrial and domestic activities in furtherance of creating domestic demand. In India, primary energy requirements is largely dependent on the thermal energy supply and particularly on the vast reserve of coal, for obvious reasons. During the pandemic and thereafter, entire energy sector had extended its support to sustain energy supply chain and helped to revive the demand in the corona affected & contracted economy.

All government machineries at centre and states in India, have taken plethora of measures by offering economic stimulus packages for various sectors, policy responses by regulatory institutions and administrative interventions etc., to boost all around economic activities in the country. Such steps helped in improving the industrial and domestic activities, which led to the expansion of GDP in the second half of the financial year.

In this direction, a slew of stimulating measures were also taken by your company in a humble way to facilitate consumers with supply of coal under the policy

initiatives by Coal India, such as removal of trigger level restrictions in coal supplies under fuel supply agreements, reduction in reserve prices for e-auction platforms, offering coal for import substitutions at affordable prices, softening financial coverages and payment mechanisms etc. Such measures helped our consumers in ensuring power generation and sustainable thermal power supply to meet energy demand, apart from fulfilling the feed stock demand in various industries.

Dip in the economy

As far as India is concerned, the provisional National Income estimates released by the National Statistical Office (NSO) shows that India's Gross Value Added (GVA) has shrank by 6.2 % in FY'21. GVA recorded positive growth of 1% and 3.7% in the Q3 and Q4 respectively, after a technical recession in the H1. All industries except two industry groups viz., Agriculture, Forestry & Fishing and Electricity, Gas, Water supply & other utility services registered negative growth. Mining & Quarrying dipped by 8.5% over the previous year.

In the mining sector especially with reference to coal extraction in India, provisional Coal statistics released by CCO shows that the total production of raw coal during FY'21 was 716.084 MT as compared to 730.874 MT in FY'20 i.e., a marginal negative growth of 2.02% despite the huge adverse impact of pandemic on the overall economy. In this background, it is worthy to mention that your company has shown a marginal positive growth in production contrary to the estimates, due to the skewed rise in operational performance during the Q4.

Performance of the company

It is a matter of pride for us that the state of Chhattisgarh has registered the highest total coal production during FY'21 with a share of 22.12% in the country, followed by Odisha with 21.53% and Madhya Pradesh with 18.51% and so on. It is obvious to note that major share of production in the state of Chhattisgarh has been contributed by your company and incidentally your company also remained the largest producer in the country. It is also heartening to note that your company is yet the only one, to surpass the 150 MTPA level, that took over three successive years. It is a

remarkable achievement, considering the uncertainties faced during the unprecedented pandemic for which the company will remain indebted to the sheer determination of our workers.

COVID related issues largely affected the mining operations of the company in the first quarter and made cascading impact on the second quarter compounded by early rainfall in the region. The factors like lockdowns, the shutdowns, the containment zones, movement restrictions, the absenteeism of workers, the unknown fear and the known impediments etc., played their roles through the first half of the fiscal but unparallel commitment of our workforce pushed up the performance in second half of the fiscal to regain the trust bestowed on us. During Q4, every month the production surpassed the previous best to reach nearing 60 MT and annual production crossed 150 MT. Coal production surpassed 1MT on few days in Mar'21 and greater thrust on environment friendly coal movements helped in achieving substantial improvement in dispatches by rail mode i.e., up by about 30% year on year.

Despite the challenges and unprecedented situations limiting the operations, your company has performed fairly well in the financial year achieving important milestones and holding leadership position as the largest coal producing company in India. Some of the key features of the performance are as follows:

Operational :

- Coal production of 150.61 MT (Crossed 150 MT in 3rd year in a row).
- Coal dispatch of 138.77 MT.
- Output per Manshift (OMS) was 12.66 Te.

Financial :

- Gross Turnover of the company was ₹ 26,639.62 Crore.
- Profit before Tax (PBT) for FY21 was ₹ 2,044.50 Crore.
- Final Dividend of 64.70% amounting to ₹ 432.23 Crore for FY21.
- Net-worth as on 31.03.2021 stood at ₹ 4,308.00 Crore.
- Contributed to the Exchequer ₹11,794.70 Crore.

Growth with Infra-push

In a pandemic year, your company could achieve highest ever CAPEX of ₹ 3,445.42 crores on consolidated basis including the investments through the two subsidiaries viz., CERL & CEWRL and CAPEX of ₹ 2,817.90 crores on stand-alone basis. Major HEMMS like 150 T dumpers, Excavators, Surface Miners, Payloaders etc have been added to the departmental capacity. For the first time, surface miners have been introduced for production at Kusmunda open cast mine along with a combined fleet of Payloaders, Dumpers etc for departmental operations.

In order to achieve 1 BT production, your company had been acknowledging that coal evacuation would be a major challenge at various coalfields. It is a fact that logistics support

and connectivity through rail/road to the mines had never been developed along the line of expansion of coal mines. Anticipating the upcoming coal evacuation challenges and bulk transport constraints, your company has taken many steps to handle voluminous dispatch through environment friendly in-pit conveying system up to the coal handling plants. Concurrently, steps have also been taken to load coal through Rapid Loading Systems (RLS) into the SILOs through bunker arrangements for dispatching through rail network. In this direction, two major subsidiaries have been formed to develop two separate rail corridors through all the three coal fields viz., Mand-Raigarh, Korba, Korea-Rewa and to provide rail connectivity to the trunk rail line of Indian Railways.

After coal extraction through continuous cutting technologies and blast free methods to reduce pollution load on the environment, it is always challenging to move voluminous coal up to the delivery point inside the mines to contain fugitive emissions. In this direction, Tenders for all loading arrangements and feeder-links have been invited under the First Mile Connectivity (FMC) projects, as envisaged in the respective project reports for the mines. All such outsourcing works for the Nine (9) FMC projects along with rail links to loading points have been awarded and likely be completed within next two years at six mines with an estimated investment of about ₹4,000 crores to evacuate additional 60 to 70 million tonnes of coal out of these mines. Further, steps have also been

taken to strengthen and widen 137 km of road in the periphery of the mines apart from the external roads associated with coal evacuation, through state govt/ district administration on deposit basis.

Green Investments

It has always been the endeavour at the company to offset carbon footprint on the environment through a number of initiatives. In order to pledge its commitment towards net-zero concept, your company has embarked upon meeting the energy requirements through solar power projects and enjoy twin advantage of cost reduction apart from offsetting carbon footprint. In this direction, your company has conceived a solar project and assigned its execution to M/s Solar Energy Corporation of India (SECI). Accordingly, SECI will develop the ground mounted and grid connected 100 MW Solar Power Plant under Build-Own-Operate-Transfer (BOOT) model in Chhattisgarh for enabling captive consumption of power in the Korba coalfields. M/s SECI is in the process of fixing an EPC agency to provide solar power to the mines in the korba coalfields. It is likely to save huge energy cost during deployment of heavy machineries for removal of overburden and conveyance of coal.

Further, surplus land patches have also been identified in the operational areas of Bhatgaon and Bishrampur for installing 40 MW ground mounted solar plants under CAPEX model, with adequate arrangements to feed the solar power through the nearby captive sub-stations and use in the nearby underground mines. In addition to the above, solar installations have been planned on the roof top of the non-residential, schools buildings etc to offset the carbon foot on the environment.

Business verticals

Your company is also exploring the green avenues to harness coal based resources such as Coal Based Methane (CBM) at a potential location i.e. Sohagpur CBM Block-I (Madhya Pradesh) under Hasdeo Area, for which CMPDIL has been appointed as Principal Implementing Agency (PIA) and its Pre-Feasibility Report has been approved at an estimated capital outlay of ₹202.72 Crore.

Further, your Company is also undertaking a Surface Coal gasification Project at Mahamaya Opencast Mine

(Coal Grade-G4, capacity 1.5 MTY, Mine Life 33 years) in Bhatgaon Area, Surajpur district, Chhattisgarh. M/s. Projects and Development India Limited (PDIL), a Miniratna PSU has been engaged for conducting a Pre-Feasibility Study of the project. M/s PDIL has submitted its Final Pre-Feasibility Report and validated through a peer review by M/s. Deloitte to produce Ammonia as final product. It will be developed with the help of Principal Implementing Agency viz., CMPDIL.

Corporate Governance

Corporate Governance has been embedded in the business processes and made it imperative on the part of every functionary to ensure transparency and fairness in the activities for sustaining the operations of the organisation and thereby holding the trust of all stakeholders. In order to showcase the level of governance many policies, guidelines, procedures, and other mechanisms have been formulated and also kept in public domain, by uploading in the company's website. As a central public sector enterprise, our corporate ethos reflect greater accountability, transparency and internal commitment within the organisation to develop confidence over the engagements with the external stakeholders. It has always been an endeavour to ensure corporate growth by stepping up the level of corporate governance. Your company has been listed in the 'Excellent' category among the CPSEs for corporate governance by Department of Public Enterprises (DPE).

In order to improve further, greater thrust is being given towards transparency in procurement of goods and services through GeM, engagement in business dealings through competitive bidding by inviting open tenders, supply of adequate coal and coal based products to the satisfaction of consumers through Fuel Supply Agreements(FSA) and E-auctions, ensuring safety and environment protection measures with the help of various stakeholders, apart from timely disposal of grievances through redressal mechanisms etc.. Also, steps have been taken to comply with various stipulations as per the provisions of the Companies Act as well as the stringent norms of listing Agreement of Coal India Limited with Stock exchanges, as your company is a material subsidiary of Coal India Limited, in terms of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the

extant Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Ministry of Finance, Government of India, are also being strictly complied from time to time. A separate Report on Corporate Governance forms part of the Board's Report.

Corporate Social Responsibility

As a public sector enterprise, your company is not only adhering to the mandated guidelines prescribed by DPE on Corporate Social Responsibility (CSR) from time to time and provide adequate funds prescribed under the Companies Act, but also undertakes activities in the areas of social significance, educational importance, healthcare, nutritional arrangements and disaster management in the operational areas in the states of Chhattisgarh and Madhya Pradesh. Being a large corporate, it is a frontrunner to assume responsibility towards society for sustainable development and inclusive growth in the surrounding areas of mining Projects. Such initiatives supplement the acts of the states in enhancing welfare measures for the society by engaging with community and working towards overall development, which forms an integral part of business operations. These CSR projects have been undertaken in the segments of drinking water supply, environmental sustainability and conservation of natural resources, promoting education, promoting healthcare, promotion of sports, protection of national heritage, art & culture, rural development, sanitation including 'swachh bharat abhiyan', welfare of differently abled and welfare of ex-servicemen in line with the rules and provisions of the Companies Act.

During pandemic, your Company has extended all possible help by initiating measures for fighting against spread of COVID-19 in the region and contributed about ₹ 53.67 Crore as financial assistance to state and districts administration apart from creating COVID care centres and adequate infrastructure in the mines to meet the contingencies along with vaccination arrangements for the employees, workers, dependents and general public. News reports mention that more than one lakh people have been vaccinated so far at the designated vaccination centres in the company's premises. A detailed Report on CSR activities undertaken during the year 2020-21 forms part of the Board's Report.

Environment Management

Safeguarding the environment to maintain ecological balance with conservation of flora and fauna has been embedded in the business philosophy of your Company for sustainable development. Your company has taken several steps to provide clean environment in and around coal mines through the implementation of Environment Management Plans (EMP). In line with the philosophy, your company has planted about 6.75 Lakh saplings of multi-species plants for bio-diversity conservation. In order to hold the scarce resource of fresh water, your company has undertaken water conservation measures and created rain water harvesting facilities in the mines and colonies, besides commissioning of sedimentation tanks or settling ponds in all the opencast mines, which acts as water recharge basins.

Safety in Operations

Safety assurance is an integral part of all operations and the management is fully committed to it by developing Safety Management Plans (SMP) and formulating safety protocols through Standard operating Procedures (SoPs) for Open and underground mines. It is a matter of concern that despite SoPs, guidance, gadgets, alarm systems, monitoring mechanisms, safety devices in heavy equipments etc., the fatalities and accidents occur primarily due to human mistakes

and oversight, which warrants penal action. Therefore, employees and contract workers are being sensitised from time to time through various worker-participative meetings, interactive programs, trainings, audio-visual clippings and even safety related cultural events etc., to convey the significance of safe working in the mines. Safety policy of the company also creates an enabling environment to provide necessary assurance towards zero harm to life and machineries in the mines.

Acknowledgement

I would like to express my sincere gratitude on behalf of the Board of Directors for the support received from Ministry of Coal, Ministry of Environment, Forest & Climate Change, Ministry of Corporate Affairs, Ministry of Finance- Department of Public Enterprises (DPE) and Department of Investment and Public Asset Management (DIPAM), State Governments of Chhattisgarh and Madhya Pradesh apart from associated statutory authorities and Coal India Limited.

I convey my sincere appreciation to the concerted efforts of Coal Warriors and thanks to the Trade unions, Regulatory bodies and other stakeholders.

Also, I would like to acknowledge the patronage of the shareholders for reposing confidence on the management and strengthening the energy value chain for enriching the path of an emerging economy.

With best wishes,




(A. P. Panda)

Chairman-cum-Managing Director


DIN: 06664375

Awards & Accolades

 कोल इण्डिया लिमिटेड
Coal India Limited

46 स्थापना दिवस FOUNDATION DAY

Corporate Award on R&R 1st Prize - SECL



**Shri A P Panda, CMD, SECL
Functional Directors, SECL**

46th CIL Foundation Day

(This block contains three small inset images on the left: the top one shows two men at a podium; the middle one shows a video screen with the 46th Foundation Day logo; the bottom one shows a man speaking into a microphone.)



CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

OPERATIONAL STATISTICS

Production Performance

SN.	For the Financial Year	2020-21	2019-20
1	PRODUCTION [RAW COAL] [MT]		
	Underground	12.18	14.09
	Opencast	138.43	136.46
	TOTAL	150.61	150.55
2	OVERBURDEN REMOVAL [M.CuM]	196.37	164.74
3	OFF-TAKE [RAW COAL][M.T.]		
	Power	103.92	114.69
	Fertilizers	0.46	0.63
	Cement	2.08	3.21
	Colliery Consumption	0.01	0.01
	Others	32.31	23.40
	TOTAL	138.78	141.94
4	DISPATCH MODE [RAW COAL][M.T.]		
	Rail	64.96	49.61
	Road	40.37	59.54
	MGR	25.03	24.38
	Belt	6.68	6.27
	Consumer's Own Wagon	1.73	2.13
	TOTAL	138.77	141.93
5	PRODUCTIVITY		
	Output per Man-shift [OMS]:		
	Underground [Tonnes]	1.59	1.69
	Opencast [Tonnes]	32.60	29.91
	Overall [Tonnes]	12.66	11.65
6	MANPOWER	47481	51426
7	CAPITAL EXPENDITURE [₹ in Crore]	2817.90	982.84

FINANCIAL POSITION

As per IND AS

₹ in Crore

For The Financial Year	2020-21	2019-20
ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	7,178.46	6,009.14
(b) Capital Work-in-Progress	1,361.78	760.27
(c) Exploration and Evaluation Assets	1,585.45	1,457.26
(d) Other Intangible assets	10.27	10.27
(e) Intangible assets under development	0.00	0.00
(f) Investment Property	0.00	0.00
(g) Financial Assets	0.00	0.00
(i) Investments	810.07	746.07
(ii) Loans	20.48	110.2
(iii) Other Financial Assets	1,808.43	1,694.55
(h) Deferred tax assets (Net)	420.06	305.60
(i) Other non-current assets	393.57	81.41
Total Non-Current Assets (A)	13,588.57	11,174.77
(2) Current Assets		
(a) Inventories	1,613.80	1,253.04
(b) Financial Assets		
(i) Investments	1.64	0.29
(ii) Trade Receivables	1,114.74	1,653.80
(iii) Cash & Cash equivalents	849.40	39.49
(iv) Other Bank balances	1,220.70	3,966.50
(v) Loans	0.30	0.89
(vi) Other Financial Assets	788.43	860.44
(c) Current Tax Assets (Net)	8,843.57	8,457.72
(d) Other Current Assets	2,039.28	1,711.28
Total Current Assets (B)	16,471.86	17,943.45
Total Assets	30,060.43	29,118.22
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	668.06	668.06
(b) Other Equity	3,639.94	2,396.29
Equity Attributable to Equity Shareholders of The Company	4,308.00	3,064.35
Non-Controlling Interest	-	-
Total Equity (A)	4,308.00	3,064.35

FINANCIAL POSITION (CONTD.)

As per IND AS

₹ in Crore

For The Financial Year	2020-21	2019-20
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Trade payables	-	-
(iii) Other financial liabilities	394.80	258.56
(b) Provisions	15,068.83	13,821.62
(c) Other non-current liabilities	1.32	0.40
(d) Deferred Tax liabilities (Net)	-	-
Total Non-Current Liabilities (B)	15,464.95	14,080.58
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	0.00	1,724.93
(ii) Trade payables	1,495.00	1,574.57
(iii) Other Financial Liabilities	2,307.02	1,884.79
(b) Other Current liabilities	5,717.90	5,747.34
(c) Provisions	767.56	1,041.66
(d) Current Tax liabilities (Net)	-	-
Total Current Liabilities (C)	10,287.48	11,973.29
Total Equity and Liabilities (A+B+C)	30,060.43	29,118.22

Note:

[Previous period's figures have been regrouped and rearranged wherever considered necessary for comparison.]

INCOME AND EXPENDITURE

As per IND AS

₹ in Crore

For the Financial Year	2020-21	2019-20
[A] EARNED FROM		
1) Gross Sales	26,639.62	27,086.06
Less: Statutory Levies	9,984.58	10,235.98
Net Sales	16,655.04	16,850.08
2) Other Operating Revenue		
a) Net of Loading & Additional transport charges & Evacuation Charges & Subsidy	1,393.62	1,329.32
Other Operating Revenue	1,393.62	1,329.32
Revenue from Operations (1+2)	18,048.66	18,179.40
3) Other Income		
a) Interest on Deposits/Mutual Funds etc.	202.40	546.32
b) Other non-operating Income	476.18	295.13
Total (A)	18,727.24	19,020.85
[B] PAID TO/PROVIDED FOR		
1) Employee Remuneration & Benefits (a to c)		
a) Salary, Wages, Allowances, Bonus etc.	5,522.17	5,776.54
b) Contribution to P.F. & Other funds	1,479.18	1,650.35
c) Staff Welfare Expenses	705.06	756.71
2) Accretion/Decretion in Stock	-413.96	-318.40
3) CSR Expenses	79.42	84.65
4) Stores & Spares	1,666.18	1,483.85
5) Power & Fuel	804.96	777.85
6) Contractors (including Transportation & Repairs)	3,079.21	2,785.30
7) Finance Cost	113.17	121.51
8) Depreciation/Amortisation/Impairment	807.77	760.85
9) Provisions & Write off	761.61	103.43
10) Overburden Removal Adjustment	1,227.23	1,636.66
11) Other Expenses	850.74	880.08
12) Prior Period Adj/ Exceptional Items/Extraordinary Items	-	-
13) Excise Duty	-	-
Total (B)	16,682.74	16,499.38
Profit Before Tax (PBT) (A-B)	2,044.50	2,521.47
Tax on Profit	604.55	786.55
Profit After Tax (PAT)	1,439.95	1,734.92

INCOME AND EXPENDITURE (CONTD.)

As per IND AS

₹ in Crore

For the Financial Year	2020-21	2019-20
[C] OTHER COMPREHENSIVE INCOME (NET OF TAX)	-196.30	-352.43
Total Comprehensive Income (PAT+OCI)	1,243.65	1,382.49
Dividend	432.23	1,617.52
Tax on Dividend	0.00	332.49
Transfer to General Reserve	72.00	86.75
Transfer to CSR Reserve	0.00	0.00
Transfer to Sustainable Development Reserve	0.00	0.00
Profit Carried to Balance Sheet	739.42	-654.27
Accumulated Profit from Previous Years	330.21	984.48

NOTE:

Previous period's figures have been regrouped and rearranged wherever considered necessary for comparison.

IMPORTANT FINANCIAL INFORMATION

₹ in Crore

For the Financial Year	2020-21	2019-20
[A] Related to Assets & Liabilities		
(1) (i) No. of Equity Shares ₹ 1000 each	66,80,561.00	66,80,561.00
(ii) Shareholder's funds		
a) Equity	668.06	668.06
b) Reserves	2,138.08	2,066.08
c) Accumulated Profit/Loss	1,501.86	330.21
d) Misc. Expenditure	0.00	0.00
(2) Long Term Borrowings	0.00	0.00
(3) Capital Employed	13,362.84	11,979.30
(4) (i) Net Fixed Assets	7,178.46	6,009.14
(ii) Current Assets	16,471.86	17,943.45
(iii) Current Liabilities	10,287.48	11,973.29
(5) (a) Trade Receivables (Net)	1,114.74	1,653.80
(b) Cash & Bank	2,070.10	4,005.99
(6) Closing Stock of :		
(a) Stores & Spares (Net)	228.15	281.65
(b) Coal, Coke etc. (Net)	1,255.82	806.70
(7) Average Stock of Stores & Spares (Net)	254.90	287.29
[B] Related to Profit/Loss		
(1) (a) Gross Margin	2,965.44	3,403.83
(b) Gross Profit	2,157.67	2,642.98
(c) Profit before Tax	2,044.50	2,521.47
(d) Net Profit (after Tax)	1,439.95	1,734.92
(e) Net Profit (after Tax & Dividend)	1,007.72	(215.09)
(2) (a) Gross Sales	26,639.62	27,086.06
(b) Net Sales (after levies & Adj of Coal Quality var)	16,655.04	16,850.08
(c) Sales Value of Production	17,069.00	17,168.48
(3) Cost of Sales (Sales - Profit)	14,610.54	14,328.61
(4) (a) Total Expenditure	16,682.74	16,499.38
(b) Salaries and Wages	7,706.41	8,183.60
(c) Stores and Spares	1,666.18	1,483.85
(d) Power and Fuel	804.96	777.85
(e) Finance cost & Depreciation	920.94	882.36
(5) Average Consumption of Stores & Spares per Month	138.85	123.65
(6) (a) Average manpower employed during the year	49,453.00	53,265.00
(7) (a) Value Added	14,183.90	14,588.38
(b) Value Added per Employee	0.29	0.27

NOTE:

[Previous period's figures have been regrouped and rearranged wherever considered necessary for comparison.]

IMPORTANT FINANCIAL RELATIVE RATIOS

For the Financial Year	2020-21	2019-20
[A] PROFITABILITY RATIOS		
(1) As % Net Sales		
(a) Gross Margin	17.81	20.20
(b) Gross Profit	12.96	15.69
(c) Net Profit	8.65	10.30
(2) As % Total Expenditures		
(a) Salary & Wages	46.19	49.60
(b) Stores and Spares	9.99	8.99
(c) Power and Fuel	4.83	4.71
(d) Interest & Depreciation	5.52	5.35
(3) As % Capital Employed		
(a) Gross Margin	22.19	28.41
(b) Gross Profit	16.15	22.06
(c) Profit after Tax	10.78	14.48
(4) Operating Ratio [(Sales - Profit)/Sales]	0.88	0.85
[B] LIQUIDITY RATIOS		
(1) Current Ratio (Current Asset / Current Liability)	1.60	1.50
(2) Quick Ratio (Quick Asset / Current Liability)	0.31	0.47
[C] TURNOVER RATIOS		
(1) Capital Turnover Ratio (Net Sales/Capital Employed)	1.25	1.41
(2) Trade Receivables (Net) as No. of Months		
(a) Gross Sales	0.50	0.73
(b) Net Sales	0.80	1.18
(3) As Ratio of Net Sales		
(a) Trade Receivables	0.07	0.10
(b) Coal Stock	0.08	0.05
(4) Stock of Stores and Spares		
(a) Average Stock/Annual Consumption	0.15	0.19
(b) Closing Stock in terms of No. of month Consumption	1.64	2.28
(5) Stock of Coal, Coke etc.		
(a) As a no. of month value of production	0.88	0.56
(b) As a no. of months of cost of Sales	1.03	0.68
(c) As a no. of months net sales	0.90	0.57
[D] STRUCTURAL RATIOS		
(1) Debt : Equity	0.00	0.00
(2) Debt : Net Worth	0.00	0.00
(3) Net Worth : Equity	6.45	4.59
(4) Net Fixed Assets : Net Worth	1.67	1.96
[E] SHAREHOLDER'S INTEREST		
(1) Book Value Per Share[₹] (Net Worth / No. of Equity)	6,448.56	4,586.97
(2) Dividend Per Share[₹]	647.00	2,421.23

NOTE:

[Previous period's figures have been regrouped and rearranged wherever considered necessary for comparison.]

Directors' Profile

Shri Ambika Prasad Panda

Chairman-cum-Managing Director & CEO (w.e.f.01.07.2018 & 28.12.2018)



Shri Ambika Prasad Panda (53 years), assumed the post of Chairman-cum-Managing Director on 28th December 2018. Prior to this assignment, he worked as Director (Finance), SECL since August, 2013 and held additional charge of CMD, SECL since July, 2018 due to resultant vacancy. He was also Chairman of two Subsidiary Companies of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East-West Railway Limited (CEWRL) from August, 2013 to January, 2019.

During the period, both the subsidiaries were developed from nascent stage to achievement of financial closure for East Rail Corridor (Phase-I) Project by CERL and substantial progress in case of East-West Rail corridor by CEWRL. Both the Companies have been mandated to lay about 300 Kms rail route through Mand-Raigarh and Korba Coalfields of SECL with an investment of approx. ₹9700 Crore for evacuation of Coal, which is likely to benefit towards contribution of SECL for 1BT production plan of CIL. Prior to joining SECL, he has worked in various capacities at Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant. During a career span of more than two decades, he garnered experience in the field of Financial Management 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 strengthened the financial functions. He is a Fellow Member of the Institute of Cost Accountants of India and holds Masters in Business Administration. He is a keen business analyst and a committed management professional and conferred with the 'Most Influential CFOs of India' Award by the Chartered Institute of Management Accountants (CIMA).

Government Nominee Directors

Ms. Vismita Tej (w.e.f. 30.12.2020)

IRS, Joint Secretary, Ministry of Coal



Ms. Vismita Tej (55 Years), an Indian Revenue Service (IRS) Officer, 1990 Batch, Joint Secretary in the Ministry of Coal, Govt. of India, has joined as Part Time Official/ Government Nominee Director on SECL Board w.e.f. 30.12.2020. Ms. Vismita Tej holds post graduate degrees, (i) MA (Political Science), Utkal University, Odisha, (ii) M.Phil (International Studies), Jawaharlal Nehru University, New Delhi, (iii) MA (Public Policy & Sustainable Development), TERI University, New Delhi & (iv) MA (Gender Studies) from University of Essex, UK.

She has served in various capacities in the Income Tax Department at Bhubaneswar, Patna, Hyderabad, Ranchi & Delhi and she has wide and varied experience in assessment, investigation, administration, policy matters etc. She was posted as Chief Vigilance Officer (CVO) in Central Coalfields Limited, Ranchi from Sept. 2009 to Sept. 2014 and she has also functioned as part time Chief Vigilance Officer in Ministry of Coal, Govt. of India in addition to her normal charge. She has also served as Part Time Official/Government Nominee Director on the Board of Eastern Coalfields Limited (ECL) from 03.10.2018 to 11.01.2019.

Ms. Vismita Tej is an active and experienced Resource Person on a wide range of subjects of expertise viz. Personal Finance, Vigilance & Anti-Corruption, Gender Studies and a visiting faculty at LBSNAA, Mussoorie, SVPNPA, Hyderabad, NADT, Nagpur & Indian Institute of Coal Management (IICM), Ranchi.

Shri Binay Dayal (w.e.f. 15.07.2021)

Director (Technical), Coal India Limited



Shri Binay Dayal (59 Years), Director (Technical), Coal India Limited has joined as a Part-Time Official Director on the Board of Directors of SECL on 05.07.2021. Shri Dayal has taken over the charge of Director (Technical), Coal India Limited, Kolkata from 11.10.2017. Shri Dayal graduated in Mining Engineering in 1983 from Indian School of Mines (ISM), Dhanbad. He also obtained 1st Class Mine Manager's Certificate of Competency from DGMS, Dhanbad.

Shri Dayal joined as Junior Executive (Trainee) in Coal India and was posted at Central Saunda Colliery, Barkakana Area of Central Coalfields Limited in the year 1983. He worked in various capacities such as Head of Technical Services and Public Relations in CMPDI (HQ), Regional Director, CMPDI, Regional Institute-V, Bilaspur, General Manager (Projects & Planning) in South Eastern Coalfields Limited. He took over the charge of Director Technical (Engineering Services), CMPDI on 01.12.2015.

Shri Dayal has vast experience in Corporate Planning and Public Relations activities. He has to his credit the Planning, Approval and Implementation of Mega Projects of South Eastern Coalfields Limited and enhancement of productivity of hi-tech drills deployed for detailed exploration in Korba and Mand Raigarh coalfields. As General Manager (Projects & Planning Services), South Eastern Coalfields Limited, he prepared the road map for coal production in respect of South Eastern Coalfields Limited as a part of 1 Billion Tonne coal production exercise carried out by Coal India Limited. At SECL, he was also entrusted with additional responsibility as Nodal Officer of South Eastern Coalfields Limited for Rail Corridor JV projects viz. CERL & CEWRL for evacuation of coal from Mand Raigarh and Korba Coalfields.

Shri Dayal attended as the member of Indian Contingent in the 5th Meeting of 'India-Australia Joint Working Group on Energy and Minerals' organized in Australia during the year 2007. He visited Chinese Coal Industry as participant of Advanced Management Training Programme in September 2010. He was Administrative Head on behalf of CMPDI for EU Research Project on Green House Gas Recovery from mines of abandoned coal seam to conversion to energy (GHG2E) in 2011 & 2012. He participated in 22nd World Mining Congress & Expo 2011 organised in Istanbul, Turkey in 2011 and contributed technical paper. He was part of Indian Delegation to attend 'Prospectors and Developers Association of Canada (PDAC) 2018' Convention organised in Toronto, Canada in 2018. He has presented numerous technical papers related to coal industry. He is Life Member of MGMI & Computer Society of India (CSI).

Functional Directors

Shri M.K. Prasad (w.e.f. 01.11.2020)

Director (Technical) Operations



Shri Manoj Kumar Prasad (58 years), has joined as Director (Technical) Projects & Planning in South Eastern Coalfields Limited on 18th June, 2019 and assumed the charge of Director (Technical) (Operations), SECL w.e.f. 01.11.2020 consequent upon superannuation of Shri R. K. Nigam, Ex-Director (Technical) (Operations), SECL. Shri Prasad held Additional Charge of Director (Technical) (Projects & Planning) up to 14.12.2020. Shri Prasad 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) w.e.f. 08.01.2021. Both Joint Venture (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. 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. w.e.f. 01.04.2021

Shri Prasad has taken the additional charge of Director (Technical) Projects & Planning in Northern Coalfields Limited (NCL) for the period w.e.f.14.08.2019 to 29.04.2020. Shri Prasad is B.Tech (Mining) Hons from IIT-BHU Varanasi with First Class Mine Managers' Competency Examination and MCA from BIT, Mesra. Shri Prasad is an excellent mining engineer with hands-on-experience in diverse fields like IT and also other facets of functions related to mining industry. He is a professional mining engineer with over 35 years of experience.

Shri Prasad has wide & varied experience in the mining industry and has worked in various capacities in Central Coalfields Ltd., Ranchi, South Eastern Coalfields, Bilaspur, and Northern Coalfields Ltd, Singrauli (M.P). Shri Prasad has rich experience which includes working in various Areas of Central Coalfields Limited viz. Barkakana Area, Saunda-D colliery (June, 1985 to November, 2002); Piparwar OCP, an Indo Australian Joint Venture (May, 1994 to November, 2001); Ashoka OCP (November, 2001 to November, 2002) and he also worked as System Analyst & Designer in CCL Headquarters and was primarily instrumental in developing and implementation of payroll, financial accounting, UGMIS, OCMIS, MINMS and Annual Action Plans on different platforms (Mainframe, Mini, Desktop computers) using software's like DBMS, Oracle, UNIFY and D base.

During his tenure in Piparwar OCP, an Indo Australian Joint Venture, he was responsible for introduction of new technology like Mobile Inpit Crushing & Conveying Technology integrated with Washery which was introduced in India for the first time as a part of Technology Transfer Programme. Shri Prasad joined South Eastern Coalfields Limited and worked as Manager in Gevra OCP (November, 2002 to July, 2008) there he introduced Surface Miner for the first time in SECL and also introduced 42 cum shovels, 240 T dumpers and OB outsourcing.

Shri Prasad joined the Northern Coalfields Ltd, Singrauli (M.P) and worked as the CME/AGM of Bina opencast project (March, 2013 to February, 2015) and later joined as General Manager at Dudhichua OCP (February, 2015 to May, 2015) and also held additional charge of GM (Systems) for this period during which he expedited various ongoing IT initiatives in the Company like Coal Net, OITDS, CCTV and GPS based vehicle tracking system. He took charge as the Area General Manager in Khadia project from May 2018 till joining of SECL.

Shri Prasad is also Life Member of MGMI. He has published 9 technical papers at National and International forums/conferences. He has attended Technical training at Australia during the years 1994, 2017 and 2019.

Shri S.M. Choudhary (w.e.f. 12.10.2019)**Director (Finance) & CFO, Director (Personnel) Addl. Charge**

Shri Shyam Murari Choudhary (59 years), has joined as Director (Finance) and Chief Financial Officer (CFO) of South Eastern Coalfields Limited on 12.10.2019. Shri Choudhary is also holding the Additional Charge of Director (Personnel) w.e.f. 01.02.2021 vice Dr. R.S. Jha, Ex- Director (Personnel) who has relinquished the charge upon attaining superannuation w.e.f. 31.01.2021. Shri Choudhary is a qualified Chartered Accountant, Cost & Management Accountant and Company Secretary; and is a Fellow Member of the Institute of Chartered Accountants of India. He has also completed Certified Courses on IFRS and Indirect Taxes from the Institute of Chartered Accountants of India (ICAI). He has wide experience of over 30 years and has served the Coal Industry in different capacities.

Shri Choudhary started his career from Central Coalfields Limited (CCL) and worked in various capacities in different finance functions viz. Accounts & Audit, Costing & Budgeting, Internal Audit, Taxation, Treasury and Forex Management, etc. He has also worked as Treasury Head in Coal India Limited HQ, Kolkata. Shri Choudhary is a keen analyst, strategist and tactician, and has consistent record of delivering extraordinary results in growth, revenue, operational performance and profitability.

Shri Choudhary has been conferred with the “Best CMA CFO” under the category Public-Manufacturing-Mega-Male at the 6th CMA Award-2019 of the Institute of Cost Accountants of India on 22nd February 2021.

Shri Choudhary has also been conferred with Special Achievement Award by CIL for formulating Unique Financial Scheme related to Mine Closure Plan. Shri Choudhary has also been honoured by the Institute of Chartered Accounts of India (ICAI) with Best CA-CFO Award in PSU sector in 2017. Shri Choudhary is associated with various professional bodies in various capacities.

In addition to his present capacity as Director (Finance) and the Additional Charge of Director (Personnel), SECL; Shri Choudhary is also a Director on the Board of Directors of two Joint Venture Companies and Subsidiaries of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East West Railway Limited (CEWRL) w.e.f. 08.01.2021.

Shri S.K. Pal (w.e.f. 15.12.2020)**Director (Technical) Projects & Planning**

Shri Santosa Kumar Pal (57 years) has joined as Director (Technical) Projects & Planning in South Eastern Coalfields Limited on 15.12.2020. Shri Pal holds Bachelor of Science (Mining Engineering) degree from REC, Rourkela and obtained Master in Business Administration from Sikkim Manipal University. He joined Coal India Limited in 1985 and posted in Mahanadi Coalfields Limited and he obtained First Class Mine Manager Certificate from DGMS in 1988.

Shri Pal has rich and varied experience of working in the coal mines of MCL and SECL in various capacities as Project Officer, Sub Area Manager (SAM) and General Manager. In SECL, he served as SAM Pinoura, GM (Mining) Kusbunda, Area GM, Korba & Gevra Areas. At Corporate level, he functioned as HOD of Contract Management Cell in SECL. As a Technocrat, Shri Pal contributed in commissioning of greenfield projects namely Kanchan OC of Johilla Area and Saraipali OC of Korba Area apart from running the largest coal mine in Asia, i.e. Gevra OC Project. Also introduced Hydraulic stowing with bottom ash at Surakachhar 3&4 UG mine on trial basis, which paved way for future UG coal extraction below surface structure.

Shri Pal is credited with redesigning the Manuals of e-procurement/e-tendering after incorporating necessary structural changes which facilitated introduction of e-tenders for service contracts at SECL and finalization of MOU between CIL and DGR, MoD, for sponsorship of ESM coal transport companies which contributed to enhancement of the coal production capacity of the company. He has international exposure which includes Training in advanced management development program at Germany and China in the year 2016. He also attended international conference on Project Implementation at Helsinki, Finland in 2009.

In addition to his present capacity as Director (Technical) Projects & Planning, SECL, Shri Pal is also a Director on the Board of Directors of two Joint Venture Companies and Subsidiaries of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East West Railway Limited (CEWRL) w.e.f. 09.03.2021.

Independent Director

Shri S. K. Deshpande (w.e.f. 25.07.2019)

Chartered Accountant



CA Shri Shriram Keshav Deshpande (55 Years), joined as an Independent Director on the Board of SECL from 25.07.2019. Shri Deshpande is a commerce post-graduate from Poona University. He graduated in Commerce (B.Com) in First Class with Distinction in 1986. In 1988, he passed his post-graduation (M.Com) again in First Class with Distinction and appeared in Merit in Poona University. In 1989, he qualified as Chartered Accountant and became Associate Member of The Institute of Chartered Accountants of India. In 2004, he passed Diploma in System Audit (DISA) from The Institute of Chartered Accountants of India.

Shri Deshpande joined M/s. P D Dalal and Company, Chartered Accountants in 1989 as a partner, which is now a reputed 67 years old Chartered Accountants firm. He has about 30 years of experience in the fields of audit, taxation, project finance, cooperative etc. Two companies from Dhule have so far come out with their IPOs on SME platforms of stock exchange under his consultation. He was also a part-time lecturer in M D Palesha Commerce

College, Dhule for 16 years from 1989 to 2006 teaching Accountancy, Auditing and Taxation to graduate students. Shri Deshpande is also on the Accounts, Audit & Investment Committee of North Maharashtra University, Jalgaon.

He was elected twice (in 2004 and again in 2009) as Director in Jalgaon Janata Sahakari Bank Ltd., a leading Scheduled Cooperative Bank in North Maharashtra with business over ₹ 2500 Crore. He led the Credit and IT Committees of the Bank and during his tenure, the Bank successfully installed Core Banking System (CBS) and established the Data Centre. He was also the Vice Chairman of the Bank from 2009 to 2012.

From the year 2000, he has been delivering public speech on Central Government Budget every year in Dhule and other cities. He also delivered number of lectures at various seminars and workshops organised by Sahakar Bharati, CA Institute and other organisations throughout India. Shri Deshpande has published many articles on Indian economy in newspapers and magazines. He has also authored two books, one on taxation prescribed for commerce graduation by North Maharashtra University and second in Marathi on Management of Charitable Trusts.

Shri Deshpande has also made significant contribution on the social welfare and community development front. Understanding his responsibility towards the society, he is currently functioning as Secretary, Late K M Dugal Smruti Samittee, Dhule which runs an old age home. He is also an active member in Lions Club and other cultural and sport clubs. He has been felicitated as "Dhule Icon" by Polad Group, Jalana and "Proud Maharashtrian 2019" by Dainik Bhaskar Group.

Permanent Invitee

Shri Chhatrasal Singh (w.e.f. 02.03.2020)

Principal Chief Operations Manager, South East Central Railway



Shri Chhatrasal Singh joined as a Permanent Invitee on the Board of SECL on 02.03.2020. Shri Singh is the Principal Chief Operations Manager (PCOM) of South East Central Railway (SECR)/ Bilaspur and he is an Indian Railway Traffic Service (IRTS) Officer of 1989 batch. He has done B.E. (Electrical) from IIT/Roorkee. In Indian Railways, he has worked in various capacities and gained vast experience while working in South Eastern Railway, North Central Railway, North Western Railway & Northern Railway in Operations, Commercial and Safety Departments. He has also worked as Director (Computerisation and Information Systems), Railway Board. Besides this, he has also worked as General Manager in Centre for Railway Information Systems, New Delhi. Before joining as Principal Chief Operations Manager of South East Central Railway, Bilaspur, he was posted as Divisional Railway Manager/ Chakradharpur Division of South Eastern Railway.

Chief Vigilance Officer

Shri B. P. Sharma (w.e.f. 04.09.2017)

ITS Officer



Shri B.P. Sharma, an Indian Telecommunications Service (ITS) Officer, took charge of Chief Vigilance Officer (CVO), SECL Bilaspur on 04.09.2017. He is from Indian Telecommunications Service (ITS) of 1999 Batch. He has served at different important positions in the state of Maharashtra and Gujarat. He has got an expertise in Communication system & Telecom and Vigilance. Before joining in this post, he was serving as a Director in Vigilance Wing of Department of Telecom. He has graduated from Govt. Engineering College, Kota in Electronics & Communication Engineering.

Former Board Members/Officials (Served on SECL Board during the FY 2020-21)

Shri Shyam Bhagat Negi (Up to 30.12.2020)

IPS, Joint Secretary, Ministry of Coal



Shri Shyam Bhagat Negi, (55 years), a 1990 Batch IPS Officer of Himachal Pradesh Cadre has been appointed as Joint Secretary, Ministry of Coal, Govt. of India and he has been nominated as Part-time Official Director/ Government Nominee Director on the Board of SECL w.e.f. 28.10.2020. Shri Negi also holds Degree of Master in Business Administration (MBA).

Shri Negi has vast and varied experience and he has worked in various sensitive capacities with Himachal Pradesh State Govt. and the Govt. of India especially in the Special Service Bureau, Cabinet Secretariat, Shastra Seema Bal, Ministry of Home Affairs & Wildlife Crime Control Bureau, Ministry of Environment, Forest & Climate Change (MoEF&CC). Shri Negi held various positions in Himachal Pradesh State viz District Superintendent of Police of Bilaspur, Kullu & Hamirpur, Range DIG of Police, Head of State Police CID and Law & Order Wings, Head of State Vigilance & Anti Corruption Bureau (ACB), Home Guards, Civil Defense

& Fire Service Deptts, etc. Shri Negi has also served with the United Nations in its Peace Keeping Mission in Bosnia & Sudan. Shri Negi has ceased to be a member on SECL Board w.e.f. 30.12.2020 consequent upon appointment of Ms. Vismita Tej, IRS, JS, MoC.

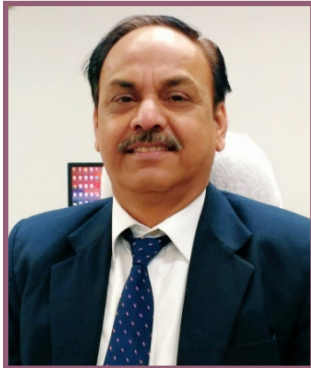
Shri Rajesh Kumar Sinha (Upto 10.07.2020)

IAS, Joint Secretary, Ministry of Coal



Shri Rajesh Kumar Sinha (55 Years), IAS, Joint Secretary, Ministry of Coal, Govt. of India had joined as a Part-Time Official Director/ Govt. Nominee Director on the Board of SECL on 29.11.2019. Shri R.K. Sinha is an IAS Officer of 1994 Batch belonging to Kerala cadre. Presently he is posted as Joint Secretary, Ministry of Coal, Govt. of India. Prior to this, Shri R.K. Sinha has also held the post of Collector, Idukki, and GM, Kerala Finance Corporation, Director, Ministry of Urban Development, Registrar of Delhi University, Secretary, Finance (Exp.) Govt. of Kerala. He has been appointed as Official Part-Time Director in NCL Board w.e.f. 20.04.2015 till 09.06.2017. He was also appointed as Official Part-Time Director in MCL Board. Shri Sinha has ceased to be a member on SECL Board w.e.f. 10.07.2020 consequent upon completion of his tenure at Ministry of Coal.

Shri Sanjiv Soni (Up to 30.06.2021) Director (Finance), Coal India Limited



Shri Sanjiv Soni (60 Years), Director (Finance), Coal India Limited joined as a Part-Time Official Director on the Board of Directors of SECL on 29.10.2019 and relinquished the charge on 30.06.2021 upon attaining superannuation. Shri Soni has taken over the charge as Director (Finance) of Coal India Limited, Kolkata on 10.07.2019. Prior to this, Shri Soni worked as Director (Finance) of Eastern Coalfields Limited from 19.06.2018, with Additional Charge of Director (Finance), SECL from 04.04.2019 up to 09.07.2019.

Shri Soni graduated in commerce from St. Xavier's College, Kolkata and is a member of the Institute of Chartered Accountants of India as well as the Institute of Cost Accountants of India. Shri Soni has wide experience of over 33 years and has served the Coal Industry in different capacities.

Shri Soni had joined CMPDI on 27.05.1986. During his professional career, Shri Soni worked in different capacities at CMPDI. He was in-charge of finance function for UNDP/GEF/GOI- Coal Bed Methane Recovery & Utilization project implemented jointly by CMPDI/BCCL/GOI/UNDP. Prior to joining as Director (Finance), ECL, he worked as General Manager (Finance), Internal Audit Department at WCL HQ, Nagpur. Shri Soni, while functioning as Head of Internal Audit Deptt. at WCL, took various initiatives towards building-up robust internal controls. He has visited Vienna, Austria in the Year 2004 on account of CBM project implementation and Toronto, Canada for PDAC 2019 as a member of CIL delegation. He had also visited Russia to carry out preliminary financial due diligence of coking coal assets.

Dr. Rama Shankar Jha (Up to 31.01.2021) Director (Personnel)



Dr. Rama Shankar Jha (60 years), joined as Director (Personnel) in SECL on 30.09.2014 and has relinquished the charge on 31.01.2021 upon superannuation. Dr. R.S. 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 (Headquarters), 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 was 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 was also Board of Trustee (BOT) member of Coal Mines Provident Fund Organization (CMPFO).

Dr. Jha received the award of "Pride of HR Profession (in PSU)" at 27th edition of World HRD Congress in February, 2019 and 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 R.K. Nigam (Up to 31.10.2020)

Director (Technical) Operations



Shri Ravindra Kumar Nigam (60 years), has joined as Director (Technical) (Projects & Planning) in South Eastern Coalfields Ltd. on 28th December, 2018 and assumed the charge of Director (Technical) (Operations), SECL w.e.f. 01.05.2019 consequent upon superannuation of Shri Kuldip Prasad, Ex- Director (Technical) (Operations), SECL. Shri Nigam has relinquished the charge on 31.10.2020 upon attaining superannuation. Shri Nigam is a graduate in B.E. (Mining) and possessed with 1st Class Mine Managers Certificate of Competency under Mines Act. Shri Nigam has relinquished the charge of Director (Technical) (Projects & Planning), SECL on 18.06.2019 upon appointment of present incumbent Shri Manoj Kumar Prasad.

Shri Nigam started his career in Coal India in the year 1981. He has worked in different capacities at various Areas/Projects/Corporate Headquarters of Subsidiaries of CIL viz. BCCL & SECL. Before assuming the charge as Director (Technical) (Projects & Planning), SECL, he was functioning as HOD/General Manager (Production) at Corporate Office of SECL, Bilaspur. He has high technical competency in working with modern mechanization in Underground as well as Open Cast Mines.

He has attended Advance Management Training at Premier Management Institute of China, France & Sweden and also had training on Longwall Mining at China in the year 2009. With the abilities of Shri Nigam, SECL can achieve new heights in the fields of planning, production, productivity, profitability with implementation of modernization, infrastructure development and Research & Development works etc.

In addition to his present capacity as Director (Technical) Operations, SECL, Shri Nigam 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) w.e.f. 28.01.2019.

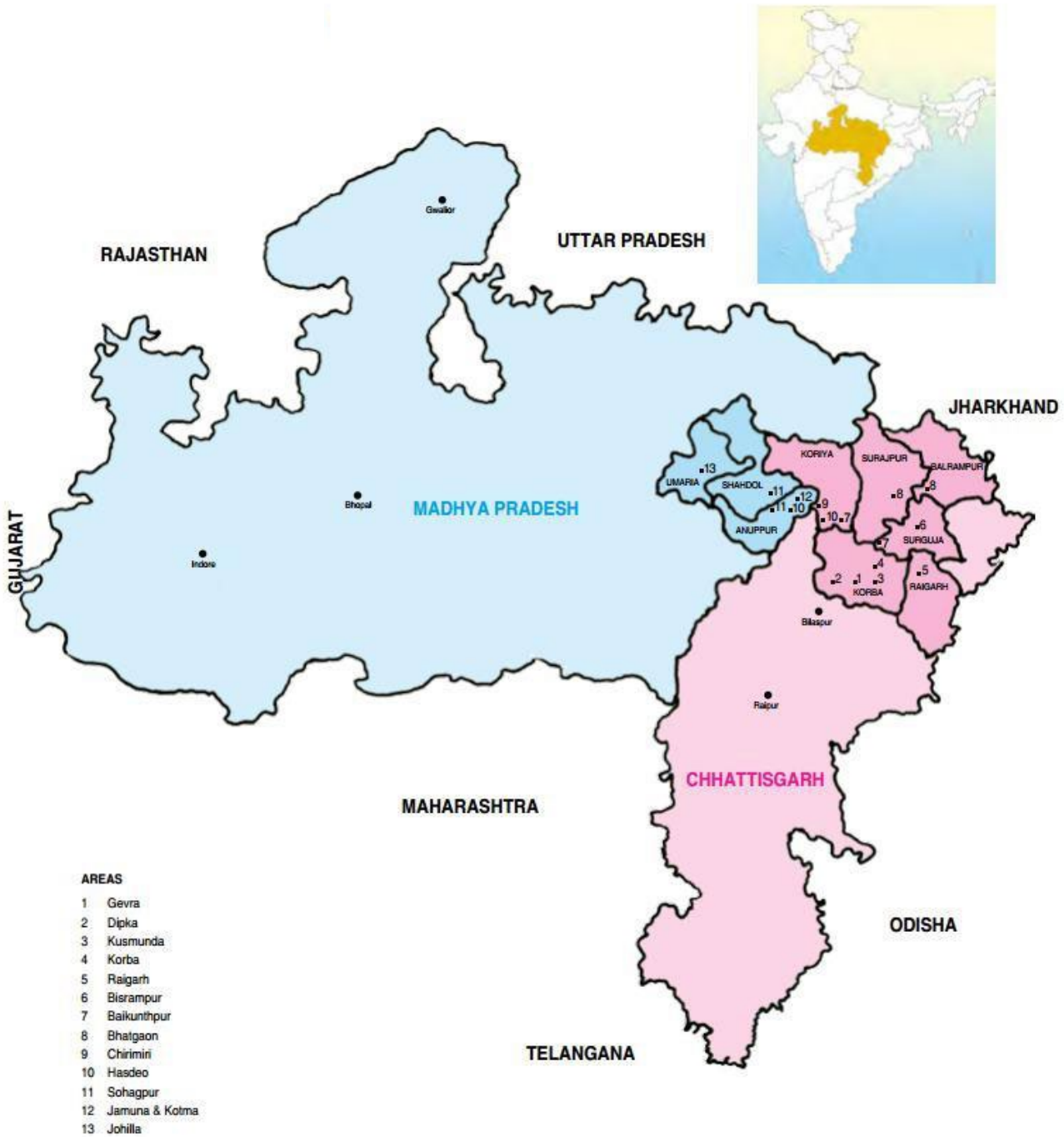
OUR MANAGEMENT TEAM (AS ON 31.03.2021)

Sl. No.	EIS No.	Name (in alphabetical order)	Date of Birth	Designation	Discipline
1	90103185	A BHATNAGAR	13-Feb-64	GENERAL MANAGER	SYSTEM
2	90125626	A K JHA	25-May-61	GENERAL MANAGER	MINING
3	90089715	A K PADHI	11-Jul-61	GENERAL MANAGER	PERSONNEL
4	90133687	A K PRASAD	18-Feb-62	GENERAL MANAGER	EXCAVATION
5	90156225	A K SAXENA	17-Jun-63	GENERAL MANAGER	PERSONNEL
6	90113333	A S BAPAT	18-Nov-64	GENERAL MANAGER	MINING
7	90107715	AK AGARWAL	06-Jun-63	GENERAL MANAGER	EXCAVATION
8	90098104	AMIT SAXENA	18-Aug-64	GENERAL MANAGER	MINING
9	90151234	ANIL KUMAR JHA	19-Nov-63	GENERAL MANAGER	E&M
10	90141573	ANURAG AGRAWAL	23-Oct-67	GENERAL MANAGER	MM
11	90165721	ARUN KUMAR NATH	14-Jun-64	GENERAL MANAGER	CIVIL
12	90192576	ARUP DUTTA CHOUDHURY	08-Feb-64	GENERAL MANAGER	E&M
13	90159989	B P SINGH	20-Jan-64	GENERAL MANAGER	MINING
14	90134339	BASANT KAPOOR KURREY	30-Aug-65	GENERAL MANAGER	EXCAVATION
15	90185885	BASANT KR SINHA	04-Nov-64	GENERAL MANAGER	MINING
16	90074246	BIDYA NATH JHA	20-May-66	GENERAL MANAGER	MINING
17	90165705	BIKUL BORTHAKUR	01-Feb-63	GENERAL MANAGER	CIVIL
18	90073594	BISHWANATH SINGH	15-May-63	GENERAL MANAGER	MINING
19	90127341	BK JENA	01-Sep-69	GENERAL MANAGER	MINING
20	90112475	D K CHANDRAKAR	23-Nov-62	GENERAL MANAGER	MINING
21	90151374	DEEPAK PANDYA	06-Dec-65	GENERAL MANAGER	MINING
22	90153719	DILIP KUMAR SINGH	31-Dec-61	GENERAL MANAGER	E&M
23	90088725	DR A K BEHERA	27-May-62	CMS	MEDICAL
24	90121880	DR DILIP SONKUSARE	21-Jul-63	CMS	MEDICAL
25	90122110	DR MADHUKAR T TIKAS	06-Jul-62	CMS	MEDICAL
26	90119033	DR UMESH S.SATHE	30-Nov-64	CMS	MEDICAL
27	90108911	DR. ANURAG GARG	24-Jun-63	GENERAL MANAGER	M&S
28	90176264	GHANSHYAM SINGH	08-Dec-62	GENERAL MANAGER	MINING
29	90122185	HEMANT SHARAD PANDE	28-Mar-68	GENERAL MANAGER	MINING
30	90133406	INDRA SEKHAR	31-Dec-61	GENERAL MANAGER	EXCAVATION
31	90115718	J AMALANATHAN	02-May-64	GENERAL MANAGER	EXCAVATION
32	90089129	J P SINGH	12-Jul-62	GENERAL MANAGER	MM
33	90188285	JAY PRAKASH SINGH	26-Jan-63	GENERAL MANAGER	E&M
34	90154287	K K GUPTA	02-May-61	GENERAL MANAGER	E&M

Sl. No.	EIS No.	Name (in alphabetical order)	Date of Birth	Designation	Discipline
35	90165184	K MERE	12-Dec-66	GENERAL MANAGER	MINING
36	90129792	KALYANJEE PRASAD	20-Jun-68	GENERAL MANAGER	MINING
37	90111147	KR RAJEEV	04-Jul-61	GENERAL MANAGER	E&M
38	90266875	KUDIKALA PRAVEEN KUMAR	06-Apr-62	GENERAL MANAGER	PERSONNEL
39	90027053	LALIT KUMAR CHOUDHARY	24-May-61	GENERAL MANAGER	MINING
40	90158098	M K THAKUR	22-Jan-63	GENERAL MANAGER	E&M
41	90195355	MADHUMITA SEN	06-Nov-62	GENERAL MANAGER	E&M
42	90186446	MANOJ KUMAR AGARWAL	29-Jul-63	GENERAL MANAGER	MINING
43	90068297	MANTU TARAL	27-Jan-62	GENERAL MANAGER	FINANCE
44	90127549	N SHRIVASTAVA	20-Oct-65	GENERAL MANAGER	MINING
45	90185695	NILENDU KR SINGH	24-Jul-68	GENERAL MANAGER	MINING
46	90128547	NIRMAL KUMAR	14-Sep-64	GENERAL MANAGER	MINING
47	90125741	NITIN PHILIP	15-Jun-61	GENERAL MANAGER	MINING
48	90131699	OP SINGH	09-Aug-62	GENERAL MANAGER	E&M
49	90133893	P RAMA RAO	15-Feb-63	GENERAL MANAGER	EXCAVATION
50	90120619	P SHRIKRISHNA	10-Jun-65	GENERAL MANAGER	MINING
51	90029075	PRADIP KUMAR	03-Dec-64	GENERAL MANAGER	MINING
52	90185901	PRAKASH CHANDRA	15-Nov-64	GENERAL MANAGER	MINING
53	90157231	PRAMOD KUMAR	01-Nov-63	GENERAL MANAGER	EXCAVATION
54	90103177	R P K REDDY	02-May-61	GENERAL MANAGER	MM
55	90125402	R P SINGH	07-Dec-63	GENERAL MANAGER	MINING
56	90120163	RAJA SEKHAR KINNERA	14-Aug-66	GENERAL MANAGER	MINING
57	90180878	RAJEEV RANJAN KUMAR	28-Dec-61	GENERAL MANAGER	E&M
58	90134305	RAJENDRA KR KHOTE	05-Mar-62	GENERAL MANAGER	EXCAVATION
59	90157306	RAKESH KR TIWARI	25-Jun-64	GENERAL MANAGER	EXCAVATION
60	90086752	RAKESH SAW	11-Jan-64	GENERAL MANAGER	EXCAVATION
61	90176413	RAMJI KR SINGH	01-Jan-63	GENERAL MANAGER	MINING
62	90083403	RANJAN PRASAD SAH	03-May-63	GENERAL MANAGER	MINING
63	90135625	RATNESH KR SRIVASTAVA	15-Feb-64	GENERAL MANAGER	CIVIL
64	90086398	S CHANDRA	18-Mar-65	GENERAL MANAGER	EXCAVATION
65	90126889	S K MOHANTY	12-Jun-65	GENERAL MANAGER	MINING
66	90128125	S N KAPRI	01-Jan-65	GENERAL MANAGER	MINING
67	90113960	S NAGACHARI	22-Feb-66	GENERAL MANAGER	MINING
68	90048364	S VENKATESHAWERLU	01-Mar-62	GENERAL MANAGER	PERSONNEL
69	90126749	S.K.DEWANGAN	28-Dec-62	GENERAL MANAGER	MINING

Sl. No.	EIS No.	Name (in alphabetical order)	Date of Birth	Designation	Discipline
70	90114372	SANJAY DEY	16-Jan-62	GENERAL MANAGER	E&M
71	90114331	SANJAY MISHRA	24-Feb-64	GENERAL MANAGER	MINING
72	90131871	SANJEEV ANAND	08-Jul-62	GENERAL MANAGER	E&M
73	90159609	SATYAPAL SINGH BHATI	10-Oct-63	GENERAL MANAGER	MINING
74	90075847	SHASHANK MOHAN JHA	22-Feb-62	GENERAL MANAGER	MINING
75	90141797	SK SRIVASTAVA	19-Apr-63	GENERAL MANAGER	TELECOMMUNICATION
76	90138108	SM YUNUS	14-Nov-62	GENERAL MANAGER	FINANCE
77	90081068	SP DAS	17-Oct-61	GENERAL MANAGER	PERSONNEL
78	90185968	SUDHIR KUMAR	04-Apr-65	GENERAL MANAGER	MINING
79	90086737	T L CHAKRABORTY	05-Nov-61	GENERAL MANAGER	EXCAVATION
80	90112426	U T KANZARKAR	09-May-63	GENERAL MANAGER	MINING
81	90067182	UMA SHANKAR SHARMA	07-Jan-62	GENERAL MANAGER	EXCAVATION
82	90157348	VINAY KUMAR	28-Aug-61	GENERAL MANAGER	EXCAVATION
83	90070624	VINOD KUMAR SINGH	20-Dec-66	GENERAL MANAGER	MINING
84	90115320	VIPUL KUMAR RAI	02-Jun-64	GENERAL MANAGER	CIVIL

Our Presence (Coal Mines)





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 35th Annual Report on the business and operations of the Company along with its Audited Financial Statements for the year ended March 31, 2021, together with the Auditors' Report and Comments on the Financial Statements by the Comptroller & Auditor General (CAG) of India.

1.0 HIGHLIGHTS OF PERFORMANCE:

The fiscal 2020-21 has been yet another year of sustained performance, success and growth for the Company, which excelled in its endeavours and scaled new heights.

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

- Coal Production of 150.61 Million Tonnes (MT) in the year.
- Coal Dispatch of 138.77 Million Tonnes (MT) in the year.
- Gross Sales value of ₹26639.62 Crore.
- Profit Before Tax (PBT) of ₹2044.50 Crore.
- Final Dividend @ 64.70% (i.e. ₹647.00 per share) amounting to ₹432.23 Crore.

These achievements reflect the Company's proven commitment towards sustained growth and performance excellence. Consistently driven by well-defined growth strategies, performance of the Company improves every year surpassing its own previous record.

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 67 mines with 41 mines situated in the state of Chhattisgarh and 26 mines situated in Madhya Pradesh. These 67 mines comprise of 46 Underground mines and 21 Opencast mines including one Custodian mine.

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' administratively divided into 13 Operating Areas.

The Area-wise details of UG and OC Mines of SECL as on 31.03.2021 are as under:

(Figures represent No. of Mines)

S No.	Areas of SECL	Underground		Opencast		Total
		CG	MP	CG	MP	
A. CENTRAL INDIA COALFIELDS (CIC):						
1	Sohagpur	-	5	-	2	7
2	Johilla	-	5	-	1	6
3	Jamuna & Kotma	-	5	-	1	6
4	Hasdeo	2	6	-	1	9
5	Chirimiri	5	-	1	-	6
6	Baikunthpur	4	-	-	-	4

S No.	Areas of SECL	Underground		Opencast		Total
		CG	MP	CG	MP	
7	Bisrampur	4	-	2	-	6
8	Bhatgaon	3	-	3	-	6
A. Sub-total (CIC)		18	21	6	5	50
B. KORBA COALFIELDS:						
9	Korba	7	-	2	-	9
10	Kusmunda	-	-	1	-	1
11	Gevra	-	-	1	-	1
12	Dipka	-	-	1	-	1
B. Sub-total (Korba Coalfields)		7	-	5	-	12
C. MAND-RAIGARH COALFIELDS:						
13	Raigarh	-	-	5	-	5
C. Sub-total (Mand-Raigarh Coalfields)		-	-	5	-	5
TOTAL (A+B+C)		25	21	16	5	67
GRAND TOTAL		46		21		67

2.1 CAPITAL STRUCTURE

During the year under review, there was no change in the Authorized share capital and Paid-up share capital of the Company, which stood at ₹1300.00 Crore and ₹668.06 Crore. The entire Paid-up share capital is held by Coal India Limited and its nominees.

3.0 SUBSIDIARIES:

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 vis-à-vis present shareholding patterns as on 31.03.2021 is as under:

Name of the Promoter entities	Shareholding Pattern as per MOU	Shareholding Pattern of CERL as on 31.03.2021	Shareholding Pattern of CEWRL as on 31.03.2021
South Eastern Coalfields Limited (SECL)	64%	72.56 %	64.06 %
IRCON International Limited (IRCON)	26%	21.23 %	26.02 %
Chhattisgarh State Industrial Development Corporation (CSIDC)	Value of land provided by State Govt. or 10%, whichever is more.	6.21 %	9.92 %
Total	100%	100%	100%

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)**.

4.0 PRODUCTION PERFORMANCE:

4.1 PRODUCTION OF COKING COAL & NON-COKING COAL

Production performance of SECL for the Financial Year 2020-21 as compared to the target and achievement of the previous year 2019-20 is given below:

(Fig. in Million Tonnes)

Raw Coal Production	2020-21		2019-20	Achievement against Target	Growth over previous year
	Target	Actual	Actual		
Coking Coal	0.25	0.22	0.25	88.00 %	(-) 12.00 %
Non-Coking Coal	171.75	150.39	150.30	87.56 %	0.06 %
Total	172.00	150.61	150.55	87.56 %	0.04 %

NOTE:

Despite best & consistent efforts, constraints that impeded coal production in the Company are as under:

1. Non-commencement of new Projects i.e. Rampur Batura OCP, Ambika OCP & late commencement of Saraipali OCP on account of delay in obtaining clearance at various levels, for which targets were already assigned in this Financial Year.
2. Restricted coal production from Manikpur OC, Mahan-II OC, Bangwar UG, Khairaha UG & Haldibari UG due to EC limitation.

4.2 PRODUCTION FROM UNDERGROUND AND OPENCAST MINES

The production of Coal from Underground Mines and Opencast Mines during the year 2020-21 vis-a-vis 2019-20 is tabulated below:

(Fig. in Million Tonnes)

Raw Coal Production	2020-21		2019-20	Achievement against Target	Growth over previous year
	Target	Actual			
Underground Mines	14.80	12.18	14.09	82.30 %	(-) 13.56 %
Opencast Mines	157.20	138.43	136.46	88.06 %	1.44 %
Total	172.00	150.61	150.55	87.56 %	0.04 %

4.3 OVERBURDEN REMOVAL FROM OPENCAST MINES

The Overburden Removal from Opencast Mines during the year 2020-21 vis-a-vis 2019-20 is tabulated below:

(Fig. in Million Cu. Mtrs.)

Parameter	2020-21		2019-20	Achievement against target	Growth over previous year
	Target	Actual	Actual		
Overburden Removal	306.00	196.37	164.74	64.17 %	19.20 %

4.4 MECHANIZED UNDERGROUND COAL PRODUCTION

The Mechanized Coal Production from Underground Mines during the year 2020-21 is 12.18 Million Tonnes as compared to last year 2019-20, 14.09 Million Tonnes.

4.5 PRODUCTIVITY

The productivity in terms of Output per Man-shift (OMS) is given hereunder:

Productivity	2020-21	2019-20	Growth over previous year
	Actual (in te)	Actual (in te)	
Underground Mines	1.59	1.69	(-) 5.92 %
Opencast Mines	32.60	29.91	8.99 %
Overall	12.66	11.65	8.67 %

4.6 COAL STOCK

The Stock of Raw Coal as on 31.03.2021 is 29.61 Million Tonnes against the closing stock of 17.87 Million Tonnes as on 31.03.2020.

5.0 FINANCIAL PERFORMANCE:

5.1 FINANCIAL RESULTS

The working results for the year 2020-21 as compared to the previous year 2019-20 are given below:

Particulars	(₹ in Crore)	
	2020-21	2019-20
Gross Sales	26,639.62	27,086.06
Less: Levies	9,984.58	10,235.98
Net Sales	16,655.04	16,850.08
Less: Expenditure-Net of Income	13,689.60	13,446.25
Gross Margin	2,965.44	3,403.83
Less: Depreciation	807.77	760.85
Gross Profit	2,157.67	2,642.98
Less: Finance Cost	113.17	121.51
Profit before Exceptional, Extraordinary items & Tax	2,044.50	2,521.47
Less: Extraordinary Items:		
Prior Period Adjustments	-	-
Profit Before Tax (PBT)	2,044.50	2,521.47
Less: Provision for Taxation:		
a) Income Tax	768.46	615.15
b) Deferred Tax	-114.46	238.48
Less: Adjustment of provision for:		
a) Income Tax of earlier years	-49.45	-67.08
Profit after Tax (PAT)	1,439.95	1,734.92
Other Comprehensive Income (Net of Tax)	-196.30	-352.43
Profit brought forward	330.21	984.48
Adjustment for Depreciation	0.00	0.00
Distributable surplus	1,573.86	2,366.97
Appropriations:		
General Reserve	72.00	86.75
Total Dividend for the Financial Year	432.23	1,617.52
	Total	1,704.27
*Balance carried to balance Sheet	1,069.63	330.21

NOTE:

Previous year's figures have been regrouped and rearranged wherever considered necessary for comparison.

5.2 FACTORS CONTRIBUTING TO INCREASE/DECREASE IN PROFIT

The Company has earned a 'Profit before Tax' (PBT) of ₹2,044.50 Crore in the year 2020-21. The factors contributing to Increase/Decrease in Profit for the year 2020-21 vis-a-vis 2019-20 is furnished below:

(₹ in Crore)

S No.	Particulars	Amount	Amount
1	Profit Before Tax for the Financial Year 2019-20	-	2521.47
2	Less: Factors contributing to Decrease in Profit:		
i)	Decrease in Net Sales due to decrease in FSA Sales Quantity and Value	195.04	-
ii)	Decrease in Other Income due to reduction in Interest Income	162.87	-
iii)	Increase in Cost of Material Consumed, Contractual Expenses, Power Expenses, Repairs, Depreciation and Other provisions	1,208.45	-
			1,566.36
3	Add: Factors contributing to Increase in Profit:		
i)	Increase in Operating Income on account of increase in STC Recovery	64.30	-
ii)	Decrease in Employee Benefit Expenses, Stripping Activity Adjustment, CSR Expenses, Finance Costs and Misc. Expenses	929.53	-
iii)	Increase in Change in Inventory	95.56	-
			1,089.39
4	Profit Before Tax for the Financial Year 2020-21		2,044.50

5.3 DIVIDEND

Final Dividend of 64.70% (₹647.00 per share) on the paid-up Equity Share Capital of ₹668,05,61,000 (₹Six Hundred Sixty Eight Crore Five Lakh and Sixty One Thousand) consisting of 66,80,561 (Sixty Six Lakh Eighty Thousand Five Hundred Sixty One) Equity Shares of ₹1,000.00 (₹One Thousand) each fully paid-up, was declared for the Financial Year 2020-21 amounting to ₹4,32,23,22,967.00.

The details of the Dividend for the year 2020-21 vis-a-vis 2019-20 is tabulated below:

Particulars	2020-21	2019-20
Rate of Dividend	64.70%	242.12%
Dividend per Share	₹ 647.00	₹ 2,421.23
Total Dividend	₹ 432.23 Crore	₹ 1,617.52 Crore
Dividend Tax	NIL	₹ 332.49 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, ₹ 2817.90 Crore was incurred by the Company as capital expenditure on the Projects under construction as well as on the existing Mines/Units for maintenance of production. In addition to the above, a capital expenditure of ₹ 627.52 Crore was undertaken at Subsidiaries (CERL & CEWRL) up to 31st March, 2021 towards Rail corridor/Rail lines (Expenditure by JVS, Payment to Rail/RITES/IRCON) (including rail siding associated with Rail corridor).

92% of the total value of CAPEX contracts/projects running/completed during the year were without time or cost overrun.

5.5 UNSECURED LOAN

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

5.6 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were 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 from public 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, 2021 vis-a-vis 31st March, 2020 is as under:

Particulars	Unit	31.03.2021	31.03.2020
Sundry Debtors (Gross)	₹ in Crore	2,239.39	2,039.59
Debtors Turnover	No. of months	0.96	0.60
Provision for Doubtful Debts	₹ in Crore	1,124.65	385.79
Sundry Debtors (Net)	₹ in Crore	1,114.74	1,653.80

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 ₹11,794.70 Crore during the Financial Year 2020-21. During the year under report, besides Direct taxes of ₹1,016.25 Crore, the Company has paid ₹10,778.45 Crore to the exchequer both Central and State by way of Royalty, Sales Tax, Excise Duty, GST, Cess/ Other Taxes, etc. as per details given below.

S No.	Mode of Contribution to Exchequer	2020-21	2019-20
(₹ in Crore)			
A	Royalty :		
	- Chhattisgarh	2,111.06	2,328.37
	- Madhya Pradesh	262.67	296.70
	Total	2,373.73	2,625.07
B	State -Sales Tax / VAT /Entry Tax/Commercial Tax:		
	-Chhattisgarh	3.77	4.48
	Total	3.77	4.48

S No.	Mode of Contribution to Exchequer	2020-21	2019-20
C	GST (CGST + IGST + State Comp Cess):		
	-Chhattisgarh	5,346.78	5,516.14
	-Madhya Pradesh	462.60	515.85
	-West Bengal	0.35	0.00
	Total	5,809.73	6,031.99
D	GST (SGST):		
	-Chhattisgarh	261.86	256.60
	-Madhya Pradesh	35.37	35.93
	-West Bengal	0.35	0.00
	Total	297.58	292.53
E	DMF/NMET		
	-Chhattisgarh	708.21	678.33
	-Madhya Pradesh	87.44	95.51
	-West Bengal	0.00	0.00
	Total	795.65	773.84
F	Cess/Other Taxes	1,497.99	1,161.00
G	Direct Taxes (Advance tax, Self assessment tax, DDT, etc.)	1,016.25	2,024.56
	Grand Total	11,794.70	12,913.47

6.0 COAL MARKETING:

6.1 DEMAND SATISFACTION

Against the rising demand for thermal coal, SECL has been attempting to meet the demand by augmenting the production as follows:

(Fig. in Million Tonnes)

Production			Dispatch		
2020-21	2019-20	Growth (%)	2020-21	2019-20	Growth (%)
150.61	150.55	0.04%	138.77	141.93	(-) 2.23 %

Coal dispatch to Power sector was 103.68 Million Tonnes during 2020-21, which is 74.71% of the total dispatch.

6.2 DISPATCHES BY VARIOUS MODES OF TRANSPORT

The dispatches of coal by various modes of transport during the year 2020-21 were 138.77 Million Tonnes against 141.93 Million Tonnes during 2019-20. The mode-wise dispatches in FY 2020-21 vis-à-vis last year are shown in the following table:

(Fig. in Million Tonnes)

Mode of Transport	Dispatch		Growth over last year (%)
	2020-21	2019-20	
Rail	64.96	49.61	30.94 %
Road	40.37	59.54	-32.20 %
Belt	6.68	6.27	6.54 %
MGR	25.03	24.38	2.67 %
Consumers own Wagons	1.73	2.13	-18.78 %
Total	138.77	141.93	-2.23 %

6.3 SUPPLY AND LOADING OF WAGONS

The details regarding supply and loading of wagons during the year 2020-21 vis-à-vis FY 2019-20 are given below:

(Fig. in Rakes/Day)

Supply and loading of Wagons	2020-21	2019-20	Growth (%)
Daily Average Target	50.00	40.00	25.00 %
Daily Average Offer	58.33	54.40	7.22 %
Daily Average Supply	45.83	35.84	27.87 %
Daily Average Loading (Raw Coal)	45.83	35.84	27.87 %



Rapid Loading System-SILO at Gevra Area



Loading at Railway Siding, Gevra Area

6.4 NEW COAL DISTRIBUTION POLICY (NCDP)

a. The New Coal Distribution Policy (NCDP) was pronounced and circulated by Ministry of Coal, Govt. of India vide OM No. 23011/4/2007-CPD dated 18.10.2007. Further, directives/amendments to NCDP were circulated vide OM No. 23011/90/2013-CPD dated 26.07.2013, OM No. 23011/57/2013-CPD dated 04.09.2013 & OM No. 23011/90/2013-CPD dated 27.09.2016. 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 as executed between Coal Companies and erstwhile valid linked consumers and further Guidelines were issued for distribution of coal to consumers in small & medium sector/new consumers/e-auction etc.

b. The Cabinet Committee on Economic Affairs, at its meeting held on 3rd February 2016, decided that allocation of coal linkages/letter of assurances for the non-regulated sector shall henceforth be done through an auction-based mechanism. Accordingly, in accordance with the policy of linkage auction circulated vide letter no. 23011/51/2015-CPD (PT-I) dated 15.02.2016 from Ministry of Coal, CIL conducted linkage auctions for non-regulated sector consumers under different sub-sectors. Accordingly, FSAs are being executed with successful bidders.

FSA entered with Non-Power consumers	FSAs Existed/Valid during the year (2020-21)					
	Pre NCDP	Post NCDP	Linkage Auction			
			Tranche - I	Tranche - II	Tranche - III	Tranche -IV
No. of FSAs	4	27	137	195	175	571
Annual Contracted Quantity (MT)	1.54	2.36	7.83	7.50	3.13	9.61

c. Ministry of Coal (MoC) vide letter dated 22nd May, 2017 circulated Guidelines on “Signing of Fuel Supply Agreement (FSA) with Letter of Assurance (LoA) holders of Thermal Power Plants - Fading Away of the existing LoA-FSA Regime and Introduction of a New More Transparent Coal Allocation Policy for Power Sector, 2017 - SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India)”

(Policy), which has further been amended by MoC vide letter dated 25th March, 2019. Accordingly, FSAs are being executed under SHAKTI Policy after the Auction conducted by CIL/recommended by Committee for Letter of Assurances (CLOA) at CIL level.

FSA entered with Power consumers	FSAs Existed/Valid during the year (2020-21)				
	Pre NCDP	Post NCDP	SHAKTI		
			Scheme A(i)	Scheme B(i)	Scheme B(ii)
No. of FSAs	19	39*	0	2	10**
Annual Contracted Quantity(MT)	63.60	94.23#	0	3.894	10.98

NOTE:

* Out of 39 Post NCDP FSAs valid during the year, 33 FSAs are effective and 6 FSAs having ACQ of 12.16 MT are yet to be effective as on 31.03.2021.

Quantity as per Letter of Assurance.

**Out of the 11 nos. of FSAs under SHAKTI B(ii) Scheme, 1 no. is yet to be effective, having ACQ of 0.38 MT as on 31.03.2021.

6.5 e-Marketing of Coal

In accordance with the NCDP as approved by Ministry of Coal, Govt. of India, CIL communicated e-auction scheme 2007 (Spot e-auction) for sale of coal under this scheme to the extent of around 10% of the planned production. In addition to above, three new e-Auction schemes have been introduced by MOC/CIL. SECL has successfully offered 589.07 Lakh Tonnes for sale through e-auction, performance of the Spot e-auction, Special Forward e-auction and Exclusive e-auction during the period 2020-21, is as under:

E-Auction Schemes	2020-21		2019-20	Difference (Lakh Tonnes)
	Offered Qty (Lakh Tonnes)	Booked Qty (Lakh Tonnes)	Booked Qty (Lakh Tonnes)	
Spot	197.08	115.87	67.57	48.30
Special Forward	294.68	108.95	72.22	36.73
Exclusive	86.81	47.68	3.71	43.97
Special Spot e-Auction (For Import Substitution)	10.50	6.11	-	6.11
Grand Total	589.07	278.61	143.50	135.11

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 before. During the year under report, 138.77 Million Tonnes of 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 the power houses covered under FSA. The provision for independent third party sampling has been extended to FSA-Non Power including state nominated agencies and for dispatches under Spot E-auction, Special Spot E-auction and Exclusive E-auction with IIT-ISM-Dhanbad/ Quality Council of India as third party in line with directives issued by CIL. Linkage consumers, CPP & sponge iron consumers for non-power and coal supplied under SHAKTI to power consumers and in other schemes of supplying coal such as E-auction etc., have been covered under the 3rd party sampling by the Independent 3rd party Sampler (Quality Council of India and IIT-ISM, Dhanbad).

SECL is still continuing the same fully variable Gross Calorific Value (GCV) based system for grading and pricing of Non-Coking coal which has been adopted w.e.f. 01st, January, 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.

The determination of GCV is being ensured through Bomb Calorimeter, in order to have optimum accuracy to gain the consumer confidence in this system. This system ensures a high degree of consistency in quality of coal supplies and results in high consumer satisfaction so far as sampling and analysis is concerned, because Bomb Calorimeter is automatic and results are communicated by BCM directly, once the Bomb Calorimeter is charged with the sample.

7.0 PERFORMANCE OF MAJOR EQUIPMENTS:

7.1 POPULATION AND PERFORMANCE OF HEMM

Availability and Utilization of HEMM (in %) achieved during the year 2020-21 against Central Mine Planning & Design Institute Limited (CMPDI) Norms, are shown as under:

(A) Population and Availability & utilization of HEMM:

Name of HEMM	Population (in Nos.)		Availability (in %)			Utilization (in %)		
	2020-21	2019-20	CMPDI Norms	2020-21	2019-20	CMPDI Norms	2020-21	2019-20
Dragline	4	4	85	76	81	73	52	64
Shovel	82	81	80	73	73	58	43	39
Dumper	550	438	67	84	83	50	35	34
Dozer	151	156	70	63	71	45	32	30
Drill	106	112	78	85	86	40	26	23

NOTE:

1. Percentage availability achieved for Dumper during the year 2020-21 is marginally higher than the respective percentage availability achieved during the year 2019-20.
2. Percentage Utilization achieved for Shovel, Dumper, Dozer & Drill during the year 2020-21 is significantly higher than the respective percentage Utilization achieved during the year 2019-20.



42Cu.M Shovel in Operation at Gevra Area



240T Dumper in Operation at Gevra OC



850 HP Dozer in Operation at Gevra OC



Drill in Operation at Gevra OC Mine

(B) Performance of HEMMs under MARC:

The availability and utilization of HEMMs under MARC against guaranteed availability during the year 2020-21 is shown as under:

Name of HEMM	Population (in Nos.)		Guaranteed Availability in MARC (%)	Availability as per MARC (in %)		Utilization (in %)	
	2020-21	2019-20		2020-21	2019-20	2020-21	2019-20
42 M ³ 495 HD Shovel	3	3	85	88	85	62	55
42 M ³ 4100C Shovel	2	2	85	92	93	67	51
15 M ³ RH120 (HS) Excavator	2	2	85	89	93	43	50
240 Te CAT 793D Dumper	22	22	85	86	88	50	35
* 850 HP D11T Dozer	-	1	78	-	61	-	16

NOTE:

1. There are no MARC Dozers in the year 2020-21.
2. Percentage availability achieved for all class of equipment running under MARC during the year 2020-21 are higher than the respective percentage guaranteed availability as per MARC Clause i.e., more than 85%.
3. Percentage Utilization achieved for 42 M³ Shovel and 240 Te Dumper during the year 2020-21 are higher than the respective Percentage Utilization achieved during the year 2019-20.

(C) System Capacity Utilization of Opencast Mines:

The System Capacity Utilization of Opencast Mines during the year 2020-21 vis-à-vis 2019-20 (Based on the capacity as on 1st April of year) is tabulated below:

Capacity Utilization (in %)	2020-21	2019-20
Departmental Capacity Utilization	68.87	61.70
System Capacity Utilization (including Contractual capacity)	66.86	61.07

NOTE:

1. Departmental Capacity utilization & System Capacity utilization achieved during the year 2020-21 is more than that in the year 2019-20.
2. Departmental Capacity utilization has achieved the growth of 11.62% whereas the System Capacity utilization has achieved the growth of 9.48% as compared to last year 2019-20.

7.2 COAL HANDLING PLANTS (CHP)

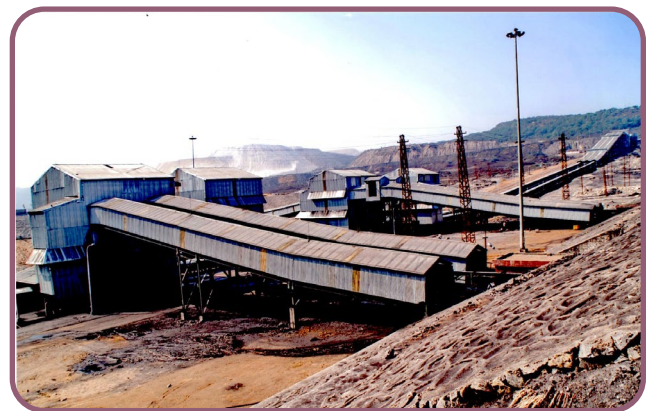
The capacity and utilization of Major and Mini Coal Handling Plants during the year 2020-21, are given below:
(Quantity in MT)

CHP	2020-21				2019-20			
	Nos.	Annual capacity (MT)	Coal Handled (MT)	Capacity Utilization (%)	Nos.	Annual capacity (MT)	Coal Handled (MT)	Capacity Utilization (%)
Major CHPs	6	60	51.26	85.44	13	69.25	59.99	86.63
Minor CHPs	5	4.75	6.18	130.05	14	12.35	10.74	86.96
Total	11	64.75	57.44	88.71	27	81.60	70.73	86.68



CHP, SECL GEVRA PROJECT

CHP, SECL Gevra Area



CHP, SECL Dipka Area

8.0 PLANNING & PROJECT MONITORING:

8.1 PROJECT FORMULATION/CAPITAL PROJECTS/SCHEMES

A. Formulation of PRs during the year:

1. RPR of Rehar UG (Bisrampur Area)

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

1. Dipka OC Expn (40.0 MTY), Dipka Area
2. Baroud OC Expn (10.0 MTY), Raigarh Area
3. Porda Chintapani OC (10.0 MTY), Raigarh Area
4. Batura West OC (0.8 MTY), Sohagpur Area
5. Jampali OC RCE (2.0 MTY), Raigarh Area

C. Completion of Projects : NIL

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

E. Commissioning of Projects : Saraipali OC, Korba Area



Saraipali OC Mine

8.2 PROJECT MONITORING AND STATUS OF IMPLEMENTATION

In SECL, 83 major coal Projects (50 Underground Projects and 33 Opencast Projects) have been approved for a total ultimate capacity of 290.00 MTY with sanctioned capital of ₹ 45,538.00 Crore (including pre-nationalized Mines and Custodian Mines). Out of the 83 Projects, 33 Projects (06 UG & 27 OC) are On-going Projects, 44 Projects (39 UG & 05 OC) are Completed Projects, 05 UG mines are the Existing Mines & One (01) Custodian Mine (Gare Pelma IV/2&3).



The following table exhibit Investment-wise/Technology-wise implementation status of 83 coal Projects comprising of On-going Projects, Completed Mines, existing Mines and Custodian Mines as on 31st March, 2021:

Category	Total No. of Projects	Capacity (MTY)	Sanctioned Capital (₹ in Cr)	Implementation Status of Projects			
				Completed Mines	Existing Mines	On-going Projects	
						On Sch.	Delayed
A. On Investment basis:							
i) ₹100 Crore & above	33	264.00	43854.00	04	-	21	08
ii) ₹50 Crore & above but less than ₹100 Crore	10	7.00	780.00	09	-	-	01
iii) ₹20 Crore & above but less than ₹50 Crore	21	8.00	715.00	18	-	-	03
iv) Less than ₹20 Crore	13	5.00	189.00	13	-	-	-

Category	Total No. of Projects	Capacity (MTY)	Sanctioned Capital (₹ in Cr)	Implementation Status of Projects			
				Completed Mines	Existing Mines	On-going Projects	
						On Sch.	Delayed
v) Existing Mines	05	-	-	-	05	-	-
vi) Custodian Mines	01	6.00	-	-	-	01	-
TOTAL	83	290.00	45538.00	44	05	22	12
B. On Technology basis :							
i) Opencast	33	269.00	43115.00	05	-	21	07
ii) Underground	50	21.00	2423.00	39	05	01	05
TOTAL	83	290.00	45538.00	44	05	22	12

8.3 DELAYED PROJECTS/ SCHEMES

i. Manikpur OC Expn (3.50 MTY):

Project is delayed due to construction of CHP/in-pit crushing and conveyor system. EC obtained for Enhanced capacity from 3.5 MTY to 4.9 MTY. Work for construction of CHP/in-pit crushing awarded on 05.12.2020. The project is expected to be completed in 2022-23.

ii. Kartali East OC (2.50 MTY):

Project is delayed due to delay in Land Acquisition, Environment and Forestry Clearance. Zero date has not yet achieved. Acquisition of Land and Forestry Clearance is under process. Further Recast PR is under preparation at CMPDI, RI-V and the completion date shall be decided after approval of Recast PR.

iii. Bagdeva UG RPR (0.75 MTY):

Project is delayed due to non-achievement of rated production and delay in Land acquisition. 204.207 Ha of Land as per RPR notified u/s 11(i) of CBA for obtaining Surface Right on 31.03.2016. Land compensation is under preparation. After physical possession of land, depillaring will be started by which rated capacity will be achieved.

iv. Binkara UG (0.36 MTY):

Project is delayed due to delay in Land acquisition, Forestry Clearance. Compensation statement is under preparation but the villagers are not co-operating with management & demanding entire acquisition of Land notified under Mining Rights.

v. Ketki UG (0.42 MTY):

RPR is prepared for an enhanced capacity of 0.87 MTY. Draft PR with NIT in MDO mode is under preparation at CMPDI.

vi. Amara OC RCE (1.00 MTY):

Project is delayed due to delay in possession of Land. Disbursement of Land compensation is in progress. Land Compensation of ₹50.97 Crore has been awarded for three villages involving 575.93 Ha Tenancy Land. Out of which ₹12.40 Crore has been disbursed against 242.142 Ha. The Project is anticipated to be completed in 2022-23.

vii. Amgaon OC (1.00 MTY):

Project is delayed due to delay in possession of Land. Earlier villagers from Patna village were not accepting the land compensation due to various reasons. The issue has been resolved now and approx. 80% compensation has been disbursed. The project is anticipated to be completed in 2022-23.

viii. Saraipali OC RCE (1.40 MTY):

Project is delayed due to delay in possession of Land. Approx. 90% compensation has been disbursed. Mining activities started in May 2018. OB & Coal removal started. As such, the Project is anticipated to be completed by March, 2022.

ix. Ambika OC RCE (1.00 MTY):

Project is delayed due to delay in possession of Land, Environment Clearance & Forest Clearance. Approximately 80% disbursement of compensation completed. Environment Clearance was issued on 31.03.2021 and Forestry Clearance awaited.

x. Jagannathpur OC (3.00 MTY):

Project is delayed due to delay in getting EC & FC. Presently EC & FC obtained, and the Project is anticipated to be completed by March, 2022.

xi. Rani Atari UG (0.48 MTY):

Project has already been dovetailed to Vijay West OCP. Initially the Project is delayed due to delay in construction of residential colony and EMP Clearance. EMP for 0.48 MTY obtained in April 2010. Possession of land for construction of residential colony was obtained in January 2017. Project has to achieve its rated capacity. LOI for deployment of LHCM (Low Height Continues Miner) issued and Contract agreement was signed on 19.3.2020, however, the Project has already been dovetailed to Vijay West OCP.

xii. Vijay West UG (0.50 MTY):

Project has already been dovetailed to Vijay West OC. Initially the Project is delayed due to delay in Land acquisition, construction of CHP, coal transportation road & getting consent to operate from Environment Pollution Control Board, CG. Project has achieved its rated capacity, however, the Project has already been dovetailed to Vijay West OCP.

8.4 Performance/Achievements

The major parameters representing performance/Achievements for the year 2020-21 are given below:

S No.	Performance Parameters	Unit	Actual Achievement
1	Land Acquisition:		
1.1	Acquisition of land u/s 9(i) of CBA	Ha	54.029
1.2	Acquisition of land u/s 11(i) of CBA	Ha	237.215
1.3	Possession of Land (incl. Forest Land)	Ha	901.256
2	Approval of Projects/ RCE:	-	-
2.1	Dipka OC Expn (40.0 MTY)	Approved by SECL/CIL Board	
2.2	Porda Chimtapani OC (10.0 MTY)	Approved by SECL/CIL Board	
2.3	Batura West OC (0.8 MTY)	Approved by SECL Board	
2.4	Jampali OC RCE (2.0 MTY)	Approved by SECL Board	

9.0 EXPLORATION:

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

- 2,57,047.50 Mtrs drilling was undertaken through CMPDI in SECL/CIL blocks.
- Geological Reports of CIL Blocks viz. Amgaon of Korba Coalfields, Amartipur Block of Tatapani-Ramkola Coalfields and Girari, Gitkunwari, Sarapal & West of Basin Phatehpur Coal blocks of Mand-Raigarh

Coalfields have been prepared, thereby adding a total of 4654.83 MT (proved: 3943.29 MT, indicated: 681.51 MT & inferred: 30.03 MT).

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. CMPDI 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.

Capital Expenditure under R&D during 2020-21 is Nil.

10.1 Specific Areas in which R&D is being carried out by the Company: Nil.

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, Baroud OC, Mahan-II OC, Bijari OC & Jampali OC. The total coal production from Surface Miners in the year 2020-21 was 89.153 Million Tonnes. Mine wise production from surface miners is enumerated below:

(Fig. in MT)

S No.	Mine	2020-21	2019-20
1	Gevra OC Expn	30.344	37.547
2	Dipka OC Expn	26.264	20.721
3	Kusmunda OC Expn	22.882	31.153
4	Chhal OC	2.261	0.442
5	Baroud OC	2.583	1.762
6	Jampali OC	1.518	0.685
7	Mahan-II OC	2.00	2.000
8	Bijari OC	1.301	1.401
	Total	89.153	95.711



Surface Miner in Operation at Gevra OC

11.2 CONTINUOUS MINER

The efforts of the Company to modernize its underground mining operations resulted in successful introduction of Continuous Miner (CM) at UG mines like Kurja-Sheetaldhara mine, Kapildhara mine, Churcha UG mine, Vijay West UG mine, Haldibari UG mine, Khairaha UG mine, Vindhya UG mine & Bangwar UG mine. Low Capacity Continuous Miner at Rani Atari UG mine is in operation. The total coal production from Continuous Miner in the year 2020-21 was 42.70 Lakh Tonnes.

Mine-wise production from Continuous Miner is enumerated below:

(Fig. in LTe)

S No.	Mine	2020-21	2019-20
1	Khairaha CM	8.19	8.19
2	Kurja Sheetaladhara CM	0.66	-
3	Kapildhara CM	1.30	1.98
4	Vijay west CM	5.00	4.99
5	Haldibari CM	6.09	5.81
6	Churcha CM	10.80	8.48
7	Vindhya CM	4.17	1.35
8	Bangwar CM	6.49	5.11
Total		42.70	35.91



Continuous Miner at Vindhya UG, Johilla Area

The Company has taken steps for introduction of Continuous Miner at other Underground mines viz. Rani Atari UG mine, Rajgamar UG mine, Shivpur Block of Churcha UG mine, Gayatri UG mine in future. Further NIT/Bid document of RPR of Ketki UG Mine (0.87 MTY) in MDO mode with Introduction of 2 sets of CM package is under preparation at CMPDI.

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 2020-21, this technology produced 6.594 LTe of coal at Sharda mine. Another New Project viz. Batura Highwall is under implementation.



Highwall Operation at Sharda Mine, Sohagpur Area

11.4 MAN-RIDING SYSTEM

In specified underground (UG) mines where long or arduous travel is involved, arrangement for transport of men has been introduced. The Man-Riding System (MRS) is operating in the Company at Churcha UG (3 sets), Singhali UG, Bagdeva UG, Beheraband UG, Pinoura UG, Sheetaladhara-Kurja UG, Kapildhara UG, Bangawar UG, Shivani UG, Nawapara UG (2 sets), Jhilmili UG, Jhiria UG, Rajendra UG mines & Katkona 1&2 (1st Set) of SECL. Proposal for procurement of Man Riding System at Dhelwadih UG & Katkona UG mine 1&2 (2nd set) is under process.



Chair Lift Man-Riding System

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 review, the following steps were taken to improve the safety standards in the mines of SECL:

1. Risk assessment based safety audit of all 69 mines (i.e. UG-46 & OC-23) was done by multi-disciplinary inter-Area Audit teams during the period November – December, 2020, as per methodology circulated by CIL.
2. Safety Management Plan – reviewed/updated & executed for all mines of SECL involving ground level Workers, Staff, Safety Officers and Managers. Accordingly, SOP/COP has been framed and implemented for different activities.
3. All the provisions of the Mines Act' 1952 & Rules-1955, Coal Mines Regulations - 2017, etc. and the Circulars issued thereunder in this regard were being complied with to ensure occupational safety for the employees/workers at their workplaces.
4. Annual Safety Fortnight 2020 was celebrated from 27.01.2021 to 09.02.2021 observing protocol of COVID-19.
5. Thrust was given on publicity, propaganda & demonstration at pit top and contractor's camp in addition to training at training centers & on the jobs on various practical aspects to generate a safe, effective & productive working environment in mines.
6. In view of increasing trend of natural deaths during duty hour, pit-top health check-up has been started to diagnose the condition of worker's health and to take preventive measures.
7. 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.
8. Awareness on scientific strata monitoring activities has been developed amongst all concerned in addition to traditional practices to closely monitor the strata behaviour in underground mines.
9. Thrust has been 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 & Highwall Mining to reduce exposure of persons to risk areas. Introduced Continuous Miners in UG mines, Surface Miners in OCMs and Highwall mining at Sharda OCP to eliminate blasting operation, thereby reducing the exposure of men & machinery to risk.
10. All the recommendations/suggestions made by the Standing Committee on Safety in coal mines, National Safety Conference, Court of Inquiries, Safety Boards, Tripartite, Bipartite & Safety Committees were implemented.
11. Safety Forums such as, Workmen Inspectors and 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.
12. Fully equipped and well-established rescue station/rooms were 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 the 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.
3. Workers including contractor’s workers were trained and re-trained at VTC as per need to make them aware with the changing new technologies and method of workings with due consideration to the safety norms.

12.3 ACCIDENTS STATISTICS

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

Particulars	2020-21	2019-20
Fatal Accidents	11	7
Fatalities	11	8
Serious Accidents	16	21
Serious Injuries	17	23
Production (MT)	150.606	150.545
Man-shift (in Lakh)	112.13	118.85
Fatality rate per MT output	0.073	0.053
Fatality rate per 3 Lakh Man-shift	0.294	0.202
Serious injury rate per MT output	0.113	0.153
Serious injury rate per 3 Lakh Man-shift	0.455	0.580

NOTE:

Figures for the year 2020-21 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 (487 Rescue Trained Persons exist against requirement of 330) 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. Regular refresher trainings in rescue & recovery works were imparted to Rescue Trained Persons (RTPs) at the Mines Rescue Station (MRS), Manendragarh of Hasdeo Area and five other Rescue Rooms with Refresher Training facilities (RRRTs) of different Areas.

The Company is also having in operation, Rescue Rooms with Refresher Training facilities (RRRT) to impart refresher training – 5 Nos. (one each at Johilla, Sohagpur, Bistrampur, Baikunthpur & Kusmunda Areas) and Rescue Rooms – 5 Nos. (one each at Chirimiri, Bhatgaon, Jamuna-Kotma, Raigarh & Korba Area). The Rescue Station/ Rescue Rooms are situated within 35 Km 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, Reviving apparatus like Maxaman, and Short Duration Breathing Apparatus and maintained as 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 Manikins are available at MRS for providing initial and practical demonstration 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 Training of mine personnel in fire fighting, First Aid, Gas testing, use of Self Contained Self Rescuer & Mine Air Analysis by Gas Chromatograph on regular basis.

Inter-Area Rescue Competitions are conducted every year to maintain the rescue preparedness of rescue brigades and to motivate new entrants into rescue services.

12.5 ACHIEVEMENTS DURING THE YEAR 2020-21

- (a) Risk Assessment based Safety Audit of all 69 mines (UG-46 & OC-23) of SECL was carried out by multi-disciplinary inter-Area Audit teams during the period November–December, 2020, as per methodology circulated by CIL.
- (b) Annual Safety Fortnight 2020 was celebrated from 27.01.2021 to 09.02.2021 observing protocol of COVID-19.
- (c) Coal transport through belt conveyors has been planned to minimize road transport and its associated hazards. 9 Nos. of First Mile Connectivity Projects (FMC) are at different stages of implementation in SECL.
- (d) Illumination standard has been improved at haul roads and other places in opencast mines. 48 Nos. of High Mast Towers have been supplied and commissioned at strategic locations in opencast mines.
- (e) 31320 Nos. of light weight LED Cap Lamps have been supplied and commissioned for use by underground employees for increasing their efficiency. Simultaneously, safety of underground employees will also improve due to better visibility in underground mines.
- (f) 14574 Nos. of SCSRs have been supplied for use by underground employees to escape from underground safely in emergency.
- (g) Skill upgradation training provided to the frontline officials and workmen in house (MDI, Bilaspur & IICM, Ranchi) and outside at different Technical & Scientific Institutions and Training on Simulator.
- (h) Company level Bi-partite Committee Meeting and Area Level Bi-partite & Tri-Partite Committee Meetings are completed observing protocol of COVID-19.

13.0 ENVIRONMENTAL MANAGEMENT: CONSERVATION & SUSTAINABILITY

Environmental management 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 practiced and promoted. SECL's vision on this front is "Prevention is better than control/ cure" and has taken pro-active steps for environmental amelioration. 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 rail wagons through SILOs at its mega mines namely Gevra, Dipka & Kusmunda OC Projects. Moreover, coal is also transported through closed belt conveyors to the Chhattisgarh State Power Generation Company Limited (CSPGCL).

Paradigm shifting towards new clean coal technologies like introduction of surface miner in Opencast mines, introduction

of highwall technology, introduction of Continuous miner in underground mines etc. are the major initiatives taken by SECL for sustainable development.

Surface Miners eliminate drilling & blasting and cut coal in thin layers. Surface Miners have in-built dust suppression system, it also eliminate crushing & grinding of coal in CHPs. Considering the importance of clean air for all its stakeholders, SECL has undertaken several measures to mitigate the aspect of dust in its mining Areas. More than 140 mobile water sprinklers have been deployed for dust suppression on haul roads & coal transportation roads. Fixed water spraying arrangements are functioning in and around the coal handling plants, coal stockyards and transportation roads for dust suppression. 07 nos. of truck mounted long range fogging machines have been procured in Gevra, Dipka, Kusmunda, Johilla, Sohagpur, Jamuna & Kotma and Hasdeo Area for effective dust control. For reducing the dust levels, Mechanical Road Sweeping machines have been procured for Gevra, Dipka, Kusmunda, Sohagpur, Jamuna & Kotma, Johilla and Hasdeo Areas.

Continuous Ambient Air Quality Monitoring Systems (CAAQMS) with digital display arrangements have been installed in four opencast projects namely Gevra, Dipka, Kusmunda & Manikpur OC for constant monitoring of ambient air quality. In the second phase for other mines, 05 numbers of CAAQMS have also been procured and installed in different Areas of SECL viz. Sohagpur, Jamuna-Kotma, Johilla, and Hasdeo.

Real-time Online Effluent Monitoring Systems (RTOEMS) have been installed in 09 Mines/Projects of SECL for efficient monitoring of effluent from Mines/Projects. Further, procurement of 10 nos. of RTOEMS is under process.

13.1 AFFORESTATION/ PLANTATION

Massive multi-species plantations for bio-diversity conservation, top soil management have been undertaken by SECL.

In order to minimize pollution and to ensure clean environment, the Company has planted 6.75 Lakh saplings during the year 2020-21 and more than 2.71 Crore saplings have been planted since inception of the SECL. SECL has entered into a 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 2019-20 to 2023-24.

The Company has undertaken roadside plantation and plantation on overburden dump, dump slopes, around infrastructures & residential colonies etc. to ensure clean environment and minimize pollution in and around Coal Mining Areas.

13.2 FUNCTIONS/SEMINARS FOR AWARENESS OF ENVIRONMENTAL CONSERVATION



World Environment Day Celebration on 05.06.2020



CMD and Employees of SECL administered the oath at World Environment Day

The Company, through its Environment Department organized functions to celebrate World Environment Day and awareness programme (5th June, 2020) at SECL HQ and other administrative Areas also. The function at Bilaspur was attended by the CMD, Directors, HoDs, Officers and Staff. 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, Plantation & 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. In continuation of the programme, medicinal & fruit bearing saplings have been distributed free of cost to the employees, public and villagers.

13.3 WATER CONSERVATION

To conserve the scarce resource of water, SECL has undertaken water conservation and Rainwater harvesting in its mines and colonies. Company has proactively implemented steps to augment the ground water levels by commissioning Rainwater 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, seven Domestic Effluent Treatment Plants (DETP) are functioning in SECL having a capacity of 8.17 MLD.

14.0 ENVIRONMENTAL & FORESTRY CLEARANCES:

14.1 ENVIRONMENTAL CLEARANCE (EC)

Environment Impact Assessment and its management is a priority subject for the Company. The Environmental Management Plans (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 GoI, Ministry of Environment, Forests & Climate Change (MoEFCC) has been secured for 125 numbers of Environment Management Plans. Environmental clearances by way of approved EMPs are for production capacity of 226.20 MTY.

During the year under report, total 3.35 MTPA enhancement in Environmental Clearance capacity of Batura OC (2.00 MTY), extension of EC validity of Gevra OC (45 MTY) and Ambika OC (1.35 MTY) were obtained. Two Public Hearings have been conducted for Kanchan OC (0.75 to 2.00 MTPA) & Chhal OC (3.50 to 6.00 MTPA). Terms of Reference (ToR), has been granted for Batura HW OC & Dipka OC by the Ministry of Environment, Forests & Climate Change (MoEF & CC), Government of India. Enhanced availability of ECs act as a bank and help in achieving the set target in times when some projects underperform due to constraints like geological disturbances, land acquisition, Industrial Relation problems etc.

SILOs and Conveyor systems at Mega Projects of SECL



KUMUNDA OPENCAST



GEVRA OPENCAST



DIPKA OPENCAST

Mine water Treatment and Domestic Effluent Treatment Plant



Domestic Effluent Treatment Plant at Manikpur Residential Colony



Settling tank for treatment of Mine Water, Rehar UG



Mine void used as water harvesting structures at Rajnagar OC

Water Spraying Arrangements for Dust Suppression



Surface Miner with inbuilt water spraying system



Mobile water Sprinkler

PLANTATION



Plantation on OB dumps at Dipka & Kasmunda Opencast Mines



Ananya Vatika Eco-Park Developed on reclaimed OB Dump at Rajnagar OC, Hasdeo Area

Pisciculture & Water Tourism at Bisrampur Opencast Mine, Bisrampur Area



14.2 FORESTRY CLEARANCE

During the year 2020-21, Forestry Clearances, as detailed below, have been obtained.

List of projects granted Stage-II FC:

S No.	State	Name of the Project	Area (Ha)	MoEF& CC order no. & date
1	Chhattisgarh	Amgaon OC	93.58	8-74/2018-FC dated 07.08.2020
2	Madhya Pradesh	Kanchan OC	6.081	6MPC053/2018-BHO/258 dated 25.03.2021

15.0 TELECOMMUNICATION:

With increase in demand of Coal, handling various operational aspects like Fleet control, Weighment, Security by using conventional methods cannot meet the present day requirement. Hence, Coal Industry has decided to adapt application of Electronics & Telecommunication (E&T) and Information Technology (IT) enabled services to reduce human intervention in the monitoring of all operations on real time basis. Monitoring different locations through e-surveillance and establish a dedicated data network for the improvement of overall operational efficiency of the Company.

E&T Department has successfully implemented the following IT related applications in the year 2020-21.

1. CCTV Camera Surveillance System:

SECL has procured 596 numbers of CCTV cameras centrally in August 2020 and installed them at different vulnerable points of Areas like Coal Stocks, Weighbridges, Mines Entry-Exit gates, Railway Sidings, Explosive magazines, Coal Sampling/ Crushing points, etc. for e-surveillance. The video footage recorded can be used for any monitoring purpose.

2. CIL Eye app for real time monitoring of mine activities:

The CCTV cameras installed at Gevra , Dipka , Kusmunda and Manikpur OCM has been integrated with CIL Eye App for real time monitoring from anywhere including through mobile phone.

View of Dipka Coal face on CIL Eye App.



View of Gevra CHP on CIL Eye App.



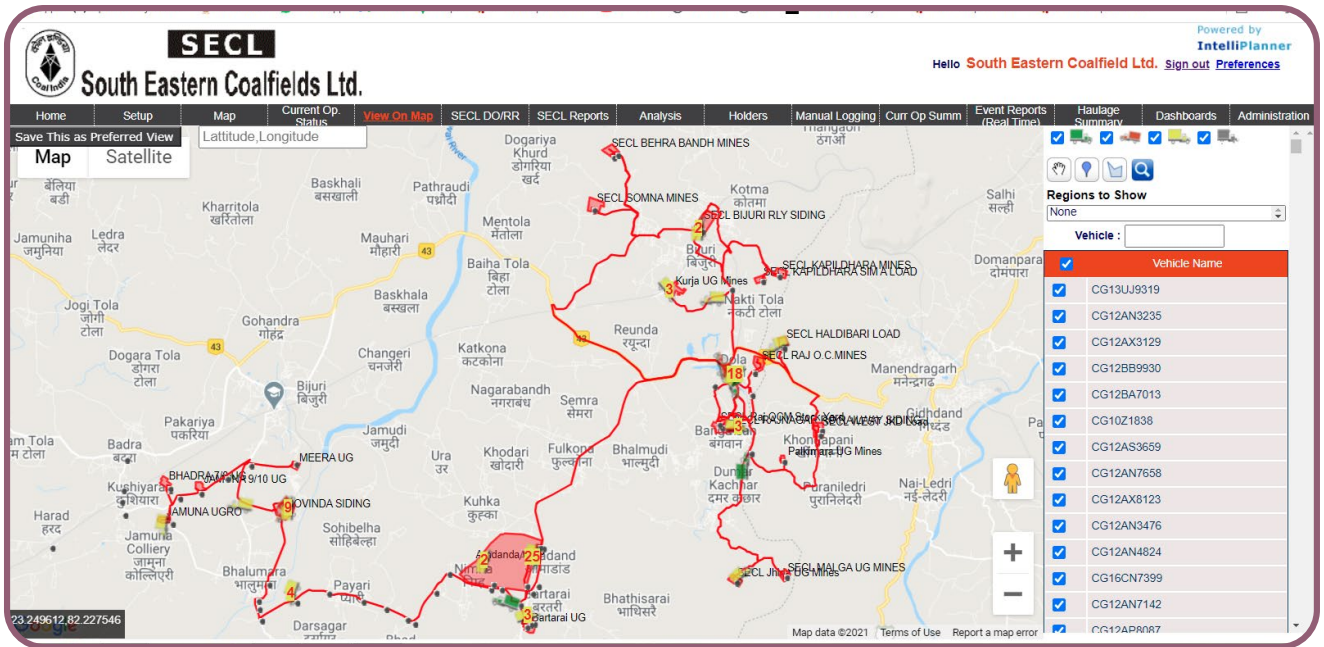
3. GPS-GPRS (Global Positioning System- General Packet Radio Service) based Vehicle Tracking System:

One Hundred (100) numbers of GPS devices have been procured in addition to the existing 1717 numbers of GPS devices. A fresh CAMC for the maintenance of VTS for the period of 03 years has also been concluded in November 2020 for seamless operation of this system. In this system, the GPS/GPRS devices are installed in all internal coal transportation vehicles and the same are tracked on real-time by 24x7 basis. Location of the vehicle is ascertained by signals received from Navigation Satellites and its coordinates are transmitted to VTS Server located at SECL HQ through GPRS. Actual location of the vehicle is displayed on the digital map using customised application software.

4. Geo Fencing :

All mine boundaries, coal patches, unloading points like sidings, stocks, feeder breakers, crusher and bunker, internal coal transportation routes are geo-fenced. Timely updation of mine/sidings boundary and authorized routes are carried out by respective Areas as per SOP of CIL. The violation of boundary, deviation of route, time taken more than the prescribed limit for that route are detected by the system and reports are generated in the VTS system as well as alerts will be sent to the concerned officials of Areas for remedial action. The VTS Control Rooms are operational by 24x7 in all Areas as well at SECL HQ for monitoring.

Geo-fencing of Mines, Siding & Authorized coal transportation route of Jamuna-Kotma Area.



5. RFID based Automatic Boom Barriers:

RFID based Automatic boom barriers are installed at all the entry and exit points of Mines and Railway Sidings so that only authorized vehicles/tippers can enter/exit into the mine premises which eliminate the possibility of any coal pilferage and also helps to regulate vehicle traffic. A fresh CAMC contract for a period of 02 years has been concluded in November 2020 for smooth maintenance and seamless operation of this system. 04 (Four) more Boom Barriers have also been installed in addition to the existing 136 numbers of Boom Barriers.

The authorised vehicles deployed for internal coal transportation are affixed with RFID tags on the wind shield of the vehicle whereas the road sale vehicles are issued with temporary tags at Boom Barrier at the time of entry and collected back while leaving the barrier. These tags contain the details of vehicles, DO and transporter etc.

Details of vehicles approaching Boom Barriers Gates are read from RFID Tags by RFID Readers installed at BB Gates and matched with the data stored in the Server. On authentication from Server, Boom Barrier is lifted automatically & tipper is allowed to enter. The same process is followed for tippers going outside the mine premises after lifting the coal. Boom barrier will not open if any vehicle bypasses the weighbridge during its cycle.



Vehicle waiting at Barrier while sensing RFID tag of authorized vehicle (Red Light)



Barrier opens completely for passage of authorized vehicle (Green Light)

6. Electronic Rail and Road Weighbridges (WBs):

Electronic In-motion Rail weighbridges and Road weighbridges are installed for weighing of input as well as output coal of SECL mines. Five numbers of new In-motion Rail weighbridges have been installed at different sidings in place of old static Rail weighbridges. All the In-motion Rail WBs have been upgraded for integration with Freight Operation Information System (FOIS) of Railways.

(a) Weighbridge Centring System:

All the road weighbridges are equipped with Weighbridge Centring System (WBC). This system would allow the weighing of trucks only if the vehicle is properly placed within the weigh platform otherwise would not allow. The RFID Readers installed at WBs automatically read the Vehicle and Transporter / DO details etc. from RFID Tag & facilitate faster weighing (tare/gross) process. This has resulted in increase in number of trips with less operator intervention.



Red light indicates absence of Vehicle in WB or incorrect position of vehicle at WB during weighing.



Green light indicates correct position of vehicles at WB during weighing.

(b) Electronic Rail WB - Static and In-motion:

All the operational Static Rail WBs are now replaced with In-motion Rail WBs as per latest guidelines of Railways. Weighment in Railway sidings are now done only through FOIS enabled In-motion Rail WBs.

In-motion Electronic Rail Weighbridge installed at Gevra Road Siding.



8. Auto-cum-Manual Intrinsically Safe Communication System (CDS):

Auto-cum-Manual CDS System is an intrinsically safe system approved by DGMS. This system is used for underground (UG) coal mine communication and other safety purposes. A fresh CAMC of CDS system for a period of 02 years has been concluded on December 2020.

At present, 58 nos. of 20/30 lines CDS systems are installed in different UG mines of SECL. With expansion of mines, procurement and installation of new CDS system is carried out as per requirement from Areas.



Auto cum manual CDS System at Chirimiri Area.

9. Video Conferencing System:

IP based multi-point Video Conferencing (VC) system is installed at SECL, HQ and all 13 Areas. Meetings are conducted among HQ, SECL Areas, CIL HQ and other agencies. Board meetings and GM’s Coordination meetings of SECL are also conducted through VC. This arrangement enhances productivity and efficiency by eliminating time & space barriers which provides a flexible option of conducting meetings anytime & anywhere.



Video Conference with all SECL Command Areas

10. Internet Leased Line(ILL):

Considering the remote locations and scattered nature of coal mines of SECL, providing high speed internet accessibility to coal mines in all Areas has always been a challenging task. With the installation and commissioning of Centralized Internet Leased Line (ILL) connectivity, high speed internet access (maximum up to 100 Mbps) is made available at AHQ, regional stores and other establishments. 'ILL' has also been distributed among all weighbridges at Area level to have access to "Online Khanij Portal" (a State Government initiative in CG & MP) for printing transit pass.

11. Post-paid Mobile CUG Sim/ Scheme:

SECL is going to provide a new post-paid mobile CUG scheme to SECL executives & staffs related to essential services and the work order for availing CUG post paid service has been concluded in April 2020. The new CUG scheme has many facilities like unlimited voice call within India, 1 GB data per day & 500 SMS per month, Bulk SMS facility for immediate group communication / messaging, etc.

12. IP based Electronic Private Automatic Branch Exchange (EPABX) :

IP EPABX Systems have been installed at 75 locations (HQ, Areas & Projects) across SECL to cater internal communication needs. Architecture of this exchange is based on Internet Protocol (IP).



IP based Telephone Exchange at SECL HQ

Summary of IT initiatives already implemented in SECL is given below:

SN.	System/ Initiatives	Installed/Ordered (Qty. in nos.)	Remarks
1	Weighbridges (WB)	208	Road WB: 175 & Rail WB: 33
2	GPS devices	1717	Total GPS devices as on date: 1761.
3	Boom Barriers	135	In each Mine's entry/exit gate & Railway Sidings.
4	CCTV cameras	1379	All CCTV cameras are installed at all Areas, as per the Target of IT initiatives.
5	WAN (MPLS-VPN)	529 Nodes	301 nodes ordered in February 2021 in addition to 228 nodes.
6	VTS Control Room	14	SECL HQ and All Areas of SECL.
7	IP EPABX	75	SECL HQ, All Areas and Projects
8	CDS	58	Installed for UG mine communication.
9	Internet Leased Line (ILL)	SECL HQ & 13 Areas	For high-speed internet connectivity.
10	Video Conferencing System	20	SECL HQ: 07 & SECL Areas: 13
11	Post-paid Mobile CUG	Approx. 4000	For executives & staffs related to essential services of SECL HQ and All Areas of SECL.

16.0 INFORMATION TECHNOLOGY:

SECL has made a quantum leap to centralization and standardization of core business processes in the domains of Payroll, Sales, Finance and MMS through COALNET implementation across all Areas resulting in

faster generation of MIS reports. SECL is also focusing on bringing new Areas into gamut of computerization and developing web apps/ Mobile apps for easier and faster access of information.

The IT infrastructure and services implemented in SECL and those under implementation are mentioned below:

16.1 IMPLEMENTED

➤ Data Centres:

Two Data centres, one at HQ and the other at Korba are catering to the data processing requirements of the organization through MPLS-VPN data connectivity. The Data centre at Korba is working as Backup system.

➤ Implementation of COALNET:

COALNET is implemented across all Areas of SECL and the business processes are standardized across all Areas through COALNET. New Module Asset Accounting has been introduced and implemented successfully.

➤ E-office:

E-office was introduced at SECL HQ & Area GM offices to have electronic movement of documents with an ultimate goal of paperless office.

➤ Implementation of MIS tools :

The following MIS tools/Apps are running successfully:

- **Bill Tracking:**

All bills received in COALNET system are provided with Track-id thereby enabling the vendor/ stakeholder to track the status of the bill. With the help of Bill tracking ID, the status of the bill can be seen on SECL website also.

- **File Tracking:**

To know the location of a file in process at any given point of time, 'TRAK' a File Tracking system has been introduced in SECL HQ & Areas.

- **ANSh:**

Tenders with a value below ₹2 Lakh can be uploaded on to SECL website and can be accessed by vendors through this portal. This portal ensures better publicity & reach.

- **Uphaar:**

A web application for retired executives of SECL to find out the status of their bills under retired executive Medical Scheme.

- **VIDHIK:**

SECL Legal Information and Monitoring System – It is a web-based repository of legal cases filed by SECL and its Areas and facilitates to enter and modify case information as and when required.

- **CHIRAYU:**

Online Outside Medical Referral System – It is a Web Application for generating ONLINE referrals to outside hospitals for SECL employees.

- **PAISA:**

APP for Salary Information of SECL Employees – A mobile Application to view monthly salary information of an employee.

- **CAP:**

Civil Contract Monitoring web Application - All Civil contracts at Areas & HQ are captured in this app and the status is updated on as and when basis.

- **SAMIKSHA:**

A web app developed for DGMS for Annual Mine Safety Analysis regarding safety parameters of all UG & OC mines for SECL region.

The following apps were introduced during the year:

- **POORTI:**

POORTI (Purchase Order Online Repository Initiative) is an online web application that displays information about tenders/work orders/contracts at SECL. Departments at SECL can upload the tender/work orders/contracts details and related documents in the portal using login credentials provided to them. The portal is developed as a tender/work order/contract documents repository, available at all times for the easy access of the documents anytime.

- **RTRS (Real Time Reconciliation System):**

RTRS is a step towards Triple Entry Accounting System (Like Block Chain) which involves auto ledger updation with no manual intervention and automatic preparation of the reconciliation sheet. Vouchers are supported by Original Scanned Documents hence the best tool for Audit Trail and future reference.

- **SECL Apprentice Portal:**

SECL Apprentice Portal is developed for apprentice trainee stipend amount and provide information to HRD for the Purpose of reimbursement from Ministry. This portal was launched for preparation of apprentice stipend every month from October-2020 onwards.

- **SAMAGRI:**

COALNET based Mobile Application for Inventory summary & Item Status from all over SECL stores.

- **AASWASAN:**

This portal is developed for quarter grievance addressal for Vasant Vihar and Indira Vihar colony of SECL HQ.

- **Aawas Aawantan:**

This portal is developed for quarter allotment for Vasant Vihar and Indira Vihar colony of SECL HQ.

- **Harmony - An Employee Grievance Redressal Application:**

This application was launched to improve 'Ease of Working at Workplace'. Harmony acts as a bridge between Employees and the Management for raising their issues/ grievances and early disposal/ monitoring of the same. The grievance for this purpose is defined as any Complaint related to the provisions of NCWA, Standing Orders, Company's Schemes and other Service Matters.

16.2 WAY FORWARD

ERP implementation is going on in SECL with scheduled Go-Live in August 2021. SECL is in second phase of ERP Implementation plan of CIL. The IT infrastructure required for ERP implementation across all Areas of SECL is under progress and gearing up for smooth migration to latest ERP environment.

17.0 MANPOWER AND EMPLOYMENT:

The Manpower of SECL as on 31st March, 2021 is 47481 Nos. and the Category-wise status is as follows:

S.No.	Category	Manpower (in Nos.) as on	
		31.03.2021	31.03.2020
i.	Executives	2738	2835
ii.	Supervisory Staff	6446	6786
iii.	Highly skilled & skilled	21823	24132
iv.	Semi-skilled & unskilled	14275	15120
v.	Clerical Staff	1693	1936
vi.	Piece Rated	10	13
vii.	Trainee	496	604
	Total	47481	51426

17.1 MANPOWER UNDER SC/ ST/ OBC CATEGORIES

The policies and directives of the Central Government on recruitment and promotion 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, 2021 vis-a-vis 31st March, 2020 is tabulated below:

Category	Manpower Strength (In Nos.)		Percentage to Total Manpower	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
SC	8497	9190	17.90%	17.87%
ST	10324	11147	21.74%	21.68%
OBC	11470	12280	24.16%	23.88%
OTHERS	17190	18809	36.20%	36.57%
TOTAL	47481	51426	100.00%	100.00%

17.2 STATISTICS OF FEMALE EMPLOYMENT

Employment of Female (In Nos.) as on 31.03.2021 is detailed as under:

Executive	Monthly Rated	Daily Rated	Piece Rated	Company Trainee	Total
132	887	1859	-	60	2938

17.3 FRESH EMPLOYMENT

Status of sanction of employment of Project Affected Persons (PAPs), Compassionate Employment, Fresh Recruitment & against Special Female VRS Scheme during the year 2020-21 is as under:

Particulars of Fresh employment	Nos.
Employment to Project Affected Persons	253
Compassionate Employment (Against Death/Medically Unfit)	205
Fresh Recruitment	-
Total	458

17.4 COMPENSATION IN LIEU OF EMPLOYMENT

Particulars	Nos.
Monetary Compensation in lieu of Employment (Land employment)	145
Monetary Compensation in lieu of Employment (Compassionate ground)	09
Live Roster	01
Total	155

18.0 DEVELOPMENT OF HUMAN RESOURCES:

Human Resource Development (HRD) of SECL helps employees to develop their personal and organizational skills, knowledge and abilities. Human Resource Development includes such opportunities as employee training, employee career development, key employee identification, etc. The focus of Human Resource Development of SECL is on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers.

SECL adheres to the policy of continuously investing in training and development of its employees for achieving organisational goals. The Company facilitates the development of all-round competence of its employees by providing suitable trainings to improve practical knowledge, skills, behaviour and values to better the overall performance of the Company.

18.1 TRAINING CENTRES

The Company has four primary Training Institutes where various training programmes are organized successfully.

- 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, a total 17 Nos. of Vocational Training Centres (VTC) are situated in all Areas of SECL where Statutory Training as per the Mines Vocational Training Rules 1966 and other need-based special training programmes are also conducted regularly.

18.2 No. of Employees trained during the year 2020-21:

HRD Department is providing Internal/Out-side training to Employees to enhance their Skill and Knowledge, so as to help the Company for achieving the desired Target and Production & Productivity.

Institutional Training:

S No.	Category	Training Institution	No. of Employees got Benefitted
1	Executives Trained in "Train the Trainer" by NPC Faculties under the MOU	MDI	26
2	Staff/Workers Trained in different training programmes	BETI, CETI & RTI	641
3	Staff/Workers Trained in different training programmes	VTC	8771

Special Training:

S No.	Category	No. of Employees
1	Coaching class for 1 st & 2 nd Class Mine Managers Examination	26

Online Training:

S No.	Training Program	Institute	No. of Participants	
			Executives	Non-Executives
1	Safe Use of Electricity	DMS officials	12	18
2	Cyber Security & Digital Forensic Tools	ESCI, Hyderabad	2	0
3	Sexual Harassment at Workplace (POSE)	NPC, Hyderabad	14	2
4	Emotional Intelligence	NPC, Hyderabad	10	0
5	Neuro Linguistic Programme	NPC, Hyderabad	10	0
6	Advances in Technology and Tools in Surface Mining Practices	IIT, Kharagpur	8	0
7	Leading in VUCA World	ESCI, Hyderabad	4	0
8	Cyber Security Training cum Certificate Program	CII, Gurugram	2	0
9	Persuasion or Influence?	NPC, Hyderabad	10	0
10	Interpersonal Effectiveness	NPC, Hyderabad	10	0
11	Network Security & Firewalls	CIL, Kolkata	3	0
12	Risk Assessment of Occupational Exposure to Noise and Vibration in Mines	IIT, Kharagpur	6	0
13	Blood Bank	Apollo Hospital	1	3
14	Right to Information Act, 2005	Nagpur	39	0
15	Safe Use of electricity in Mines as per New Regulations CEA-2010	DMS, Electrical (Retd.)	24	0
16	Managing Crisis at Workplace	NPC	5	0
17	Neuro Linguistic Programming	NPC	5	0
18	Creativity and Problem Solving	NPC	5	0
19	Workplace Assessment for Safety and Hygiene (Wash)	Quality Council of India	33	9
20	Holistic Development for Personal & Professional Excellence	ESCI	4	0
21	Transformational Leadership	NPC, Hyderabad	5	0
22	Persuasion or Influence?	NPC, Hyderabad	5	0
23	Succession Planning	NPC, Hyderabad	5	0
24	Inventory Management Strategies	ASCI, Hyderabad	4	0
25	Blood Bank, Apollo Hospital, Bilaspur	CHM, HASDEO	1	2
26	Mining Practices & Methods	NCL	6	0
27	Monsoon Preparation	NCL	5	0
28	Welfare activities & initiatives	NCL	5	0
29	Core Departments that Directly Influence the Productivity	NCL	5	0
30	Welding Technologies and NDT Techniques	ESCI, Hyderabad	19	0
31	Machine Learning & Artificial Intelligence	ESCI, Hyderabad	5	0
32	Blood Bank, Apollo Hospital, Bilaspur	CHM, HASDEO	1	2
33	HEMM Maintenance	WCL	5	0
34	E-procurement of Goods and Services, and related GOI Financial Rules	NEW DELHI	2	0

S No.	Training Program	Institute	No. of Participants	
			Executives	Non-Executives
35	Administrative Vigilance Disciplinary Procedures	ISTM, NEW DELHI	4	0
36	Techno Economic and Sustainable Future Mining Solutions in Indian Coal Mining Scenario	IIT, Kharagpur	14	0
37	Selection, Installation, Operation & Maintenance of Pumps	ICW Group, Mumbai	5	0
38	Ventilation System Design and Analysis	CMPDI, Ranchi	18	0
39	Corrosion Engineering, Emerging technology, Coatings & Advance Material	ESCI, Hyderabad	3	0
40	GeM & e-Procurement	Krishna Mohan, IAS (Retd.)	36	0
41	International Conference on Opencast Mining Technology & Sustainability (ICOMS-2020)	NCL, Singrauli	6	0
42	Safe Use of electricity in Mines as per New Regulations CEA-2010	G.P. Rai, DMS Elec.(Retd.)	19	11
43	Advanced Excel for Report Generation & Analytics	ESCI, Hyderabad	1	3
44	Root Cause Analysis of Rotating Equipment	ICW Group, Mumbai	2	0
45	Train the Trainers	NPC, Hyderabad	26	0
46	Welding Technologies and NDT Techniques (Non Destructive Testing and Failure analysis of Castings Forgings, Weldments and Tubes)	Engineering Staff College of India, Hyderabad	1	0
Total			415	50

18.3 Training of Contractual Workers:

Training provided to contractual workers in different VTC Areas: 8505

18.4 Apprenticeship Training under the Apprentices Act (On the Job Practical Training):

S No.	Apprenticeship Training Details	Nos.
1	Total Apprentices engaged.	1060

18.5 Classification of Trainees:

Based on different Categories of Employees:

The Company organised and provided opportunities to different categories of Executives/ staff in various training programmes at Area Training Centres/ MDI/ IICM & Outside training programmes. The total no. of executives who were provided training during the year are as follows:

S No.	Category	No. of Employees Trained		
		MDI	IICM	OUTSIDE
1	General	19	173	215
2	OBC	3	25	66
3	SC	2	24	37
4	ST	2	61	79
TOTAL		26	283	397

Based on different Training Institutions:

S No.	Category	No. of Employees Trained		
		MDI	IICM	OUTSIDE
1	Executives	26	283	403
2	Staff/ Workers	-	-	32
TOTAL		26	283	435

Note:

1. Due to the impact of COVID-19, institutional training by physical presence of employees were badly affected. As such, mostly online training programmes were arranged.
2. Special Training program on Safe Electricity in Mines for Electricians and Electrical Supervisors as per new Regulations was organised on the recommendation of Company level Tri-Partite Safety Committee for upgrading the knowledge and safety aspects of Electrical Engineers, Electrical Supervisors & Electricians posted in Areas/ HQs. This program was conducted by Shri G. Prasad Rao, Former Director (Electrical), Hyderabad through online mode.

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 the 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 important role and are valuable means of forming operational linkages to fit Human Resource Management with strategic thrust of the organization. Broad programme under HRM initiatives are as under:

AAGMAN:

SECL has implemented this project for smooth induction of new Management Trainees into the SECL family and facilitation of the joining process for smooth integration into the Company.

20.0 WOMEN EMPOWERMENT:

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 Women in Public Sector (WIPS)-SECL

SECL is a Corporate Life Member of WIPS. WIPS, SECL is committed towards Women Empowerment, maintaining health and hygiene and skill development in the Company as well as nearby rural areas. Smt. Anupama Anand Temurnikar, Sr. Manager (Pers.) has been working as Coordinator, WIPS, SECL. One senior officer in each Area has been nominated to work as Area Representative of WIPS.

WIPS, SECL is socially active in SECL and engaged in different social activities and thus benefiting a large number of people in adjoining areas besides SECL employees.

Due to COVID-19 pandemic, no social activities had been carried out during the year 2020-21 but WIPS members posted at Medical Department all over the SECL played an important role in the battle against COVID-19. They have served the mankind without taking rest.

The following activities have been carried out adhering COVID-19 Guidelines:

- Motivational books were distributed by SECL Dipka Area to school going girls of nearby villages and a session on the topic “removing gender discrimination & saving girl child” was also organised in these villages.
- Speech competition was organised at SECL Korba Area for female employees, wherein they have shared their views on the topic “Role and Challenges for women in COVID-19”.
- Homemade masks were distributed to nearby villages as well to the employees of SECL Kusmunda Area.
- Sanitary Napkins distribution and awareness on general health and menstrual hygiene program was organized at SECL Chirimiri Area.

WIPS members attended the virtual meetings and National Meet of Forum of WIPS held on 12.02.2021.



20.2 WIPS ACTIVITIES

Celebration of International Women’s Day 2021:

International Women’s Day has been celebrated in SECL on 08.03.2021 in SECL HQ as well as all Areas of SECL in collaboration with SECL and Forum of WIPS.





The central function was organised at SECL HQ and Shri A.P. Panda, CMD, SECL was present as Chief Guest and Shri B. P. Sharma, CVO, SECL; Shri M. K. Prasad, D(T)O, SECL and Shri S. M. Choudhary, D(F)/D(P), SECL were present as the guests of honour. During the function, Female Doctors and Paramedical Staff of SECL Hospitals/ Dispensaries, who offered commendable services as Corona Warriors during COVID-19 pandemic, were honoured by the guests.



Some glimpses of Events organised across SECL operating Areas are as under:



Speech competition for employees – Korba Area



Felicitation to Corona Warriors – Raigarh Area



Felicitation to Corona Warriors–Baikunthpur Area



Felicitation to Corona Warriors–Bhatgaon Area



Felicitation to Corona Warriors – Gevra Area



Felicitation to Corona Warriors – Jamuna & Kotma Area

21.0 INDUSTRIAL RELATIONS (IR):

SECL has laid down clear Industrial Relations Policy providing 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. 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 IR 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:

S No.	Name of Union	Affiliated to
1	Akhil Bhartiya Koyla Mazdoor Sangh (ABKMS)	BMS
2	Koyla Mazdoor Sabha (KMS)	HMS
3	Koyla Shramik Sabha (KSS)	CITU
4	Samyukt Koyla Mazdoor Sangh (SKMS)	AITUC
5	South Eastern Koyla Mazdoor Congress (SEKMC)	INTUC*

*IR Meeting or participation of SEKMC (INTUC) in various committees was withheld pending decision of the Hon'ble High Court of Delhi in WP No. 8152 of 2016. However, as per order dated 13.11.2018 of Hon'ble High Court of Chhattisgarh in WPL No. 87 of 2018, SEKMC (INTUC) was allowed for participation under IR system from 01.04.2019.

The periodicity of the above said structured meetings with the Unions under a 3-tier IR system is as under:

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

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 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.

The information pertaining to Strike, Man-days loss, Production loss are as under:

Particulars	Details
No. of Strikes (No. of events)	02*
Law & Order disturbances (No. of events)	NIL
Man-days Lost (in Lakh)	0.728
Coal Production loss (LTe)	0.891

* In the backdrop of Nationwide Strikes called by various Central Trade Unions, operating Trade Unions of CIL had called for strikes in Coal Industry & its establishments including SECL on following days:

- 2nd to 4th July 2020 - by HMS, AITUC, CITU, BMS, INTUC and other Unions/Associations.
- 26th November 2020 - by HMS, AITUC, CITU, INTUC and other Unions.

The Industrial Relation Scenario in SECL during the year 2020-21 remained cordial & excellent and there was all-round industrial peace.

CIL's Contract Labour Information Portal (CLIP):

All the active Contractors of all the Units/Establishments in SECL are registered on the CIL's Contract Labour Information Portal (CLIP). Registered Contractors regularly upload the details of their workers and their wages details.

22.0 EMPLOYEE WELFARE AND INFRASTRUCTURE:

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 Coalfield Areas. The relevant information is indicated below:

(1) Company Accommodation:

S No.	Particulars	Nos.
a)	Number of houses available as on 31.03.2021	69330

(2) Water Supply:

S No.	Particulars	Nos.
a)	Water supply provided to the population as on 31.03.2021	346650

(3) Education:

S No.	Particulars	Nos.
a)	Schools (Only Project Schools where deficit grant is given)	17

(4) Sports & Recreational facilities:

S No.	Particulars	Nos.
a)	Playground	55
b)	Officers' Club	37
c)	Workers' Club	41
d)	Community Centre	28
e)	Stadium	21
f)	Gymnasium	26
g)	Children's Park	42

(5) Other Amenities:

S No.	Particulars	Nos.
a)	Canteens (including 28 AC Canteens)	88
b)	Employees covered under electronic clearing system of payment through bank	100%
c)	Co-operative Credit Societies	04
d)	Co-operative Stores	11

22.2 SCHOLARSHIPS & FINANCIAL ASSISTANCE

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 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. The details for the year 2020-21 are given as under:

S No.	Particulars	No. of Beneficiaries	Amount (₹ in Lakh)
1	Coal India Scholarship (Revised-2001)	367	8.27
2	Reimbursement of Tuition Fees & Hostel Charges to the wards of the employees:		
	- Engineering Students	154	113.90
	- Medical (MBBS) Students	50	18.42
	TOTAL	571	140.59

22.3 ACHIEVEMENT IN CIL GAMES

Due to COVID-19 pandemic, no sports and games were organised during the year 2020-21.

22.4 FACILITIES AT HOSPITALS

The Medical Services in SECL are provided through a three-tier system of Dispensaries, Regional Hospital & Central Hospitals, which are located in different Areas of Madhya Pradesh & Chhattisgarh. All Hospitals are equipped with Operation Theatre, Labour Room, Laboratories, ECG, X-ray machines etc. Rainbasera (shed) is available for waiting patients and their attendants at Indira Vihar, Bilaspur and Sohagpur. Bio-medical waste disposal is carried out as per recommendation of State Pollution Control Board. Mortuary chambers are available in some hospitals.

The details of Health services and service providers are as under:

S No.	Health Facility	Nos.
a)	Central Hospitals	03
b)	Regional Hospitals	07
c)	Dispensaries	56
d)	Ambulances (Departmental 43 & Hiring 70)	113

S No.	Medical Personnel	Nos.
a)	Doctors (59 Specialists)	182
b)	Staff Nurses	238
c)	Pharmacists	89
d)	Lab. Technicians	58
e)	X-Ray Technicians	37

22.5 FACILITIES AT SECL HOSPITALS

- Hospitals are equipped with X-ray, USG, ECG, C-Arm, and Pathological laboratories.
- Licensed Blood Banks are functioning at Central Hospitals of Sohagpur and Gevra Area. Infrastructure of Blood Bank is completed at Central Hospital, Manendragarh, Hasdeo Area.
- CT scan and Bronchoscope is available at Burhar Central Hospital, Soahgpur Area.
- 05 Dialysis Centers are operational at Central Hospital, Manendragarh, Hasdeo Area; Burhar Central Hospital, Sohagpur Area; Nehru Centenary Hospital (NCH), Gevra Area; Main Hospital, Korba Area and Regional Hospital, Bisrampur Area.
- Laparoscopic surgeries are being performed at NCH, Gevra Area.
- Multiparamonitors and Ventilators installed in 3 Central Hospitals of SECL as part of upgradation of ICU.
- Digital Audiometer is installed in 3 Central Hospitals, 6 Regional Hospitals and 3 Dispensaries (Bhatgaon, Indira Vihar Health Centre & Kusmunda).

- Bio-chemistry Auto Analyser is provided in 3 Central Hospitals, 7 Regional Hospitals and 3 Dispensaries (Bhatgaon, Indira Vihar Health Centre & Kusmunda).
- Modular Kitchen is established in Central Hospital, Sohagpur Area; Central Hospital, Manendragarh, Hasdeo Area and NCH Gevra Area.



Distribution of Medical Awareness Booklets at Johilla Area.



Digital X-ray Machine at Jamuna & Kotma Area

22.6 MEDICAL SERVICES/ HEALTH CAMPS

SECL organizes Village Health Camps, Health Awareness Camps, etc. in and around its Coalfields. Below Poverty Line (BPL) families were provided free OPD facilities in our Hospitals and Dispensaries. However, due to COVID-19 pandemic no Health Camps were organized during the year 2020-21.

22.7 Infrastructure

To ease the living of people residing in coal mine areas by reducing traffic congestion, road accidents, adverse impacts on environment and health around coal mines of production capacity exceeding 4 MTPA and by enhancing coal handling efficiency through employing alternate transport methods like mechanized conveyor system and computerized loading into railway rakes, various First Mile Connectivity (FMC) Projects were planned out of which one Project of Kusmunda CHP Phase-I was completed and plant commissioned on 08.02.2020. One Project of Kusmunda CHP Phase-II is an ongoing Project and it is nearing completion. Seven (7) more Projects have been included under First Mile Connectivity Projects and expected to be completed in next 2 years.

23.0 CORPORATE SOCIAL RESPONSIBILITY (CSR):

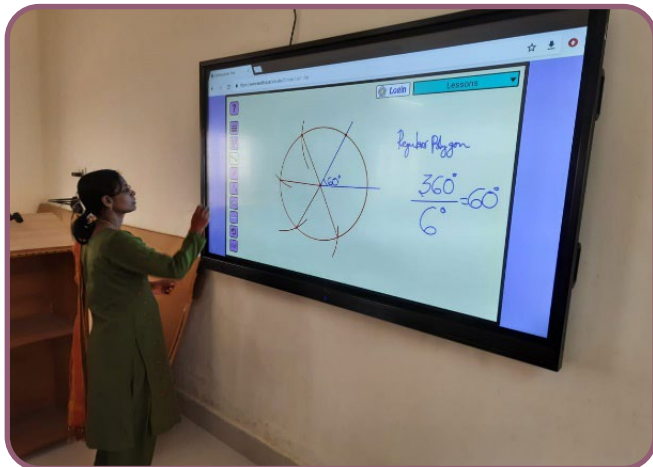
SECL has always appreciated its social responsibility as a part of Corporate Governance philosophy. The Company aims at making CSR akin to the key business process for sustainable development of the society. It supplements the role of the Government in enhancing welfare measures of the society, based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

Everyone is committed to sustainable development and inclusive growth in the surrounding areas of mining projects. The primary beneficiaries of CSR are primarily the land oustees, Project Affected Persons (PAPs) and those staying within the radius of 25 km of the Project. Poor and needy section of the society living in different parts of the states in which the Company is operating are the second beneficiaries. A “CSR Policy” has been approved by Coal India Limited for all its Subsidiaries and the same is implemented in the Company and is available on the Company’s website at <http://www.secl-cil.in/csr-secl.php>.



128 slice CT Scanner & 3M Tesla MRI machine commissioned at CIMS, Bilaspur under CSR initiatives

Development of Infrastructure for Up-gradation of 3 Nos. of Government Schools in Bilaspur, Chhattisgarh under CSR Activities of SECL.





The '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 as amended by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, is attached as **(ANNEXURE-II)** to this Report.

24.0 RAJBHASHA (OFFICIAL LANGUAGE) IMPLEMENTATION:

Your Company makes concerted efforts to spread and promote the Official Language (Rajbhasha-Hindi). In pursuance of Official Language Policy/Act/Rules/Annual Programme/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 a special drive to promote Hindi in official work in Headquarters and Units. In this connection, Hindi Workshops were organized at SECL HQ Bilaspur. The Hindi Workshops were especially focused on the usage of Hindi in day-to-day official correspondence using simple & colloquial words in writing.

- The 'Rajbhasha Pakhwada' (14th to 28th September 2020) of the year gone by witnessed enthusiastic participation of employees across all cadres. During Rajbhasha Pakhwada, Hindi noting and drafting competition for HODs, Hindi Essay, Picture based Hindi story writing, Hindi letter-writing etc., were organized to develop/promote/accelerate the use of simple official Hindi. A total 04 different competitions were held and 93 employees participated. The winners of all the competitions were suitably rewarded.
- Despite the COVID-19 pandemic the implementation of the Official Language Policy of the Govt. of India in SECL led to the expected success in the promotion of Official Language through Hindi competitions and various activities.
- Hindi Implementation Committee meetings were held at SECL HQ to monitor and review the progress of Hindi implementation programs at the Headquarters level.

25.0 VIGILANCE:

SECL Vigilance department is functioning in a fair and transparent manner as per the guidelines of CVC. During the year 2020-21, 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) Organization of Vigilance Awareness Week-2020:

- Vigilance Awareness Week-2020 was observed in the Company from 27th October to 02nd November 2020 emphasizing the theme of “सतर्क भारत, समृद्ध भारत - Satark Bharat, Samridh Bharat (Vigilant India, Prosperous India)” as per the directives of CVC to create awareness among society and the public.
- In view of the spread of COVID-19 while observing the Vigilance Awareness Week-2020 adherence to the extended COVID-19 preventive guidelines were followed at all locations of SECL.



Organization of Vigilance Awareness Week-2020 at SECL HQ (27th October to 02nd November 2020)

- Inaugural function was held at SECL HQ, Bilaspur through online mode wherein all the Areas of SECL had joined through Video Conferencing (VC). CMD, Functional Directors and CVO of SECL attended the function at SECL HQ, Bilaspur and Integrity Pledge was administered to all the participants by the CMD.
- SECL is committed to take different IT initiatives for the ease of business as well as welfare of the employees/stakeholders/nearby population. In confirmation to this commitment, during the opening day function held on 27.10.2020, 04 (Four) Mobile/Web apps (Harmony, Aaswasan, Samagri & Aawas Aawantan) have been inaugurated by the CMD.
- An online seminar on IT initiatives taken by SECL (i.e., E-office, Bill Tracking System and other Mobile/Web apps like ANSH, POORTI, HARMONY, AASWASAN, SAMAGRI, AAWAS AAWANTAN, VIDHIK, KOTI, CHIRAYU, PAISA) was organized on 20.10.2020 which was attended by 128 executives from SECL HQ as well as from different Areas of SECL.
- Online sensitization programme on HR management was conducted on 21.10.2020. It was an interactive session on the subject “Land Management”, “Allotment of houses/quarters and related issues”, “Disciplinary cases”, “Rotation of employees holding sensitive posts”, “Issues relating to Contractors’ Workers”, “Issues related to CMPF” and other issues like ERP implementation, CPRMS-NE were discussed in detail. The session was attended by approximately 130 participants of SECL HQ as well as different Areas of SECL.

- Stakeholders/Customers Meet was organized online at SECL HQ, Bilaspur wherein around 42 Vendors/ Service Providers/Contractors/Transporters actively participated through online. Stakeholders meet was also conducted at other Areas viz; Gevra, Kusunda, Korba, J&K and Raigarh Areas wherein about 121 stakeholders participated through online.
- An innovative initiative of WhatsApp based contest for best Slogan and best Poem in Hindi & English continued this year too for the employees and their family members to disseminate anti-corruption message and stressing the need of Vigilant India as essential for Prosperous India. The contest had a tremendous response and enthusiastic participation was observed. Prizes for the top three participants in each category were declared.
- Online Essay, Debate competitions were organized at SECL HQ as well as different Areas of SECL through WebEx link in view of the spread of the COVID-19. To disseminate anti-corruption messages amongst the wards of the employees of SECL HQ, a Drawing competition and a Quiz contest was conducted through online. Different Areas of SECL also conducted competitions for the wards of the employees as well as for the school students in some of the Areas through online mode.
- Messages of the CMD & CVO, SECL were broadcast on Akashvani (All India Radio) - Bilaspur, Raigarh, Ambikapur and Shahdol stations and on local 'My FM' Radio Channel on different dates during the Vigilance Awareness Week-2020. Messages and Quotes relating to Integrity, Transparency, Eradication of Corruption etc., and to bring awareness on the subject "Vigilant India, Prosperous India" were sent to the employees/stakeholders through email, SMS and WhatsApp.
- In-house handmade posters were designed and displayed at various locations i.e., SECL HQ, residential colonies and in the schools and dispensaries run by SECL to bring the awareness not only amongst the employees of SECL but also amongst the school children and family members of SECL employees.
- On the concluding date i.e. on 02.11.2020, online Valedictory function was organized at SECL HQ. The session was observed by focusing on the importance of each activity carried out as part of Vigilance Awareness Week-2020. On this day CMD, SECL released the e-magazine "SPANDAN 2020" and the names of winners' of different competitions organized by SECL HQ.

(b) E-Pledge

E-Pledge was administered to 9038 employees, 209 stakeholders and 944 citizens as part of Vigilance Awareness Week-2020. All employees of SECL had taken the E-pledge.

(c) Publication

An e-Souvenir titled "SPANDAN-2020" containing vigilance related articles contributed by the employees and photographs of various events conducted as a part of observance of Vigilance Awareness Week-2020 was published and released by CMD, SECL on closing ceremony of VAW-2020 through online.

(d) Organizing Vigilance Training-cum-Awareness Programmes

Vigilance Training Programmes are being conducted regularly in SECL HQ and Areas. Senior Executives of various disciplines like Mining, E&M, Finance, Materials Management, Sales etc., are attending such programmes. Experienced faculties viz, Ex-IAS and from CBI, IEM, Police, Ex-Director, IICM etc., are being called to address on various corruption related matters. As stress and work-life balancing have a role in corrupt practices, various training sessions in overall personality development and attitudinal changes that are required in the background of vigilance awareness; have been felt necessary and clubbed with Vigilance Awareness Programme. During 2020, 11 (Eleven) Programmes were organized by engaging professional trainers besides vigilance officials & other experienced speakers having rich experience in contracts.

(e) System improvements

In certain cases where existing provisions are not in line with the requirement of exigencies of the work, Vigilance Department has taken up with the management to examine the issues and take necessary corrective steps by issue of circulars/guidelines after competent approval. For system improvement, various Vigilance Executives have been assigned one particular topic for system study and for suggesting improvement. Study reports have been forwarded to the management for taking competent approval and for communicating to concerned Departments for implementation.

25.2 INVESTIGATIVE VIGILANCE**(a) Preliminary Investigation:**

During the year 2020-21, 96 new complaints were taken up for verification along with 45 complaints carried forward from the previous years. Verification has been completed in 95 complaints. After preliminary verification and subsequent investigation, disciplinary action has been initiated wherever necessary.

(b) Departmental Proceedings/Inquiries:

During the year 2020-21, total 11 Regular Departmental cases (major penalty – 04 cases and minor penalty – 07 cases) were registered in addition to the 04 RDA cases for major penalty, which were carried forward from the previous years. During the year, major penalties were imposed on 05 officials and minor penalties on 43 officials.

(c) Routine/Surprise/Major Work Inspection conducted:

During the year 2020-21, 15 Regular, 16 Surprise and 04 Major Work inspections were carried out by the Vigilance Department, SECL. Based on these inspections, systemic improvement measures have been suggested besides regular Departmental Actions registered against erring officials.

(d) CTE Type Inspection:

During 2020-21, 04 CTE Type inspections were carried out and wherever 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. to take corrective steps. Accordingly, 06 (Six) Stakeholders Online Meetings were organized at different locations. The problems raised by the stakeholders were resolved as far as possible on the spot itself. However, some issues related to company's policy have been addressed after reference to the management. This has reduced the complaints drastically.

(b) State officials like IG/Collector/SP/DFO/Additional Collector/ Additional 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 endeavour of the Government to adopt e-governance by way of e-procurement/e-payment systems portal for uploading of tenders and work orders/online tracking of bills systems which not only decrease the human intervention, risk of fraud & corruption but simultaneously it increase the efficiency & reduce the transaction

cost in dealing. The following web-enabled technological initiatives have been emphatically taken up by the management at the behest of Vigilance Department in the recent past:

- (a) All tenders with an estimated value of ₹1 Lakh to ₹2 Lakh are being uploaded on the official website portal “ANSH” of the Company.
- (b) All Work orders/ Purchase orders are being uploaded on the official website portal “POORTI” of the Company.
- (c) Online vigilance complaint system, coal consumer grievance handling system is in vogue.
- (d) Online portal “CHIRAYU” was developed for referral of employees to outside Hospitals.
- (e) “HARMONY” portal has been created on official website for online registration and attending grievances of employees and retired employees.
- (f) Electronic weighbridges were installed in the mines for 100% weighment of coal.
- (g) Integrated system of GPS/GPRS, RFID & Boom Barriers were installed in all Areas of SECL.
- (h) E-procurement with reverse bidding, E-payment & E-auction has been implemented in the Company.
- (i) Online submission and monitoring of APRs.
- (j) Online filing of grievances by public and consumers has been provided on SECL website.
- (k) Stock measurement through 3D laser scanner.
- (l) For survey purpose conventional theodolite has been phased out with the inception of ETS (Electronic Total Station).
- (m) Online confirmation of Bank Guarantee through Structured Financial Management System (SFMS).
- (n) CCTV/ PTZ cameras are being provided at coal heaps/coal stocks at all Areas.
- (o) OITDS system has been installed at Mega Areas which supports the operations of OBR & effective utilization of HEMMs using GPS system.
- (p) Customized ERP of Coal India i.e. Coal Net and e-Office has been implemented.

25.5 Steps taken to activate the Vigilance Machinery

The Vigilance Department is headed by Chief Vigilance Officer (CVO) assisted by General Manager (Vigilance) and other experienced Officers from various specialized disciplines like Mining, Materials Management, Excavation, E&M, E&T, Civil, Finance, Survey and M&S. 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:

SECL's Security workforce comprises of Departmental Security personnel, Central Industrial Security Force (CISF), State Industrial Security Force (SISF) Madhya Pradesh State, Home Guards from Chhattisgarh State and Ex-servicemen/Civilian guards deployed through Director General of Resettlement (DGR), Ministry of Defence sponsored Security Agencies and Tripura State Rifles (TSR), India Reserve (IR), to protect the assets and properties of the Company. The Total strength of Security Force safeguarding the Projects, establishments and vital locations of SECL as on 31.03.2021 are as under:

SN.	Type of Security Force	Strength
1	SECL Departmental Security	820
2	Central Industrial Security Force (CISF)	1330
3	State Industrial Security Force (SISF), Govt. of Madhya Pradesh	280
4	Home Guard, Govt. of Chhattisgarh	160
5	Director General Resettlement (DGR) sponsored security personnel	77
6	Tripura State Rifles (TSR), India Reserve (IR)	23
	Total	2690

The Departmental security, presented Guard of Honour on the occasion of Independence Day 2020 and Republic Day 2021 at flag hoisting ceremony, thereby demonstrating high morale, motivation and discipline.



CISF is deployed in the projects of Gevra, Dipka, Kusmunda & Raigarh (Gare Pelma) Areas and at 19 nos. of main explosive magazines of SECL. CISF is expected to be deployed in remaining 02 main explosive magazines by July 2021. Deployment of additional 350 nos. of SISF personnel have been approved for security of Projects in MP State and 30 nos. have been inducted in addition to the initial 250 nos. The remaining 320 Nos. SISF personnel are likely to be inducted in April 2021.

One Tripura State Rifles (TSR), India Reserve Battalion comprising of 1007 Force has been requisitioned for deployment in Projects of SECL & MoU has also been executed. Advance party comprising of 23 TSR personnel have been inducted & performing security duties in Kusmunda Project.

Ex-Servicemen/Civilian guards deployed through Director General of Resettlement (DGR), Ministry of Defence sponsored security agency are engaged at DanKuni Coal Complex (DCC), Hoogly, West Bengal for security of the plant and Township.

In combating the COVID-19 pandemic, Departmental Security personnel of SECL were deployed to assist the State Police officials in checking & helping the migrant workers arriving from other States to Chhattisgarh. Being essential services, the Security personnel of SECL were committed in performing their duties round the clock, during the lockdown periods as Frontline warriors in the combatting COVID-19.



27.0 PUBLIC RELATIONS:

SECL communicates with the stakeholders and public at large timely and effectively by disseminating information by way of official news releases in electronic and print media through the Public Relations (PR) Department of the Company. The Company has also appointed a “Public Relation Officer” to oversee the day-to-day PR activities.

The Company is also active on social media through Facebook for information sharing and general interaction. The page of the Company on Facebook can be reached at (<https://www.facebook.com/southeasterncoalfields/#>). The Company is also having a YouTube Channel- SECL Media.

The Company is also active on Twitter for rapid and immediate information sharing with public at large. The twitter handle of the Company is @secl_cil.

28.0 e-PROCUREMENT:

- At SECL, e-procurement for materials and services has been introduced since 01.01.2014 and 01.04.2015 respectively 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 uploaded on the portal with the provision that all bidders meeting eligibility criteria whose names does not appear in NIT are allowed to quote.
- Reverse e-bidding has been introduced in all the tenders above ₹ 50 Lakh.
- 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.
- Further to above, for procurement of high value of 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 of Ministry of Finance, Govt. of India for procurement of Goods.

In this system also, Reverse Auction will be done among the techno-commercially acceptable bidders maintaining the anonymity of prices offered by the bidders.

28.1 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 Procurement Tenders having estimated value of ₹2.00 Crore and above, and ₹1.00 Crore and above in respect of other contracts; and 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.

28.2 GEM (GOVERNMENT E-MARKETPLACE)

Government e-Marketplace (GeM) facilitates online procurement of common use Goods & Services required by various Government Departments/Organizations/PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users, achieve the best value for their money. The purchases through GeM by Government users have been authorized and made mandatory by Ministry of Finance by adding a new Rule No. 149 in the General Financial Rules, 2017.

Accordingly, Coal India Limited has formulated a policy for procurement of various materials by placing orders through GeM portal. Standard Operating Procedure (SOP) for procuring various materials from GeM have been provided and the same are under implementation.

All the departments at SECL HQ and Areas have been registered as Secondary Users on GeM portal with roles (i.e., Buyer, Consignee, etc.) being allocated as recommended by the controlling authority. All the requirements are mandatorily checked by user Department for availability on GeM portal and if registered product is available on GeM portal, meeting the required technical specifications, the requirements are to be met by procurement through GeM portal. SECL has taken a big leap in GeM procurement in FY 2020-21 of ₹121.03 crore as compared to ₹36.90 crore for FY 2019-20 and achieved the growth of 228% compared to last year. Maximization of GeM procurement is further done by increasing the products under the ambit of GeM through creation of Custom Bids.

28.3 MAKE IN INDIA INITIATIVE

Department of Industries Policy and Promotion, Ministry of Commerce and Industry, Government of India vide its Office Order No. P-45021/2/2017-BE-II Dtd. 15.06.2017 communicated Public Procurement (Preference to Make in India) Order 2017 for encouraging ‘Make in India’ and promote manufacturing and production of goods and services in India with a view of enhancing income and employment and wherever local content can be increased through partnership, cooperation with local companies, establishing production units in India or Joint Ventures with Indian suppliers, increasing the participation of local employees in services and training.

Implementation of the same in Coal India has been communicated by CIL, Kolkata on 16.03.2018 and accordingly, the same has been implemented in SECL by incorporating provisions in the NIT document for extending the benefit of the policy to the bidders falling under the category as defined by the above mentioned Office Order of Govt. of India. Procurement with estimated value of less than ₹200 crore is done through Domestic Tenders except against specific approvals, as per MII Policy PP-MII Order dated 16.09.2020 with subsequent amendments.

28.4 RELAXATION OF NORMS FOR START-UPS/MSE

Procurement Policy Division of Department of Expenditure, Ministry of Finance, Government of India vide its Office Memorandum No. F-20/2/2014-PPD(Pt.) dated 25.07.2016 communicated Guidelines for Relaxation in Eligibility Criteria in regard to prior turnover and prior experience in respect of participating start-ups/MSE in public procurement. Implementation of the same in Coal India has been communicated by CIL, Kolkata on 16.03.2018 which has been adopted and implemented in SECL by incorporating provisions in the NIT document for extending the benefit of the policy to the bidders falling under the category as defined by the above mentioned Office Order of Govt. of India. The “Make in India” and “Relaxation of norms for Start-ups/MSE” along with “Procurement through GeM” may become instrumental in entrepreneurship development in the country with supply of quality material in a very fair & transparent manner.

29.0 RIGHT TO INFORMATION (RTI):

Our 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 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.

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. 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. 02 (Two) training programmes at SECL HQ and 03 (Three) training programmes were conducted at (Chirimiri, CETI Gevra and Korba) Areas of SECL to sensitize the obligations under the Act this year.

The statistics of information asked under RTI and its disposal during the year 2020-21 is as under:

S No.	Particulars	Nos.
1	No. of applications received during the year 2020-21	3146
2	No. of RTI applications pending for disposal in the year 2020-21 which are received in the month of March 2020.	256
3	Total No. of RTI applications to be disposed off in the year 2020-21	3402
4	No of applications disposed off during the year 2020-21	2958
5	No. of applications under process for reply as on 31.03.2021	444

30.0 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).

31.0 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, the Company has received the first prize in Corporate award for excellent work in Rehabilitation and Resettlement (R&R).



SECL received Corporate Award (1st Prize) in Rehabilitation and Resettlement (R&R)

31.2 AWARDS/ RECOGNITIONS IN INDIVIDUAL CAPACITY

Best CMA CFO Award:

CMA Shri S.M. Choudhary, Director (Finance) & Chief Financial Officer (CFO), SECL has been conferred with the “**Best CMA CFO**” under the category Public-Manufacturing-Mega-Male at the 6th CMA Award-2019 of the Institute of Cost Accountants of India on 22nd February 2021.

During the year 2020-21, three Awards were received by the Executives of SECL for their excellent work in Individual capacity, as detailed hereunder:



Shri Ranjan P Sah, GM, Ksumunda Area, SECL received Best Area General Manager Award



Shri K. Rajshekhar, GM (P&P), SECL HQ received Best Head of the Department Award



Shri Durgesh Kumar Mishra, Manager (Finance),
SECL HQ received Special Contribution Award

32.0 INTERNAL AUDIT FUNCTIONS:

The main objectives of Internal Audit Functions are to ensure efficiency, efficacy, effective internal control, risk management, plug leakage of revenue, check excessive expenditure, matters and actions beyond powers or against the interest of the Company. Keeping in view of the basic objectives, 15 (Fifteen) Nos. of Chartered Accountants Firms have been appointed in the year 2020-21 and renewed for 2021-22 & 2022-23 to conduct the Internal Audit of the Company. The Internal Auditors submit monthly as well as quarterly reports and based on the reports, suitable and corrective actions wherever necessary were taken by the Management. Internal Audit Reports have been placed before the Audit Committee for review along with necessary feedback on action taken.

The Internal Audit firms who conducted the Internal Audit during the year 2020-21 are detailed below:

S No.	Name of Areas	Internal Auditors (FY 2020-21)
1	SECL HQ, Bilaspur	M/s. Taunk Khatri & Associates, CA (Internal Auditor-cum-Lead Auditor)
2	Gevra Area	M/s. Mahesh C Solanki & Co., CA
3	Dipka Area	M/s. L. K. Maheshwari & Co., CA
4	Raigarh Area	M/s. SBA & Co., CA
5	Korba Area	M/s. Nag & Associates, CA
6	Sohagpur Area	M/s. TAMBI & Jaipurkar, CA
7	Hasdeo Area	M/s. NGS & Co., LLP, CA
8	Baikunthpur Area	M/s. S. K. Patodia & Associates, CA
9	Jamuna & Kotma Area	M/s. Rama K Gupta & Co., CA
10	Chirimiri Area	M/s. Sankar Dutta and Associates, CA
11	Bishrampur Area	M/s. AJS and Associates, Cost Accountant
12	CS/ CWS-Korba, CEWS-Gevra, DCC& KSO	M/s. A. Mittal & Associates, CA
13	Bhatgaon Area	M/s. Subhas Chand Jain Anurag & Associates, CA
14	Johilla Area	M/s. S. L. Chhajed & Co., LLP, CA
15	Kusmunda Area	M/s. Bamb Taori & Co., CA

The Internal Audit Department also co-ordinates for the 'Transaction Audits' as well as 'Thematic Audits' conducted by C&AG in different Areas & different Departments of SECL HQ and submission of reply including settlement of the Audit Paras from time to time.

33.0 STATUTORY AUDITORS' REPORT:

The Statutory Auditors' Report on the Financial Statements of the Company for the year ended 31st March, 2021 along with the Management's replies is placed elsewhere in the Annual Report.

34.0 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, 2021 are also placed in the Annual Report.

35.0 INFORMATION TO SHAREHOLDERS:

Annual Accounts of the Company and the related detailed information shall be available to all the shareholders. 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.

36.0 COST AUDIT:

Pursuant to the directions of the Central Government for audit of Cost records, the proposal for appointment of 3 firms of Cost Accountants as Cost Auditors for auditing the Cost records of the Company for the year ended 31st March, 2021 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. Chakraborty Kapoor & Co. LLP (FRN 000328), F-1210, LGF, Chittaranjan Park, New Delhi-110019, Delhi (Lead Cost Auditor)
- (2) M/s. Y. S. Thakar & Associates (FRN 100463), 305, Ujval Complex, Central Wing, Near Akota Stadium, Akota, Vadodara-390020, Gujarat.
- (3) M/s. Arindam & Associates (FRN 000559), D-16, Bhawana Nagar, Khamardih, Shankar Nagar, Raipur-492007, Chhattisgarh.

The Cost Audit Report for the year 2019-20 has been filed under XBRL mode on 27.11.2020 within the extended due date of filing. The Cost Audit Report for the year 2020-21 is being finalized and will be filed as per the Schedule.

37.0 SECRETARIAL AUDIT:

The Secretarial Audit of the Company for Financial year 2020-21 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. D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad. The Secretarial Audit Report has been attached to this report as **(ANNEXURE-III)**.

38.0 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 REPORT:

The Secretarial Auditor in their Report dated 26.06.2021 has made few observations. The Board of Directors at its 313th Meeting held on 06.08.2021 discussed on the observations of the Secretarial Auditor and explained the following:

S No.	Observations	Management Replies
1	The Company is not having requisite number of Independent Directors as required under Section 149 of the Act read with Corporate Governance Guidelines issued by Department of Public Enterprises.	At present, there is only one Independent Director on Board of SECL consequent upon the completion of tenure of 03 (three) Independent Directors w.e.f.17.11.2019 and the appointment by Ministry of Coal (MoC) is still awaited.
2	The constitution of Audit Committee as per Section 177 of the Act read with Corporate Governance Guidelines issued by Department of Public Enterprises with the requirement of having minimum Independent Director(s) for the Audit Committee Meeting(s) as per DPE Guidelines was not complied with during the Audit Period.	This is due to the fact that upon completion of tenure of 03 (three) Independent Directors on the Board of SECL w.e.f.17.11.2019, there is only one Independent Director on SECL Board at present and afresh appointment of Independent Directors is still awaited from MoC. The only remaining Independent Director on the Board of SECL is the Chairman of the Audit Committee.

39.0 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.

40.0 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.

41.0 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 Policy of the Company has been formulated and Risk Management Charter has also been prepared by the Holding Company CIL, for all its Subsidiaries including SECL. Coal India Limited in its 377th Meeting held on 15.01.2019 accorded its approval to the Risk Management Framework at CIL (Enterprise Risk Management, ERM Phase-II). SECL has a well-defined ERM organization. A risk register also exists in SECL. A total number of 37 Risk events have been identified and prioritized based on the risk rating, out of which top 4 risk events are of high alertness and the Company has dealt with great care to mitigate the apprehended risk in achieving the business parameters namely Production, off take etc. The top most 04 risk events are as under requiring continuous planning for mitigating the impact of these risk events.

Risk No.	Category	Sub-Category	Department	Risk Title	Risk Event
1	Operations	Environmental	Environment	Delay in getting forestry clearance	For any mining project to operationalize, FC Clearance is mandatory. However, FC Clearances take more than 2 years. This leads to difficulty to ramp up Production quickly.

Risk No.	Category	Sub-Category	Department	Risk Title	Risk Event
2	Operations	Environmental	Environment	Delay in getting environment clearance	EC clearance is dependent on FC clearance, which also gets considerably delayed leading to inordinate delay in operationalization of new mines.
3	Projects	Land & Revenue	Land & Revenue	Project delay due to reluctance of Land losers to vacate the land	In some cases only part of the land is acquired by SECL. The land losers are unwilling to rehabilitate unless they receive compensation for the entire land.
4	Operations	Supply chain & logistics	Sales & Marketing	High dependence on Railways for evacuation of coal	High dependence of SECL on railways for movement of coal may impact SECL's revenue and profitability since the Company's performance is dependent on railways to establish adequate network for evacuation of coal.

42.0 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.

43.0 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 the Company as per exemption granted to Govt. Companies by MCA vide GSR 463(E) dated 05.06.2015.

44.0 BOARD OF DIRECTORS

44.1 THE BOARD OF DIRECTORS OF THE COMPANY AS ON 31.03.2021 ARE AS UNDER:

S No.	Name	Designation	Category/ Designation
1	Shri A. P. Panda	Chairman	Whole-Time Functional Director/Chairman-cum-Managing Director
2	Shri M. K. Prasad ¹	Member	Whole-Time Functional Director/Director (Technical) Operations
3	Shri S. M. Choudhary ²	Member	Whole-Time Functional Director/Director (Finance)/ CFO
4	Shri S. K. Pal ³	Member	Whole-Time Functional Director/Director (Technical) Projects & Planning
5	Shri S. M. Choudhary ⁴	Member	Whole-Time Functional Director/Director (Personnel)
6	Shri R. K. Nigam ¹	Member	Whole-Time Functional Director/Director (Technical) Operations
7	Shri M. K. Prasad ³	Member	Whole-Time Functional Director/Director (Technical) Projects & Planning
8	Dr. R. S. Jha ⁴	Member	Whole-Time Functional Director/Director (Personnel)
9	Ms. Vismita Tej ⁵ , IRS, JS, MoC	Member	Government Nominee Director
10	Shri S.B. Negi ⁵ , IPS, JS, MoC	Member	Government Nominee Director
11	Shri R. K. Sinha ⁵ , IAS, Ex-JS, MoC	Member	Government Nominee Director
12	Shri Sanjiv Soni ⁶ , D(F), CIL	Member	Government Nominee Director
13	CA Shri S. K. Deshpande ⁷	Member	Independent Director

S No.	Name	Designation	Category/ Designation
14	.....⁸	Member	Independent Director
15	.....⁸	Member	Independent Director
16	.....⁸	Member	Independent Director
17	Shri Chhatrasal Singh ⁹	Permanent Invitee	Invitee/ PCOM, South East Central Railway

Notes:

1. Shri M.K. Prasad has taken the charge of Director (Technical) Operations w.e.f. 01.11.2020 in lieu of Shri R.K. Nigam who has ceased to be Director (Technical) Operations upon attaining superannuation on 31.10.2020.
2. Shri S.M. Choudhary has been appointed on the SECL Board as Director (Finance) w.e.f.12.10.2019.
3. Shri S.K. Pal has been appointed on the SECL Board as Director (Technical) Projects & Planning w.e.f. 15.12.2020 vice Shri M.K. Prasad who has relinquished the charge of Director (Technical) Projects & Planning w.e.f.14.12.2020.
4. Shri S.M. Choudhary has taken the Additional charge of Director (Personnel) w.e.f. 01.02.2021 in lieu of Dr. R.S. Jha who has ceased to be Director (Personnel) upon attaining superannuation on 31.01.2021.
5. Ms. Vismita Tej, IRS, JS, MoC has been appointed as Government Nominee Director w.e.f. 30.12.2020 vice Shri S.B. Negi, IPS, JS, MoC who has relinquished the charge of Government Nominee Director w.e.f.30.12.2020. During the year, Shri R.K. Sinha, IAS, Ex-JS, MoC has relinquished the charge of Government Nominee Director w.e.f. 10.07.2020.
6. Shri Sanjiv Soni, Director (Finance), CIL has been appointed as a Government Nominee Director w.e.f. 29.10.2019.
7. CA Shri S.K. Deshpande has been appointed as an Independent Director on SECL Board w.e.f. 25.07.2019.
8. The position of 03 (three) other Independent Directors is vacant w.e.f. 17.11.2019, appointment of which is under process by the Ministry of Coal.
9. Shri Chhatrasal Singh, PCOM, SECR, has been appointed as the Permanent Invitee on SECL Board by the Ministry of Coal w.e.f. 02.03.2020 vice Shri P. K. Jena, Ex-PCOM, SECR.

44.2 THE FOLLOWING PERSONS WERE APPOINTED AS DIRECTOR/KMP DURING THE YEAR UNDER REPORT

S No.	Name of Director	Designation	Date of Appointment
1	Ms. Vismita Tej ¹ , IRS, JS, MoC	Member	30.12.2020
2	Shri S.B. Negi ² , IPS, JS, MoC	Member	28.10.2020
3	Shri M. K. Prasad, ³ D(T)O	Member	01.11.2020
4	Shri S. K. Pal, ⁴ D(T) P&P	Member	15.12.2020
5	Shri S. M. Choudhary, ⁵ D(P)	Member	01.02.2021

Notes:

1. Ms. Vismita Tej, IRS, JS, MoC has been appointed as Government Nominee Director w.e.f. 30.12.2020 vice Shri S.B. Negi, IPS, JS, MoC.
2. Shri S.B. Negi, IPS, JS, MoC has been appointed as Government Nominee Director w.e.f. 28.10.2020 vice Shri R.K. Sinha, IAS, Ex-JS, MoC.
3. Shri M.K. Prasad has taken the charge of Director (Technical) Operations w.e.f. 01.11.2020 in lieu of Shri R.K. Nigam, Ex-D(T)O.
4. Shri S.K. Pal has been appointed on the SECL Board as Director (Technical) Projects & Planning w.e.f. 15.12.2020 vice Shri M.K. Prasad, Ex-D(T)P&P.

5. Shri S.M. Choudhary has taken the Additional charge of Director (Personnel) w.e.f. 01.02.2021 in lieu of Dr. R.S. Jha, Ex-D(P).

44.3 THE FOLLOWING PERSONS CEASED TO BE DIRECTOR/KMP DURING THE YEAR UNDER REPORT

S No.	Name of Director	Designation	Date of Cessation
1	Shri S.B. Negi, IPS, JS, MoC	Member	30.12.2020
2	Shri R. K. Sinha, IAS, Ex- JS, MoC	Member	10.07.2020
3	Dr. R.S. Jha, D(P)	Member	31.01.2021
4	Shri R.K. Nigam, D(T)O	Member	31.10.2020
5	Shri M.K. Prasad, D(T)P&P	Member	14.12.2020

Notes:

- Shri S.B. Negi, IPS, JS, MoC has relinquished the charge w.e.f. 30.12.2020 upon appointment of Ms. Vismita Tej, IRS, JS, MoC w.e.f. 30.12.2020.
- Shri R.K. Sinha, IAS, Ex-JS, MoC has relinquished the charge w.e.f. 10.07.2020.
- Dr. R.S. Jha, Director (Personnel) has relinquished the charge upon attaining superannuation w.e.f. 31.01.2021.
- Shri R.K. Nigam, Director (Technical) Operations has relinquished the charge upon attaining superannuation w.e.f. 31.10.2020.
- Shri M.K. Prasad, Director (Technical) Projects & Planning has relinquished the charge w.e.f.14.12.2020 upon appointment of Shri S.K. Pal as Director (Technical) Projects & Planning.

44.4 BOARD MEETINGS

Thirteen (13) Board Meetings were held during the financial year 2020-21. The details of the meetings and attendees are provided in the 'Report on Corporate Governance' annexed to this report as **(ANNEXURE-V)**.

45.0 COMMITTEES OF BOARD:

The Company has the following Four (04) Board level Committees functioning during the year under Report:

- Audit Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- Empowered Committee of Directors (ECOD)

The details of the constitution, meetings and attendees of these Committees are provided in the 'Report on Corporate Governance' annexed to this report.

46.0 NOMINATION AND REMUNERATION COMMITTEE U/S 178(1) OF THE COMPANIES ACT, 2013:

Coal India Ltd. (Holding Company) has constituted the Remuneration Committee for all its Subsidiaries.

47.0 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 system and procedures commensurate with its size and nature of business. The internal control system is effectively operating in the Company and provides reasonable assurance that policies, processes, tasks, behaviours and other aspects of an organisation

taken together and facilitate its effective and efficient operation, to ensure the quality of internal and external reporting and help to ensure compliance with applicable laws and regulations.

The Audit Committee of SECL Board plays an important role in overseeing the Company's internal control processes and perform their oversight by demanding relevant, timely and accurate information from management, the Internal Auditor and the External Auditor and by asking direct and challenging questions. The Board, with the assistance of the Audit Committee, assesses the effectiveness of the system of Internal Control in the areas covered.

Internal Audit is being conducted through firms of Chartered/Cost Accountants covering all the Offices/ Areas/Units of operation and the Audit Committee of SECL Board reviews their reports. Internal Financial Control Measures/Guidelines have 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, Certifications are obtained from Internal Auditors 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.

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 for the year ended 31st March, 2021 and form part of the Auditor's Report.

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

The Company has duly constituted Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. All employees (viz. permanent, contractual, temporary, probationer, trainee and apprentices) are covered under the provisions of the said Act.

The following is the summary of sexual harassment complaints received and disposed-off during the year 2020-21:

S No.	Particulars	Nos.
1	No. of complaints received during the year	01*
2	No of complaints disposed-off during the year	Nil

* The above mentioned 01 complaint was made by an employee to Chhattisgarh State Women Commission, Raipur and not to the concerned Area Management. However, the Commission has forwarded the Complaint to concerned Area, which was received on 31.03.2021 and the Matter is being enquired by Area.

49.0 CORPORATE GOVERNANCE:

Management at SECL has been 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. The Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Ministry of Finance, Government of India, have been complied with to the maximum extent possible.

49.1 REPORT ON CORPORATE GOVERNANCE

A "Report on Corporate Governance" for the year ended 31st March, 2021, supported by a Certificate from the Practicing Company Secretary confirming compliance of conditions, forms part of the Board's Report and is attached to this report as **(ANNEXURE-V)**.

49.2 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 31st March, 2021 is attached to this report as **(ANNEXURE-VI)**.

49.3 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.

50.0 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, 2021, 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, 2021, 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.

51.0 STATUTORY DISCLOSURE BY DIRECTORS:

None of the Directors of the 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.

52.0 OPINION OF BOARD OF DIRECTORS UNDER SECTION 134(3)(q) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(IIIA) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

The Board of Directors is of the opinion that Shri S.K. Deshpande, Independent Director appointed by the Ministry of Coal (MoC) on 25.07.2019 has high level of integrity and expertise with long-standing experience in his professional domain and he has also cleared the Online proficiency Self-Assessment Test in March, 2020 conducted by Indian Institute of Corporate Affairs pursuant to the provisions of section 150 (1) of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

53.0 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 available on the website of the Company.

The Weblink is given hereunder:

http://secl-cil.in/writereaddata/2020_21_extract_of_anual_retur_eng.pdf

54.0 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.

55.0 ADDENDA:

The following documents are annexed:

- 55.1 'Report on the Performance and Financial Position of each of the Subsidiaries, Associates & Joint Venture Companies' is attached to this report as **ANNEXURE-I**.
- 55.2 'Annual Report on Corporate Social Responsibility (CSR) Activities' is attached to this report as **ANNEXURE-II**.
- 55.3 'Secretarial Audit Report' of the Company is attached to this report as **ANNEXURE-III**.
- 55.4 'Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo' is attached to this report as **ANNEXURE-IV**.
- 55.5 'Report on Corporate Governance' is attached to this report as **ANNEXURE-V**.
- 55.6 'Management Discussion and Analysis Report' is attached to this report as **ANNEXURE-VI**.

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

Sd/-
(M. K. Prasad)
Director (Technical) Operations
DIN: 08489359

Sd/-
(A. P. Panda)
Chairman-cum-Managing Director
DIN: 06664375

Place: Bilaspur
Date: 06.08.2021

ANNEXURE-I

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]

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 Promoters entities in each of the Company as per MOU is as under:

Name of the Promoters 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:

During the fiscal year 2020-21, Engine Rolling has successfully been completed from Korichhapar to Dharamjaigarh (45-74 Km) Main Line. The Doubling of Kharsia to Korichhapar (0-44 Km) and the first block section of Spur Line (0-14 Km) i.e., Gharghoda to Bhalumuda are in advanced stage of completion. Signalling & Telecom (S&T) works in these sections are in the advanced stage of completion. The Company has started receiving its share of revenue from South East Central Railway (SECR) as per the provisions of Concession Agreement with SECR.

The Company has received the Term Loan of ₹259.12 Crore from the consortium during FY 2020-21 and the total Term Loan of ₹2019.16 Crore till 31st March, 2021. The Company has raised an amount of ₹198.46 Crore by way of Rights Issue of Equity Shares (₹124.46 Crore for CERL Phase-I Project and ₹74.00 Crore for Phase-II Project).

The Equity infusion is in compliance of the stipulated Debt: Equity Ratio to enable it to obtain further Term Loan towards the completion of CERL Phase-I Project and towards discharge of liabilities for activities undertaken in CERL Phase-II Project.

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

PHASE-I PROJECT:

- (1) Engine Rolling has successfully been completed for 45-74 Km (Korichhapar to Dharamjaygarh) of Main Line on 31st December 2020.
- (2) Signalling & Telecom (S&T) works for the first 45 Km from Kharsia to Korichhapar (single line) of Phase-I Project has been completed.
- (3) The Doubling of Kharsia to Korichhapar (0-44 Km) and the first block section of Spur Line (0-14 Km) i.e., Gharghoda to Bhalumuda are in advanced stage of completion. Signalling & Telecom (S&T) works in these sections are also in advanced stage of completion.
- (4) The Company has obtained the Stage-I Forest Clearance for Feeder Lines from MoEF, Nagpur. Working Permission has also been obtained.
- (5) The Construction Work of Feeder Lines has been commenced.
- (6) Total expenditure in the Project till 31.03.2021 is about ₹2522.40 Crore out of the total Project cost of ₹3055.15 Crore. Expenditure during the year is ₹351.11 Crore. Physical Progress is about 83%.
- (7) Special efforts were undertaken for executing the work observing the COVID-19 Guidelines during spread of COVID-19.
- (8) As per the directives of Government of Chhattisgarh and upon the request placed by MAHAGENCO and CSPGCL, the Company has appointed IRCON International Limited for undertaking the Survey for Re-alignment of Second Block Section of Spur Line from Bhalumuda to Donga Mahua in East Rail Corridor Phase-I Project and to prepare the Feasibility Study Report.

PHASE-II PROJECT:

- (1) The process of financial closure has been initiated and E-tender has been floated for inviting bids from the prospective banks and financial institution for providing Rupee Term Loan of ₹1349.00 Crore (entire Debt amount at 80:20 Debt: Equity) to part finance the Project cost of ₹1686.22 Crore.
- (2) Equity to the tune of ₹74.00 Crore has been infused by the Promoters in the Project during the Financial Year which is mainly utilized for land acquisition purpose.
- (3) Total expenditure in the Project till 31.03.2021 is about ₹95.00 Crore out of the total Project cost of ₹1686.22 Crore. Expenditure during the year is ₹70.59 Crore. Physical Progress is about 5%.
- (4) Land acquisition and Forest Clearance for the Project is in process.

FINANCIAL POSITION:

Capital Structure:

During the year under review, there was no change in the authorised capital and the paid-up and subscribed capital of the Company has been enhanced from ₹473.00 Crore to ₹671.46 Crore by way of Rights Issue of 19,84,68,800 Nos. of Equity Shares of ₹10/- each, as detailed under:

SN.	Rights Issue	Contribution by SECL	Contribution by IRCON	Contribution by CSIDCL	Remarks
1	8,94,68,800 Nos. of Equity Shares of ₹10/- each	89.47	Nil	Nil	For Phase-I Project.
2	3,50,00,000 Nos. of Equity Shares of ₹10/- each	Nil	20.00	15.00	For Phase-I Project.

SN.	Rights Issue	Contribution by SECL	Contribution by IRCON	Contribution by CSIDCL	Remarks
3	7,40,00,000 Nos. of Equity Shares of ₹10/- each	64.00	Nil	10.00	For Phase-II Project.
Total		153.47	20.00	25.00	

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 31.03.2021	Shareholding Pattern As on 31.03.2020
South Eastern Coalfields Limited	72.56%	70.56%
IRCON International Limited	21.23%	25.91%
CSIDCL (representing Government of Chhattisgarh)	6.21%	3.53%
Total	100%	100%

Loan Fund:

The Company has achieved the Financial Closure for Phase-I Project on 24.11.2017. The Company has received the total Term Loan of ₹2019.16 Crore till 31st March 2021.

Long Term Secured Loan

Name of the Bank	₹ in Crore			
	Loan as on 01.04.2020	Loan availed during the year	Repayment of Loan during the year	Loan as on 31.03.2021
Indian Bank (Lead Bank)	474.04	74.06	Nil	548.10
Indian Overseas Bank	169.30	26.45	Nil	195.75
United Bank of India (Post Merger Punjab National Bank)	203.16	23.08	Nil	226.24
Dena Bank (Post Merger Bank of Baroda)	169.30	26.45	Nil	195.75
Canara Bank	169.30	26.45	Nil	195.75
Corporation Bank (Post Merger Union Bank of India)	270.90	42.33	Nil	313.23
Vijaya Bank (Post Merger Bank of Baroda)	134.74	21.06	Nil	155.80
Oriental Bank of Commerce (Post Merger Punjab National Bank)	169.30	19.24	Nil	188.54
	1760.04	259.12	Nil	2019.16

SUMMARIZED BALANCE SHEET:

Particulars	₹ in Lakh
Total Equity and Liabilities	
Capital	67146.88
Reserves & Surplus	(1543.43)
Sub-Total	65603.45
Share Application Money Pending Allotment	-
Long Term Borrowings	201916.25
Short Term Borrowings	-

Particulars	(₹ in Lakh)
Deferred Tax liabilities (Net)	-
Other Financial Liabilities	5048.80
Other Current Liabilities	70.00
Total	272638.50
Assets	
Tangible Assets (less Depreciation)	70057.46
Intangible Assets (less Amortisation)	0.05
Trade Receivables	710.53
Capital WIP	166743.48
Other Non-Current Assets	7862.32
Deferred Tax Assets (Net)	2060.97
Other Financial Assets	529.08
Other Current Assets	14872.95
Cash and Bank Balance	9801.65
Total	272638.50

SUMMARIZED STATEMENT OF PROFIT AND LOSS:

Particulars	(₹ in Lakh)
Total Revenue	3376.65
Total Expenses	5793.93
Profit Before Taxation	(2417.28)
Tax expense	(3193.64)
Profit After Taxation	776.36
Other Current Liabilities	70.00
Proposed Dividend	-
% of Shareholding of SECL	72.56%

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 (135.30 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 2020-21 has witnessed the most significant achievement towards facilitating the implementation of the East-West Rail Corridor Project by achieving the Financial Closure on 04.09.2020 during the COVID-19 Pandemic Period for a Rupee Term Loan of ₹3976.00 Crore being 80% of the estimated Project cost. The Financing documents has been executed with the Consortium of Banks at Raipur. Consortium for Debt Financing includes State Bank of India (The Lead Banker), Bank of Baroda, Punjab National Bank, Union Bank of India, Canara Bank and Indian Bank for extending a Rupee Term Loan of ₹3976.00 Crore. The Company has received a total of ₹497.86 Crore from the consortium till 31st March, 2021.

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

1. The Company has achieved Financial Closure for East-West Rail Corridor Project on 04.09.2020.
2. Subordinate Debt of ₹150.00 Crore taken from the Promoters Companies were returned during the year.
3. About ₹36.39 Crore has been spent in connection with diversion of utility shifting/ electrical crossings works.
4. The Proposal for diversion of 61.56 Hectares of SECL Land in favour of South East Central Railways (SECR) for the East-West Rail Corridor Project of the Company has been approved by Ministry of Coal (MoC).
5. The Company has acquired the FRA & Supplementary Land for the Main Line of the Project during the year. With this acquisition, entire land required for the main line is in possession now.
6. The Company has also acquired the remaining Land in the Urga-Kusmunda Connectivity Section of the Project.
7. Process of detailed survey and requirement of land to initiate land acquisition for various Connectivity Lines is initiated.

FINANCIAL POSITION:**Capital Structure:**

During the year under review, there was no change in the authorised capital and the paid-up share capital of the Company which stood at ₹1110.00 Crore and ₹504.05 Crore, respectively. The equity shareholding pattern of the Promoters Companies are as follows:

Name of the Company	Shareholding Pattern As on 31.03.2021	Shareholding Pattern As on 31.03.2020
South Eastern Coalfields Limited	64.06%	64.06%
IRCON International Limited	26.02%	26.02%
CSIDC (representing Government of Chhattisgarh)	9.92%	9.92%
Total	100%	100%

SUMMARIZED BALANCE SHEET:

Particulars	(₹ in Lakh)
Total Equity and Liabilities	
Capital	50405.50
Reserves & Surplus	(96.10)
Sub-Total	50309.40
Long Term Borrowings	52678.06
Other Financial Liabilities	421.11
Other Current Liabilities	6.64
Total	103415.21
Assets	
Tangible Assets (less Depreciation)	108.14
Intangible Assets (less Amortisation)	0.05
Capital WIP	85199.36
Other Non-Current Assets	7984.98

Particulars	(₹ in Lakh)
Other Financial Assets	122.24
Other Current Assets	2298.58
Cash and Bank Balance	7701.86
Total	103415.21

SUMMARIZED STATEMENT OF PROFIT AND LOSS:

Particulars	(₹ in Lakh)
Total Revenue	-
Total Expenses	26.60
Profit Before Taxation	(26.60)
Provision for Taxation	-
Profit After Taxation	(26.60)
Other Current Liabilities	6.64
Proposed Dividend	-
% of Shareholding of SECL	64.06%

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

Sd/-
(M. K. Prasad)
Director (Technical) Operations
DIN: 08489359

Sd/-
(A. P. Panda)
Chairman-cum-Managing Director
DIN: 06664375

Place: Bilaspur
Date: 06.08.2021

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. Brief outline of CSR Policy of the Company

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 SECL establishment. Under privileged section of the society living in different parts of states in which the company is operating should be secondary beneficiaries.

CSR policy of CIL also contains broad guidelines regarding implementation, monitoring and reporting of CSR activities. The policy is governed by provisions under Companies Act, 2013 or any other act that may be introduced, Government guidelines and any other govt. instructions applicable from time to time. 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-cil.in/csr-secl.php>

2. Composition of CSR Committee

This Committee was re-constituted as per the requirements of Section 135 of the Companies Act, 2013 by SECL Board at its 295th meeting held on 28.12.2019. Upon superannuation of Dr. R. S. Jha, Ex-D(P), SECL & Member, CSR Committee of SECL Board w.e.f 31.01.2021, the Committee has been re-constituted at 309th meeting of SECL Board held on 06.03.2021, with the following members:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR committee held during their tenure in year	Number of meetings of CSR committee attended during the year
1	CA Shri S. K. Deshpande	Independent Director and Chairman of the committee	8	8
2	Shri S. M. Choudhary	Director(F) & Acting Director (P) w.e.f.01.02.2021	8	8
3	Dr. R.S. Jha (Tenure as director ended on 31.01.2021)	Director(P)	6	6
4	Shri S. K Pal (Tenure as Member started from 06.03.2021)	Director (Technical) P&P	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company <http://www.secl-cil.in/csr-secl.php>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule (8) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

No impact assessment study has been carried out in FY 20-21 as sub-rule (3) of rule (8) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has come into effect from 22.01.2021. Impact assessment

of projects has been planned to be undertaken during FY 21-22 in accordance with the above sub-rule.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2020-21	0.00	0.00

6. Average net profit of the company as per section 135(5)

₹ 3971.04 crores

7. (a). Two percent of average net profit of the company as per section 135(5)

₹ 79.42 crores

(b). Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years
NIL

(c). Amount required to be set off for the Financial Year, if any
NIL

(d). Total CSR obligation for the Financial Year (7(a)+7(b)-7(c))
₹ 79.42 crores

8. (a). CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹ Crores)	Amount Unspent (in Rs. Crores)				
	Total amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹ Crores)	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 38.33	₹ 41.09	30.04.2021	Not Applicable	NIL	Not Applicable

(b). Details of CSR amount spent against “Ongoing Project” for the Financial Year:

Total Expenditure incurred against “Ongoing Project” is ₹ **9.16 Crores** & the total amount transferred to Unspent CSR Account for the projects as per Section 135(6) is ₹ 41.09 Crores, details in the format furnished as **Annexure A**.

(c). Details of CSR amount spent against other than ongoing projects for the Financial Year:

Total Expenditure incurred is against “Other than Ongoing Projects” is ₹ **29.09 Crores**, details in the format furnished as **Annexure B**.

(d). Amount spent in administrative overheads

₹ 0.08 Crores

(e). Amount spent on Impact Assessment, if applicable

NIL

(f). Total amount spent for the Financial Year (8(b)+8(c)+8(d)+8(e))

₹ 38.33 crores

(g). Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the company as per Section 135(5)	79.42
(ii)	Total amount spent for the Financial Year	38.33
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	Nil

9. (a). Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹ Crores)	Amount spent in the reporting Financial Year (in ₹ Crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in ₹ Crores)
				Name of the fund	Amount (in ₹ Crores)	Date of transfer	
1	2017-18	0.00	0.00	Not Applicable	0.00	Not Applicable	0.00
2	2018-19	0.00	0.00	Not Applicable	0.00	Not Applicable	0.00
3	2019-20	0.00	0.00	Not Applicable	0.00	Not Applicable	0.00
TOTAL		0.00	0.00		0.00		0.00

Note:

The amount transferred to Unspent CSR Account and any fund specified under Schedule VII has been shown as NIL because the revised provisions as per Section 135(5) and Section 135(6) have come into effect from 22.01.2021 and were not applicable for FY 17-18, FY 18-19 and FY 19-20.

9. (b). Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

Furnished as **Annexure C**.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details)

Furnished as **Annexure D**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. This dedicated commitment towards inclusive growth is manifested through the Company's CSR initiatives undertaken around the mining Areas.

The total CSR Budget allocated for the FY 2020-21 is ₹79.42 Crores against which the company has spent ₹38.33 Crores. During the Financial Year 2020-21, SECL endeavored to meet the budgeted expenditure by contributing in various eligible CSR activities related to infrastructure, Skill Development, Education etc. on deposit basis, to be implemented by different Govt. Implementing agencies, the said works progress got delayed & some of the works could not be started due to spread of Pandemic COVID-19 in FY 2020-21.

SECL has taken steps in the right direction and going forward, it is committed to actively engage with the Implementing Agencies to execute the projects and programs and incur expenditure from Unspent CSR Account as per Section 135(6) in accordance with Section 135 of the Companies Act, 2013.

Sd/-

(S. M. Choudhary)

Director (Personnel)

DIN: 07478302

Sd/-

(S. K. Deshpande)

Chairman, CSR Committee

DIN: 06621117

Sd/-

(A. P. Panda)

Chairman-cum-Managing Director

DIN: 06664375

Place: Bilaspur

Date: 27.05.2021

Annexure A to the Annual Report (CSR) for FY 20-21: Details of CSR amount spent against ongoing projects for FY 20-21

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act		Local area* (Yes/No)	Location of the project		Project duration in years	Amount allocated for the project (₹ Lakhs)	Amount spent in the current financial year (₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency		
		Clause of Schedule VII	Sector in which the Project is covered		State	District						Name	CSR Registration number	
1	Providing financial assistance to South East Central Railways for Adoption of Railway Stations amounting to ₹ 9.42 Crore under Corporate Social Responsibility of SECL	I	Sanitation	Both#	CG & MP State	Various District	3	942.00	32.45	No	No	South Eastern Central Railway, Bilaspur	Provision is applicable from 01.04.2021	
2	Construction of Waiting-cum-Conference Hall for Ex-Servicemen at District Sainik Welfare Office, Bilaspur implemented through District Authorities, Bilaspur for an amount of ₹ 36.87 Lakh under CSR Activities of SECL HQ.	VI	Welfare of Exservicemen	Yes	CG	Bilaspur	2	36.87	17.64	No	No	District Administration, Bilaspur	Provision is applicable from 01.04.2021	
3	Providing financial assistance of ₹ 19.11 Lakh for mechanization of disabled hospital and free service center at Mopka, Bilaspur to Akhil Bharatiya Viklang Chetna Parishad, Bilaspur through District Collector, Bilaspur under CSR Activities of SECL HQ.	I	Healthcare	Yes	CG	Bilaspur	2	19.11	15.29	No	No	District Administration, Bilaspur	Provision is applicable from 01.04.2021	
4	Corporate Level CSR Committee Recommendation for Development of Bilasa Udyan and Protection Work of River Arpa Ghat amounting to ₹ 2.89 Crores at Bilaspur, Chhattisgarh to be implemented by SECL HQ. through open tendering process under CSR Activities of SECL HQ.	X	Rural Development	Yes	CG	Bilaspur	3 (Estd.)	289.00	15.00	Yes	Yes	SECL	Not Applicable	
5	Development work at Govt. H.S. School Lingyadh Bilaspur under CSR activity of SECL HQ Bilaspur	II	Education	Yes	CG	Bilaspur	1	8.54	5.00	Yes	Yes	SECL	Not Applicable	
6	Construction/Installation of Prefabricated Toilets in circulating areas of Railway Station through CSR amounting to ₹ 128.59 Crores under Corporate Social Responsibility of SECL.	I	Sanitation	Both#	CG & MP State	CG & MP State	2	12859.00	0.00	1709.00	NO	NO	Indian Railways	Provision is applicable from 01.04.2021
7	Execution of Skill Development Training Programme of 520 underprivileged/ unemployed youths, implemented through Central Institute of Plastics Engineering & Technology (CIPET), amounting to ₹ 335.40 Lakh, under CSR Activities of SECL HQ.	II	Skill Development	Yes	CG	Operating Districts of SECL	1	335.40	0.00	200.00	NO	NO	CIPET	Provision is applicable from 01.04.2021

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act		Local area* (Yes/No)	Location of the project		Project duration in years	Amount allocated for the project (₹ Lakhs)	Amount spent in the current financial year (₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ Lakhs)	Mode of Implementation - Through Implementing Agency	Mode of Implementation - Direct (Yes/No)	CSR Registration number	
		Clause of Schedule VII	Sector in which the Project is covered		State	District							Name	Registration number
8	Implementation of accessible toilets to Person with Disability & Transgenders to be implemented by Swachh Bharat Mission- Gramin, Govt. of Chhattisgarh in 5 Districts of Chhattisgarh amounting to ₹ 9.33 Crores, under CSR activities of SECL	I	Sanitation	Both#	CG	Raigarh, Bilaspur, Surguja & Korea	1	933.00	255.63	500.00	Rajya Swachh Bharat Mission Gramin - Chhattisgarh	No	Provision is applicable from 01.04.2021	
9	*Supporting COVID-19 Vaccination programme by procuring Cold Chain Equipments (CCE) required for transportation and warehousing of COVID-19 Vaccine for Chhattisgarh State Govt., as directed by Department of Public Enterprise", under CSR work of SECL HQ.	I	Healthcare	No	CG	Raipur	1	48.60	27.20		SECL	Yes	Not Applicable	
10	Cleaning, deepening, making ghat and retaining wall along with Rishda talab at ward no. 35 near Balco, Korba	IV	Environment	Yes	CG	Korba	1	18.81	4.21		SECL	Yes	Not Applicable	
11	*Construction of New Building of Adiwasi Govt. Higher Secondary School, Korba (School code- 3310008 & U-DISE code- 22051016902)", to be implemented by District Authority, Korba. amounting to ₹ 711.03 Lakh, under CSR Activities of SECL Korba Area	II	Education	Yes	CG	Korba	1	711.03	0.00	500.00	District Administration, Korba	No	Provision is applicable from 01.04.2021	
12	CT Scan & MRI at Govt. Medical College, Ambikapur	I	Healthcare	Yes	CG	Surguja	3 (Estd.)	1200.00	0.00	500.00	Govt. Medical College, Ambikapur	No	Provision is applicable from 01.04.2021	
13	Financial Assistance for Construction of 50 seater tribal girls hostel and 50 seater tribal boys hostel for students studying under INJORE YOJANA (2018-19)	II	Education	Yes	CG	Surguja	3 (Estd.)	193.92	38.78	100.00	District Administration, Surguja	No	Provision is applicable from 01.04.2021	
14	Deepening and Beautification of Talaab at Sanjay Van Vatika, Ambikapur	IV	Environment	Yes	CG	Surguja	3 (Estd.)	17.15	6.86		DFO, Surguja	No	Provision is applicable from 01.04.2021	
15	Providing "Street Lighting Poles along with LED Lights for divider on National Highway 43 (Bishrampur to Katni - Gumla Road) at Surguja District Chhattisgarh amounting to ₹ 101.40 lakhs", to be implemented by District Collector-Surguja, under CSR activity of SECL Bishrampur Area.	X	Rural Development	Yes	CG	Surguja	1 (Estd.)	101.40	32.36		District Administration, Surguja	No	Provision is applicable from 01.04.2021	

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act		Local area* (Yes/No)	Location of the project		Project duration in years	Amount allocated for the project (₹ Lakhs)	Amount spent in the current financial year (₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		Clause of Schedule VII	Sector in which the Project is covered		State	District						Name	CSR Registration number
16	Financial support for Prevention of COVID-19 in Surguja Districts of CG	I	Healthcare	Yes	CG	Surguja	< 1 year	25.00	25.00	No	No	District Administration, Surguja	Provision is applicable from 01.04.2021
17	Financial Assistance to District Administration, Raigarh, for promotion of Art & Culture, Education programme etc. by up gradation of infrastructure of Public Auditorium at Raigarh, Chhattisgarh for an amount of ₹ 481.40 lakh under CSR activities of SECL Raigarh Area	V	Promoting Art & Culture	Yes	CG	Raigarh	3 (Estd.)	481.40	40.00	No	No	District Administration, Raigarh	Provision is applicable from 01.04.2021
18	"Construction of 18 Nos. of Cement Concrete Roads in 8 Nos of Villages at Kharsia Block of Raigarh district, Chhattisgarh amounting to ₹ 201.19 Lakhs to be implemented by District Administration-Raigarh" under CSR Head of SECL Raigarh Area	X	Rural Development	Yes	CG	Raigarh	1	201.19	40.00	No	No	District Administration, Raigarh	Provision is applicable from 01.04.2021
19	"15 Nos. of Rural Development CSR Activities at Dharanjaijgarh Block of Raigarh district, Chhattisgarh amounting to ₹ 143.28 Lakhs to be implemented by District Administration-Raigarh" under CSR of SECL Raigarh Area	X	Rural Development	Yes	CG	Raigarh	1	143.28	28.00	No	No	District Administration, Raigarh	Provision is applicable from 01.04.2021
20	Executing the CSR works through District Collector, Korba for an amount of ₹ 334.74 Lakh against 1. Construction of shed & kitchen shed in Public Health Centre of Podi Uproda, Korba, 2. Renovation of boys hostel of Polytechnic College, Korba and 3. Renovation of 16 no. of hostels/ashram of Korba district under CSR activities of SECL Gevra Area	I	Healthcare	Yes	CG	Korba	3 (Estd.)	334.74	6.00	no	no	District Administration, Korba	Provision is applicable from 01.04.2021
21	"Establishment of Water ATM in three village panchayats in Surajpur District, Chhattisgarh, to be implemented through District Administration, Surajpur, for an amount of ₹ 24.31 Lakhs" under CSR activities of SECL Bhatgaon Area	I	Drinking Water	Both#	CG	Surajpur	< 1 year	24.31	24.31	No	No	Office of the Sub Divisional Officer E/M Light Machinery Hand pump and Gate, Sub Division Ambikapur	Provision is applicable from 01.04.2021
22	"जिलास्तर पर शैक्षिक उत्प्रेरक कार्यक्रम" in Surajpur District, C.G.	II	Education	Yes	CG	Surajpur	< 1 year	9.70	9.70	No	No	District Administration, Surajpur	Provision is applicable from 01.04.2021

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act		Local area* (Yes/No)	Location of the project		Project duration in years	Amount allocated for the project (₹ Lakhs)	Amount spent in the current financial year (₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		Clause of Schedule VII	Sector in which the Project is covered		State	District						Name	CSR Registration number
23	Construction of Bapu Kutir for Old Age People	III	Setting up old age homes	Yes	CG	Surajpur	< 1 year	5.00	5.00	No	No	District Administration, Surajpur	Provision is applicable from 01.04.2021
24	Construction of Emporium building for Self Help Groups	II	Livelihood	Yes	CG	Surajpur	< 1 year	5.00	5.00	No	No	District Administration, Surajpur	Provision is applicable from 01.04.2021
25	Construction of Shed for Tribal Gatherers and Collectors	II	Livelihood	Yes	CG	Surajpur	< 1 year	5.00	5.00	No	No	District Administration, Surajpur	Provision is applicable from 01.04.2021
26	Construction of Shed for Tribal Haat Bazar	II	Livelihood	Yes	CG	Surajpur	< 1 year	4.86	4.86	No	No	District Administration, Surajpur	Provision is applicable from 01.04.2021
27	Establishment of Smart Class Rooms in 500 no. of Govt. Schools operated in Korba District for an amount of ₹ 898.2 Lakh	II	Education	Both#	CG	Korba	1	898.72	179.74	600.00	No	District Administration, Surajpur	Provision is applicable from 01.04.2021
28	Construction of fully Equipped cultural hall at Nagar Palika Dipka	X	Rural Development	Yes	CG	Korba	2	184.23	69.86	No	No	District Administration, Korba	Provision is applicable from 01.04.2021
29	Financial support for Prevention of COVID-19 in District: Shahdol, MP under CSR of SECL Sohagpur area	I	Healthcare	Yes	MP	Shahdol	1	25.00	23.15	No	No	District Administration, Shahdol	Provision is applicable from 01.04.2021

NOTES:

* Local Area is defined as 25 Kms within SECL Establishment

The Locations which are within 25 Kms and outside 25 Kms are defined as "Both"

916.04 4109.00

Annexure B to the Annual Report (CSR) for FY 20-21: Details of CSR amount spent against other than ongoing projects for FY 20-21

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act		Local area *(Yes/No)	Location of the project		Amount spent for the project (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		Clause of Schedule VII	Sector in which the Project is covered		State	District			Name	CSR Registration number
1	Distribution of 14350 Meal Packets to migrants passengers are travelling through Shramik Special Trains at Bilaspur Station	I	Healthcare	Yes	CG	Bilaspur	5.88	Yes	SECL	Not Applicable
2	Providing Street Light Arrangement from Nutan Chowk to Mopka at Bilaspur under CSR Activities of 2013-14 of SECL HQ	X	Rural Development	Yes	CG	Bilaspur	16.16	No	Nagar Nigam, Bilaspur	Provision is applicable from 01.04.2021
3	Providing "1 No. of 128 Slice CT Scan Machine & 1 No. of 3M Tesla MRI Machines" amounting to ₹ 2100.00 lakh to be purchased through Open Tendering/ Global tendering by Purchase Committee of CIMS Hospital, Bilaspur under CSR activity of SECL	I	Healthcare	Yes	CG	Bilaspur	419	No	CIMS (Govt.) Hospital	Provision is applicable from 01.04.2021
4	CSDDM - Koriya, under M-SKILL	II	Skill Development	Yes	CG	Korea	0.5	No	DSDA, Baikunthpur	Provision is applicable from 01.04.2021
5	Financial Support amounting to ₹ 10.00 crores to Chhattisgarh State Disaster Management Authority to combat COVID-19, under CSR of SECL HQ.	I	Healthcare	Both#	CG	Various Districts of Chhattisgarh	1000	No	CG Disaster Management Authority	Provision is applicable from 01.04.2021
6	Financial Support to Chhattisgarh State Govt. for set-up of Exclusive COVID Treatment Centre in Bilaspur amounting to ₹ 4.08 Crores, under CSR of SECL HQ.	I	Healthcare	Yes	CG	Bilaspur	407.25	No	CG State Health Department	Provision is applicable from 01.04.2021
7	Development of Infrastructure for Up-gradation of 3 Nos. of Government Schools in Bilaspur, Chhattisgarh, amounting to ₹ 219.78 Lakhs, to be implemented by District Administration-Bilaspur under CSR Head of SECL HQ.	II	Education	Yes	CG	Bilaspur	219.78	No	District Administration, Bilaspur	Provision is applicable from 01.04.2021
8	Financial Support to District Administration, Bilaspur for setting up of quarantine Centre at Bilaspur, Chhattisgarh under CSR of SECL HQ.	I	Healthcare	Yes	CG	Bilaspur	24.34	No	District Administration, Bilaspur	Provision is applicable from 01.04.2021
9	Financial Assistance for incurring Expenditure for Students put in quarantine center at Bilaspur, Chhattisgarh under CSR of SECL HQ.	I	Healthcare	Yes	CG	Bilaspur	20	No	District Administration, Bilaspur	Provision is applicable from 01.04.2021

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act		Local area *(Yes/No)	Location of the project		Amount spent for the project (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		Clause of Schedule VII	Sector in which the Project is covered		State	District			Name	CSR Registration number
10	Providing financial assistance to the Collector, Dindori, for installing solar plants for uninterrupted power supply to the Govt. ashrams/hostels for tribal/poor students.	II	Education	No	MP	Dindori	2.95	No	District Administration, Dindori	Provision is applicable from 01.04.2021
11	Financial Support to District Administration, Korba, for Prevention and Cure of COVID-19 at Korba District for an amount of ₹ 75.00 Lakh, under CSR of SECL Dipka, Korba & Kusmunda Areas of SECL	I	Healthcare	Yes	CG	Korba	50.00	No	District Administration, Korba	Provision is applicable from 01.04.2021
12	Construction of Ghat (02 Sides) and beautification at Semrahi talab of Amadand village under CSR	X	Rural Development	Yes	MP	Anuppur	8.59	Yes	SECL	Not Applicable
13	Construction of community hall at Dhurmma village under CSR	X	Rural Development	Yes	MP	Anuppur	0.98	Yes	SECL	Not Applicable
14	Construction of community hall at Sakola village under CSR	X	Rural Development	Yes	MP	Anuppur	3.67	Yes	SECL	Not Applicable
15	Providing Financial Support to District Administration, Umaria for Prevention and Cure of COVID-19 in Umaria District for an amount of ₹ 25.00 Lakh, under CSR of SECL Johilla Area	I	Healthcare	Yes	MP	Umaria	21.33	NO	District Administration Umaria (CMHO)	Provision is applicable from 01.04.2021
16	Boundary wall construction in satellite school in Dadra Tolla, Village: Ammadongri	II	Education	Yes	MP	Umaria	18.42	YES	SECL	Not Applicable
17	Financial support of ₹ 17.05 lakh for providing Mobile Medical Unit at District Hospital, Surajpur	I	Healthcare	Yes	CG	Surajpur	15.25	No	CMHO, Dist. Surajpur	Provision is applicable from 01.04.2021
18	Financial Support to C.G State Govt. for setting up of Exclusive COVID treatment center at Govt. Medical College, Ambikapur	I	Healthcare	Yes	CG	Surguja	419.00	No	Govt. Medical College, Ambikapur	Provision is applicable from 01.04.2021
19	Financial support for Prevention of COVID-19 in Raigarh District	I	Healthcare	Yes	CG	Raigarh	23.39	No	District Administration, Raigarh	Provision is applicable from 01.04.2021
20	Construction and Maintenance of constructed toilets Under SVA at different Schools (Lot No. 01, 79, 80, 81, 82 & 83) of Listed name of SECL HQ under CSR head of Gevra Area	I	Sanitation	Both#	CG	Korba	0.98	Yes	SECL	Not Applicable

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act		Local area *(Yes/ No)	Location of the project		Amount spent for the project (₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency		
		Clause of Schedule VII	Sector in which the Project is covered		State	District			Name	CSR Registration number	
21	Construction of Community Micro Irrigation Project in five different Gram Panchayats of Surajpur District through District Administration, Surajpur for an amount of ₹ 99.66 lakh under CSR activities of SECL Bhatgaon Area	II	Livelihood	Yes	CG	Surajpur	79.73	No	District Administration, Surajpur	Provision is applicable from 01.04.2021	
22	Construction of C.C. road from Sahodar house to Anuj Pratap house & from Chandan Ram house to Gyaneshwar house at Dharampur village (200 Meters)	X	Rural Development	Yes	CG	Surajpur	4.87	Yes	SECL	Not Applicable	
23	Procurement of Stadiometer for accurate measurement of physical development and identification of malnutrition for children of 2 to 5 years of age and above for 2539 no. of aanganwadies in Korba District. (2800 Each)	I	Healthcare	No	CG	Korba	71.09	No	District Administration, Korba	Provision is applicable from 01.04.2021	
24	Procurement of Infantometer for accurate measurement of physical development and identification of malnutrition for children of 2 to 5 years of age and above for 2539 no. of aanganwadies in Korba District. (2800 Each)	I	Healthcare	No	CG	Korba	71.09	No	District Administration, Korba	Provision is applicable from 01.04.2021	
25	Installation of Solar Photo voltaic cell at roof top for uninterrupted supply of electricity, solar dual pump and bore well for drinking water amounting to ₹ 9.94 Lakh at Auramuda Village to be implemented by District Administration, Raigarh as a deposit work under CSR Activities of SECL Raigarh Area	X	Rural Development	Yes	CG	Raigarh	4.58	No	CREDA- District Administration, Raigarh	Provision is applicable from 01.04.2021	
							2908.82				

* Local Area is defined as 25 Kms within SECL Establishment

The Locations which are within 25 Kms and outside 25 Kms are defined as "Both"

Annexure C to the Annual Report (CSR) for FY 20-21: Details of CSR amount spent in FY 20-21 for ongoing projects of preceding financial years

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration in Years	Total amount allocated for the project (₹ Lakhs)	Amount spent on the project in the reporting financial year (₹ Lakhs)	Cumulative amount spent at the end of reporting financial year (₹ Lakhs)	Status of the project - Completed/ Ongoing
1	SECL HQ.	Providing financial assistance to South East Central Railways for Adoption of Railway Stations amounting to ₹ 9.42 Crore under Corporate Social Responsibility of SECL	2018-19	3	942.00	32.45	55.83	Ongoing
2	SECL HQ.	Construction of Waiting-cum-Conference Hall for Ex-Servicemen at District Sainik Welfare Office, Bilaspur implemented through District Authorities, Bilaspur for an amount of ₹ 36.87 Lakh under CSR Activities of SECL HQ	2019-20	2	36.87	17.64	25.01	Ongoing
3	SECL HQ.	Providing financial assistance of ₹ 19.11 Lakh for mechanization of disabled hospital and free service center at Mopka, Bilaspur to Akhil Bharatiya Viklang Chetna Parishad, Bilaspur through District Collector, Bilaspur under CSR Activities of SECL HQ	2019-20	2	19.11	15.29	15.29	Ongoing
4	SECL HQ.	Providing Street Light Arrangement from Nutan Chowk to Mopka at Bilaspur under CSR Activities of 2013-14 of SECL HQ	2013-14	1.5	219.58	16.16	179.78	Completed
5	SECL HQ.	Corporate Level CSR Committee Recommendation for Development of Bilasa Udyan and Protection Work of River Arpa Ghat amounting to ₹ 2.89 Crores at Bilaspur, Chhattisgarh to be implemented by SECL HQ. through open tendering process under CSR Activities of SECL HQ	2018-19	3.5 (Estd.)	289.00	15.00	185.00	Ongoing
6	SECL HQ.	Providing "1 No. of 128 Slice CT Scan Machine & 1 No. of 3M Tesla MRI Machine" amounting to ₹ 2100.00 lakh to be purchased through Open Tendering/ Global tendering by Purchase Committee of CIMS Hospital, Bilaspur under CSR activity of SECL	2019-20	2	2,100.00	419.00	2,095.00	Completed
7	SECL HQ.	CSSDM - Koriya, under M-SKILL	2014-15	3	14.00	0.50	12.60	Completed
8	SECL HQ.	Implementation of accessible toilets to Person with Disability & Transgender to be implemented by Swachh Bharat Mission- Gramin, Govt. of Chhattisgarh in 5 Districts of Chhattisgarh amounting to ₹ 9.33 Crores, under CSR activities of SECL	2019-20	1	933.00	255.63	255.63	Ongoing
9	SECL HQ.	Providing financial assistance to the Collector, Dindori, for installing solar plants for uninterrupted power supply to the Govt. ashrams/ hostels for tribal/poor students	2016-17	5(Estd.)	32.50	2.95	32.50	Completed
10	Korba	Cleaning, deepening, making ghat and retaining wall along with Rishda talab at ward no. 35 near Balco, Korba	2019-20	1	18.81	4.21	14.45	Ongoing
11	Sohagpur	Financial support for Prevention of COVID-19 in District: Shahdol, MP under CSR of SECL Sohagpur Area	2020-21	1	25.00	23.15	23.15	Ongoing

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration in Years	Total amount allocated for the project (₹ Lakhs)	Amount spent on the project in the reporting financial year (₹ Lakhs)	Cumulative amount spent at the end of reporting financial year (₹ Lakhs)	Status of the project - Completed/ Ongoing
12	JK	Construction of community hall at Dhumma village under CSR	2015-16	1	9.77	0.98	10.32	Completed
13	JK	Construction of community hall at Sakola village under CSR	2015-16	1	9.77	3.67	10.75	Completed
14	Johilla	Providing Financial Support to District Administration, Umaria for Prevention and Cure of COVID-19 in Umaria District for an amount of ₹ 25.00 Lakh, under CSR of SECL Johilla Area	2019-20	< 1 year	25.00	21.33	21.33	Completed
15	Bishrampur	Financial Assistance for Construction of 50 seater tribal girls hostel and 50 seater tribal boys hostel for students studying under INJORE YOJANA (2018-19)	2019-20	3 (Estd.)	193.92	38.78	38.78	Ongoing
16	Bishrampur	Deepening and Beautification of Talaab at Sanjay Van Vatika, Ambikapur	2018-19	3 (Estd.)	17.15	6.86	10.29	Ongoing
17	Raigarh	Financial Assistance to District Administration, Raigarh, for promotion of Art & Culture, Education programme etc. by up-gradation of infrastructure of Public Auditorium at Raigarh, Chhattisgarh for an amount of ₹ 481.40 lakh under CSR activities of SECL Raigarh Area	2018-19	3 (Estd.)	481.40	40.00	389.01	Ongoing
18	Gevra	Executing the CSR works through District Collector, Korba for an amount of ₹ 334.74 Lakh against 1. Construction of shed & kitchen shed in Public Health Centre of Podi Uproda, Korba, 2. Renovation of boys hostel of Polytechnic College, Korba and 3. Renovation of 16 no. of hostels/ashram of Korba district under CSR activities of SECL Gevra Area	2019-20	3 (Estd.)	334.74	6.00	6.00	Ongoing
19	Gevra	Construction and Maintenance of constructed toilets Under SVA at different Schools (Lot No. 01, 79, 80, 81, 82 & 83) of Listed name of SECL HQ under CSR head of Gevra Area	2014-15	1 year for Construction 5 year for Maintenance	469.49	0.98	428.58	Completed
20	Bhatgaon	Construction of Community Micro Irrigation Project in five different Gram Panchayats of Surajpur District through District Administration, Surajpur for an amount of ₹ 99.66 lakhs" under CSR activities of SECL Bhatgaon Area	2019-20	1	99.66	79.73	99.66	Completed
21	Bhatgaon	" जिलास्तरीय शैक्षिक उन्मुखीकरण कार्यक्रम " in Surajpur District. C.G.	2019-20	< 1 year	9.70	9.70	9.70	Ongoing
22	Bhatgaon	Construction of C.C. road from Sahodar house to Anuj Pratap house & from Chandan Ram house to Gyaneshwar house at Dharampur village (200 Meters)	2019-20	< 1 year	8.05	4.87	4.87	Completed
23	Dipka Area	Construction of fully equipped cultural hall at Nagar Palika Dipka	2018-19	2	184.23	69.86	131.37	Ongoing

Annexure D to the Annual Report (CSR) for FY 20-21: Details of creation or acquisition of capital assets from CSR funds of FY 20-21

Sl. No.	Name of the Project	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ Lakhs)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
1	Providing Street Light Arrangement from Nutan Chowk to Mopka at Bilaspur under CSR Activities of 2013-14 of SECL HQ	12-Feb-16	179.78	Nagar Nigam, Bilaspur	Nagar Nigam, Bilaspur
2	Providing "1 No. of 128 Slice CT Scan Machine & 1 No. of 3M Tesla MRI Machine" amounting to ₹ 2100.00 lakh to be purchased through Open Tendering/ Global tendering by Purchase Committee of CIMS Hospital, Bilaspur under CSR activity of SECL	21-Feb-21	2,095.00	CIMS Hospital, Bilaspur	CT Scan & MRI Machine Installed in CIMS Hospital, Bilaspur CG
3	Financial Support amounting to ₹ 10.00 crore to Chhattisgarh State Disaster Management Authority to combat COVID-19, under CSR of SECL HQ.	2-Mar-21	1,000.00	CG Health Department	True Nat Machines installed in Various Districts of CG
4	Financial Support to Chhattisgarh State Govt. for set-up of Exclusive COVID Treatment Centre in Bilaspur amounting to ₹ 4.08 Crores, under CSR of SECL HQ	22-Aug-20	407.25	District Hospital & CIMS, Bilaspur	District Hospital, Bilaspur & CIMS, Bilaspur
5	Development of Infrastructure for Up-gradation of 3 Nos of Government Schools in Bilaspur, Chhattisgarh, amounting to ₹ 219.78 Lakhs, to be implemented by District Administration-Bilaspur" under CSR Head of SECL HQ	3-Jan-21	219.78	District Education Officer, Bilaspur	Govt. School Tarbahar, Govt. School Mangla, Lala Lajpat Rai School Sadar bazar, Bilaspur
6	Providing financial assistance to the Collector, Dindori, for installing solar plants for uninterrupted power supply to the Govt. ashrams/ hostels for tribal/poor students	31-Mar-21	32.50	District Administration, Dindori	Tribal Balak Hostel, Chada Pre-Metric Balak Hostel Chada Pre-Metric Kanya Hostel Chada Tribal Balak Hostel, Bajag Pree-Metric Kanya Hostel, Dhurkuta
7	Construction of Ghat (02 Sides) and beautification at Semrahi talab of Amadand village under CSR	9-Feb-21	8.59	Sarpanch, GP Amadand	Construction of Ghat
8	Construction of community hall at Dhumma village under CSR	15-Mar-21	10.32	Sarpanch, GP Dhumma	Community Hall
9	Construction of community hall at Sakola village under CSR	15-Mar-21	10.75	Sarpanch, GP, Sakola	Community Hall
10	Providing Financial Support to District Administration, Umaria for Prevention and Cure of COVID-19 in Umaria District for an amount of ₹ 25.00 Lakh, under CSR of SECL Johilla Area	16-Jun-20	17.96	CMHO, UMARIA	Medical Equipment (BYPAP 5 piece, Multi Para monitor 4 piece, Pulse oxymeter table top 8 piece) , Purchase and utilized by CMHO, UMARIA for COVID prevention
11	Boundary wall construction in satellite school in Dadra Tolla, Village: Ammadongri	17-Nov-20	18.42	Head master, satellite school in Dadra Tolla, Village: Ammadongri and Sarpanch, Ammadongri	Boundary wall around school. Satellite school in Dadra Tolla, Village: Ammadongri

Sl. No.	Name of the Project	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ Lakhs)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
12	Financial support of ₹ 17.05 lakh for providing Mobile Medical Unit at District Hospital, Surajpur	30-Sep-20	15.25	Ram kumar Singh, CMHO, Dist. Surajpur	Mobile Medical Unit
13	Financial Support to C.G. State Govt. for setting up of Exclusive COVID treatment center at Govt. Medical College, Ambikapur	11-Feb-21	419.00	Joint Director & Medical Superintendent, District hospital allied to Govt. Medical College, Ambikapur	Exclusive Covid Treatment Center, Molecular virology lab at District hospital allied to Govt. Medical College, Ambikapur
14	Financial support for Prevention of COVID-19 in Raigarh District	31-Mar-21	23.39	Dean, Late Lakhiram Agrawal Medical College, Raigarh	Dean, Late Lakhiram Agrawal Medical College, Raigarh
15	Construction of Community Micro Irrigation Project in five different Gram Panchayats of Surajpur District through District Administration, Surajpur for an amount of ₹ 99.66 lakh" under CSR activities of SECL Bhatgaon Area	30-Mar-21	99.66	District Administration Surajpur	Village-Kerta, Songara, Salka, Kamalpur, Saraswatipur , Block-Surajpur & Pratappur, Dist.-Surajpur
16	Construction of C.C. road from Sahodar house to Anuj Pratap house & from Chandan Ram house to Gyaneshwar house at Dharampur village (200 Meters)	30-Nov-20	4.87	Village Panchayat Dharampur	Village Panchayat Dharampur
17	Procurement of Stadiometer for accurate measurement of physical development and identification of malnutrition for children of 2 to 5 years of age and above for 2539 no. of aanganwadies in Korba District (2800 Each)	23-Dec-20	71.09	District Women Child Development Office, Korba	Procurement of Stadiometer
18	Procurement of Infantometer for accurate measurement of physical development and identification of malnutrition for children of 2 to 5 years of age and above for 2539 no. of aanganwadies in Korba District (2800 Each)	23-Dec-20	71.09	District Women Child Development Office, Korba	Procurement of Infantometer
19	Installation of Solar Photo voltaic cell at roof top for uninterrupted supply of electricity, solar dual pump and bore well for drinking water amounting to ₹ 9.94 Lakh at Auramuda Village to be implemented by District Administration, Raigarh as a deposit work under CSR Activities of SECL Raigarh Area	5-Sep-20	9.94	Gram Panchayat -Faguram, Village Auramuda, Block Gharghoda, Raigarh	Solar Photo voltaic cell at roof top for uninterrupted supply of electricity, solar dual pump implemented by CREDA, Regional Office, Raigarh

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

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

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

To
The Members,
SOUTH EASTERN COALFIELDS LIMITED,
Seepat Road, Bilaspur Chhattisgarh - 495006

We 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 referred to as "**Company**"). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Due to lockdown on account of COVID - 19 Pandemic, we have not been able to carry out physical visit to the Registered Office of the Company and based on our verification of the Company's books, papers, minute books, fonn and returns filed and other records maintained by the Company which were shared with us electronically and also the information, confirmation, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2021 (hereinafter referred to as "**Audit Period**"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
(Not applicable to the Company during the Audit Period)
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
(Not applicable to the Company during the Audit Period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011 - **(Not applicable to the Company during the Audit Period);**

- (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **(Not applicable to the Company during the Audit Period);**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the Audit Period);**
- (g) 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 Period);**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the Audit Period)** and
- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018- **(Not applicable to the Company during the Audit Period).**
- (vi) Corporate Governance Guidelines issued by Department of Public Enterprises (“DPE”) vide their OM. No. 18(8)/2005-GM dated May 14, 2010.
- (vii) Other laws specifically applicable to the Company include:
 - (a) The Mines Act, 1952
 - (b) Indian Explosives Act, 1884
 - (c) Colliery Control Order, 2000 and Colliery Control Rules, 2004
 - (d) The Coal Mines Regulations, 2017
 - (e) The Payment of Wages (Mines) Rules, 1956
 - (f) Coal Mines Pension Scheme, 1998
 - (g) Coal Mines Conservation and Development Act, 1974
 - (h) The Mines Vocational Training Rules, 1966
 - (i) The Mines Creche Rules, 1961
 - (j) The Mines Rescue Rules, 1985
 - (k) Coal Mines Pithead Bath Rules, 1946
 - (l) Maternity Benefit (Mines and Circus) Rules, 1963
 - (m) The Explosives Rules, 2008
 - (n) Mineral Concession Rules, 1960
 - (o) Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948
 - (p) Mines and Minerals (Development and Regulation) Act, 1957
 - (q) The Payment of Undisbursed Wages (Mines) Rules, 1989
 - (r) Indian Electricity Act, 2003 and the Indian Electricity Rules, 1956
 - (s) Environment Protection Act, 1986 and Environment Protection Rules, 1986
 - (t) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 - (u) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder
 - (v) The Air (Prevention & Control of Pollution) Act, 1981
 - (w) Public Liability Insurance Act, 1991 and Rules made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and Corporate Governance Guidelines issued by Department of Public Enterprises (DPE) vide their OM. No. 18(8)/2005-GM dated May 14, 2010.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges **(Not applicable to the Company during the Audit Period).**

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

1. *The Company is not having requisite number of Independent Directors as required under Section 149 of the Act read with Corporate Governance Guidelines issued by Department of Public Enterprises.*
2. *The constitution of Audit Committee as per Section 177 of the Act read with Corporate Governance Guidelines issued by Department of Public Enterprises with the requirement of having minimum independent Director(s) for the Audit Committee Meeting(s) as per DPE Guidelines was not complied with during the Audit Period.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors **except for having requisite number of Independent Directors as required under the provisions of the Act read with Corporate Governance Guidelines issued by Department of Public Enterprises.** 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 DPE guidelines and the Act. In terms of Articles of Association of the Company all appointments to the Board are made by Government of India.

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

Majority decision is carried through, while the dissenting Board members' views, if any, are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

Sd/-
CS D. HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044C000519779

PLACE: HYDERABAD

DATE: 26.06.2021

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

Annexure A'

To
The Members,
SOUTH EASTERN COALFIELDS LIMITED,
Seepat Road, Bilaspur Chhattisgarh - 495 006

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion. However, due to lockdown on account of COVID - 19 Pandemic, we have not been able to carry out physical visit to the Registered Office of the Company and verified the records shared by the Company electronically.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the Company.

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

Sd/-
CS D. HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044C000519779

PLACE: HYDERABAD
DATE : 26.06.2021

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, 2021 is as under:

(A) Conservation of Energy:

(i) The steps taken for 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. An amount of ₹109.00 lakh has been spent towards improvement of power factor.
2. ₹395.00 lakh has been incurred towards replacement of conventional light fittings with LED light fittings in different Areas of SECL during the year 2020-21.
3. Re-organization of dewatering pipelines has been made by replacing lower size pipes with higher size pipes and re-organization. An amount of ₹282.00 lakh has been incurred in this head.
4. An amount of ₹21.00 lakh has been spent towards ventilation system improvement which has resulted in conservation of energy.
5. Re-organization of power distribution system by reducing the distance between switchgear and equipment. An amount of ₹318.00 lakh has been spent towards re-organization of power supply.
6. One strata bunker has been constructed in Johilla Area. An amount of ₹10.00 lakh has been spent thereby resulting into decrease in power consumption.
7. Monitoring of load pattern and demand side management of supply points have been made to control the maximum demand within the Contract Demand. An amount of ₹111.00 lakh has been saved due to reduction of Contract Demand in both CSPDCL and MPPKVVCL.

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

1. **Installation of Rooftop Solar Power Plants on non-residential buildings of various Areas of SECL:**
EPC Agreement has been executed for installation of total 1860KW (cumulative capacity) Rooftop Solar Power Projects on identified non-residential buildings of SECL through the 97.5 MW Scheme of Solar Energy Corporation of India Ltd. (SECI).
2. **Establishing 100 MW Ground Mounted grid connected Solar Power Project:**
Establishing 100 MW Ground Mounted grid connected solar power project to purchase solar power for SECL's own consumption within the Chhattisgarh state is also under process and consent letter has been issued in favour of Ms. Solar Energy Corporation of India Ltd. (SECI).
3. **Installation of 40MW (approx.) Ground mounted grid connected Solar Power Plant:**
Installation of 40MW (approx.) Ground mounted grid connected Solar Power Plant on SECL's own land at Bhatgaon and Bisrampur Area under CAPEX model is under process and in-principle approval for the same has been accorded to M/s. Coal Lignite Urja Vikas Private limited (A JV company of CIL and NLCIL) for acting as PMC service provider.

(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 Kapildhara, Kurja Sheethaldhara & Haldibari mines of Hasdeo Area, Vindya UG of Johilla Area, Churcha UG of Baikunthpur Area, Vijay West UG of Chirimiri Area, Khairaha UG & Bangwar UG mines of Sohagpur Area. The Company has taken steps for introduction of Continuous Miners at other Underground mines, viz. Rani Atari UG, Rajgamar UG, Shivpur Block of Churcha UG & Gayatri UG mines in future. Further NIT/Bid document of RPR of Ketki UG Mine (0.87 MTY) in MDO mode with Introduction of 2 sets of CM package is under preparation at CMPDI.

(b) Highwall Mining Technology:

This method is a remotely operated system to extract coal seams with seam thickness ranging from 0.9m to 1.5m or coal from underlying seams 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 limits further mining operations. At present, 02 sets of Highwall mining is in operation at Sharda OC mine of Sohagpur Area. Total Production during 2020-21 from Highwall is 6.594 LTe. Another Project Batura Highwall has also been approved and is under implementation.

(c) Surface Miner:

Surface Miner has been deployed on hiring basis for Coal production at Gevra OC Expansion, Dipka OC Expansion, Kusmunda OC Expansion, Chhal OC, Jampali OC, Baroud OC, Bijari OC and Mahan-II OC.

(d) Man-Riding System (MRS):

In specified underground (UG) mines where long or arduous travel is involved, arrangement for transport of men has been introduced. The Man-Riding System is operating in the Company at Churcha UG (3 sets), Singhali UG, Bagdeva UG, Beheraband UG, Pinoura UG, Sheethaldhara-Kurja UG, Kapildhara UG, Bangawar UG, Shivani UG, Nawapara UG (2 sets), Jhilmili UG, Jhiriya UG, Rajendra UG and Katkona UG mines 1 & 2 (1st set) of SECL. Proposal for procurement of MRS at Dhelwadiah UG & Katkona UG 1 & 2 (2nd set) is under process.

(ii) **The benefits derived like product improvement, cost reduction, product development and 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 : NIL

(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) : ₹ 707.60 Crore

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

Sd/-
(M. K. Prasad)
Director (Technical) Operations
DIN: 08489359

Sd/-
(A. P. Panda)
Chairman-cum-Managing Director
DIN: 06664375

Place: Bilaspur
Date: 06.08.2021

(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 the Ministry of Finance, DPE vide its Letter No. 18(8)/2005-GM dated 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:

Within SECL, it is believed 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, 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 and Ethics, Integrity Pact, Disclosure Policies, Legal Compliances, etc. reinforces the commitment to higher standard of corporate ethos.

2. BOARD OF DIRECTORS:

2.1 Size of the Board:

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

- (a) 05 (Five) Whole-Time Functional Directors including the Chairman-cum-Managing Director/Chief Executive Officer;
- (b) 02 (Two) Part-Time Official Directors (Government Nominees) of Government of India; and
- (c) 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 the 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 Financial Year 2020-21 is given below:

SN.	Name	Designation	Position held
1	Shri A. P. Panda	Chairman	Chairman-cum-Managing Director/ CEO
2	Shri M. K. Prasad ¹	Member	Director (Technical) Operations
3	Shri S. M. Choudhary ²	Member	Director (Finance)/ CFO
4	Shri S. K. Pal ³	Member	Director (Technical) Projects & Planning
5	Shri S. M. Choudhary ⁴	Member	Director (Personnel)
6	Shri R. K. Nigam ¹	Member	Director (Technical) Operations
7	Shri M. K. Prasad ³	Member	Director (Technical) Projects & Planning
8	Dr. R. S. Jha ⁴	Member	Director (Personnel)
9	Ms. Vismita Tej ⁵ , IRS, JS, MoC	Member	Government Nominee Director
10	Shri S.B. Negi ⁵ , IPS, JS, MoC	Member	Government Nominee Director
11	Shri R. K. Sinha ⁵ , IAS, Ex-JS, MoC	Member	Government Nominee Director
12	Shri Sanjiv Soni ⁶ , D(F), CIL	Member	Government Nominee Director
13	CA Shri S. K. Deshpande ⁷	Member	Independent Director
14	.....⁸	Member	Independent Director
15	.....⁸	Member	Independent Director
16	.....⁸	Member	Independent Director
17	Shri Chhatrasal Singh ⁹	Permanent Invitee	Principal Chief Operations Manager, South East Central Railway

Notes:

1. Shri M.K. Prasad has taken the charge of Director (Technical) Operations w.e.f. 01.11.2020 in lieu of Shri R.K. Nigam who has ceased to be Director (Technical) Operations upon attaining superannuation on 31.10.2020.
2. Shri S.M. Choudhary has been appointed on the SECL Board as Director (Finance) w.e.f.12.10.2019.
3. Shri S.K. Pal has been appointed on the SECL Board as Director (Technical) Projects & Planning w.e.f. 15.12.2020 vice Shri M.K. Prasad who has relinquished the charge of Director (Technical) Projects & Planning w.e.f.14.12.2020.
4. Shri S.M. Choudhary has taken the Additional charge of Director (Personnel) w.e.f. 01.02.2021 in lieu of Dr. R.S. Jha who has ceased to be Director (Personnel) upon attaining superannuation on 31.01.2021.
5. Ms. Vismita Tej, IRS, JS, MoC has been appointed as Government Nominee Director w.e.f. 30.12.2020 vice Shri S.B. Negi, IPS, JS, MoC who has relinquished the charge of Government Nominee Director w.e.f.30.12.2020. During the year, Shri R.K. Sinha, IAS, Ex-JS, MoC has relinquished the charge of Government Nominee Director w.e.f. 10.07.2020.
6. Shri Sanjiv Soni, Director (Finance), CIL has been appointed as a Government Nominee Director w.e.f. 29.10.2019.
7. CA Shri S.K. Deshpande has been appointed as an Independent Director on SECL Board w.e.f. 25.07.2019.
8. The position of 03 (three) other Independent Directors is vacant w.e.f. 17.11.2019, appointment of which is under process by the Ministry of Coal.
9. Shri Chhatrasal Singh, PCOM, SECR, has been appointed as the Permanent Invitee on SECL Board by the Ministry of Coal w.e.f. 02.03.2020 vice Shri P. K. Jena, Ex-PCOM, SECR.

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 Financial Year:

The following Directors were appointed on the Board of the Company during the Financial Year 2020-21.

SN.	Name	Designation	Position held
1	Ms. Vismita Tej ¹ , IRS, JS, MoC	Member	Government Nominee Director
2	Shri S.B. Negi ² , IPS, JS, MoC	Member	Government Nominee Director
3	Shri M. K. Prasad, ³ D(T)O	Member	Director (Technical) Operations
4	Shri S. K. Pal, ⁴ D(T)P&P	Member	Director (Technical) Projects & Planning
5	Shri S. M. Choudhary, ⁵ D(P)	Member	Director (Personnel)

Notes:

- Ms. Vismita Tej, IRS, JS, MoC has been appointed as Government Nominee Director w.e.f. 30.12.2020 vice Shri S.B. Negi, IPS, JS, MoC.
- Shri S.B. Negi, IPS, JS, MoC has been appointed as Government Nominee Director w.e.f. 28.10.2020 vice Shri R.K. Sinha, IAS, Ex-JS, MoC.
- Shri M.K. Prasad has taken the charge of Director (Technical) Operations w.e.f. 01.11.2020 vice Shri R.K. Nigam, Ex-D(T)O.
- Shri S.K. Pal has been appointed on the SECL Board as Director (Technical) Projects & Planning w.e.f. 15.12.2020 vice Shri M.K. Prasad, Ex-D(T)P&P.
- Shri S.M. Choudhary has taken the Additional charge of Director (Personnel) w.e.f. 01.02.2021 vice Dr. R.S. Jha, Ex-D(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 and regulations are complied with.

Role of the Board of Directors:

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholders value and its growth. The Board exercises its duties with care, skill and diligence, and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercise appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

Thirteen (13) Board Meetings were held during the Financial Year 2020-21 as under:

SN.	Board Meeting No.	Date
1	298	13.04.2020
2	299	27.05.2020
3	300	10.06.2020

SN.	Board Meeting No.	Date
4	301	09.07.2020
5	302	11.08.2020
6	303	18.09.2020
7	304	20.10.2020
8	305	06.11.2020
9	306	28.11.2020
10	307	08.01.2021
11	308	29.01.2021
12	309	06.03.2021
13	310	31.03.2021

The necessary quorum was present for all the meetings. The maximum time gap between two Board Meetings was not more than 120 days as prescribed in the Companies Act, 2013.

Details of the meetings attended by Directors are tabulated below:

SN.	Name of the Directors	Board Meetings held during respective tenure	No. of Board Meetings attended	Number of Committee membership as on 31.03.2021		Directorship in other Companies as on 31.03.2021	Attendance at the last AGM of the Company
				As Chairman	As Member/ Invitee		
Functional Directors:							
1	Shri A. P. Panda, CMD	13	13	02	-	-	Yes
2	Shri M. K. Prasad, D(T)O	13	12	-	05	02	Yes
3	Shri S. M. Choudhary, D(F)	13	13	-	06	02	Yes
4	Shri S.K. Pal, D(T) P&P	04	04	01	05	02	Not Applicable
5	Dr. R. S. Jha, Ex-D(P)	11	10	-	-	-	Yes
6	Shri R. K. Nigam, Ex-D(T)O	07	07	-	-	-	Yes
Govt. Nominee Directors:							
1	Ms. Vismita Tej, IRS, JS (MoC)	04	04	-	02	-	Not Applicable
2	Shri Sanjiv Soni, D(F), CIL	13	13	-	01	03	Yes
3	Shri S.B. Negi, IPS, JS (MoC)	02	02	-	-	-	Not Applicable
4	Shri R. K. Sinha, IAS, Ex-JS, MoC	04	04	-	-	-	Not Applicable
Independent Directors:							
1	Shri S.K. Deshpande, Chartered Accountant	13	13	03	01	04	Yes
2	—Vacant—	-	-	-	-	-	-
3	—Vacant—	-	-	-	-	-	-
4	—Vacant—	-	-	-	-	-	-
Permanent Invitee:							
1	Shri Chhatrasal Singh PCOM, South East Central Railway, Bilaspur	13	06	-	-	-	Not Applicable

None of the Directors on the Board hold Directorships in more than 10 (ten) Public 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 Public Companies in which he is a Director. Necessary disclosures regarding committee positions in other Companies as on March 31st, 2021 have been made by all the Directors. None of the Directors are related to each other.

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 *inter-alia* includes the following:

- (a) Annual operating plans, Capital and Revenue budgets & updates.
- (b) Quarterly and Annual Financial results of the Company.
- (c) Dividend declaration.
- (d) Periodic Review of the Performance of the Company.
- (e) Periodic Review of availability & utilization of Heavy Earth Moving Machines.
- (f) Periodic Report on Compliance of applicable Laws.
- (g) Annual Report, Directors' Report etc.
- (h) Minutes of the meetings of Board, Audit Committee and other Board Committees.
- (i) Award of large contracts/Agreements.
- (j) Major investment, joint ventures etc.
- (k) HR related issues & Safety/ Security related matters.
- (l) Disclosure of interest by Directors about Directorship and position in other companies.
- (m) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- (n) Show cause, demand, prosecution notices and penalty notices which are materially important.
- (o) 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 Meeting with necessary approvals and permissions/authorizations accorded to the respective Heads of the Divisions/ Areas and there is a post Board Meeting/ Committee 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 within the meaning of Section 2, Sub-Section (45) of Companies Act, 2013, 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 Financial Year 2020-21.

(₹ in Crore)

SN.	Name	Designation	Gross Salary	Perquisites	Total
1	Shri A.P. Panda	CMD & CEO	0.63	0.05	0.68
2	Shri M.K. Prasad	D(T)O	0.57	0.05	0.61
3	Shri S.M. Choudhary	D(F) & CFO	0.61	0.05	0.66
iv	Shri S.K. Pal	D(T)P&P	0.09	0.01	0.09
v	Dr. R.S. Jha	D(P)	0.49	0.04	0.53
vi	Shri R.K. Nigam	D(T)(O)	0.47	0.04	0.51
7	Shri S. M. Yunus	CS	0.50	0.04	0.54
TOTAL			3.37	0.27	3.64

NOTE:

- Remuneration of Shri S.K. Pal, D(T)P&P is for the period w.e.f. 15.12.2020 up to 31.03.2021.
- Remuneration of Dr. R.S. Jha, Ex-D(P) is for the period up to the Month of January, 2021.
- Remuneration of Shri R.K. Nigam, Ex-D(T)O is for the period up to the Month of October, 2020.

5.2 Payment of sitting fees to Independent Directors during the Financial Year 2020-21:

At present there is only 01 (One) Independent Director appointed on SECL Board as 03 (Three) Independent Directors have relinquished the charge w.e.f. 17.11.2019 upon completion of their respective tenure of re-appointment by the Ministry of Coal. The position of 03 (Three) Independent Directors is vacant w.e.f. 17.11.2019. The Company has communicated about the requirement of Independent Directors to the Ministry of Coal, Government of India.

Payment of sitting fees to Independent Directors during the Financial Year 2020-21 are as under:

(Amount in ₹)

SN	Name of the Independent Director	Total Sitting Fees paid for attending		Total
		Board Meetings	Committee Meetings	
1	Shri S.K. Deshpande	2,60,000	3,80,000	6,40,000
TOTAL		2,60,000	3,80,000	6,40,000

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

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

5.4 Availability of information to Board Members:

The Board has unrestricted access to all Company-related information, including that of our employees. Inputs and feedback of Board Members are taken and considered while preparing the agenda and documents for the Board Meetings. Deep dive and immersion sessions are conducted by senior executives in their respective business units. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters.

6. COMMITTEES OF THE BOARD:

The Company has the following Four (04) Board level Committees:

1. Audit Committee
2. Corporate Social Responsibility (CSR) Committee
3. Risk Management Committee (RMC)
4. Empowered Committee of Directors (ECoD)

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 the Department of Public Enterprises, Ministry of Finance.

6.1.1 Scope of Audit Committee:

1. To hold discussion with Auditors periodically about the following:
 - (i) Internal control systems compliance and adequacy thereof.
 - (ii) Scope of audit including observations of the auditors.
 - (iii) Review of the quarterly, half yearly and Annual Financial Statements before submission to the Board.
2. To perform the following functions:
 - (i) 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.
 - (ii) 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.
 - (iii) Recommending the appointment and removal of External Auditors, Fixation of Audit fee and also approval for payment for any other services.
 - (iv) 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 there under, which *inter alia* include:
 - a. *the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;*
 - b. *review and monitor the auditor's independence and performance, and effectiveness of audit process;*
 - c. *examination of the financial statement and the auditors' report thereon;*
 - d. *approval or any subsequent modification of transactions of the Company with related parties;*
 - e. *scrutiny of inter-corporate loans and investments;*
 - f. *valuation of undertakings or assets of the Company, wherever it is necessary;*
 - g. *evaluation of internal financial controls and risk management systems;*
 - h. *Monitoring the end use of funds raised through public offers and related matters.*

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. The Audit Committee inducted Independent Directors on 26th September, 2007 in compliance of Corporate Governance Guidelines.

6.1.3 Composition:

The Audit Committee has functioned during the Financial Year 2020-21 in terms of the provisions of Companies Act, 2013 and the Mandatory Corporate Governance Guidelines for CPSEs, with the following members & Invitees:

SN.	Name	Designation	Category
1	Shri S.K. Deshpande	Chairman	Independent Director
2	Ms. Vismita Tej ⁱ , IRS, JS (MoC)	Member	Government Nominee Director
3	Shri S.B. Negi ⁱⁱ , IPS, JS (MoC)	Member	Government Nominee Director
4	Shri R.K. Sinha ⁱⁱⁱ , IAS, Ex-JS, MoC	Member	Government Nominee Director
5	Shri Sanjiv Soni D(F), CIL	Member	Government Nominee Director
6	Shri M.K. Prasad	Member	Director (Technical) Operations
7	Shri R.K. Nigam ^{iv}	Member	Director (Technical) Operations
8	Shri S.K. Pal ^v	Member	Director (Technical) Projects & Planning
9	Shri S.M. Choudhary	Invitee	Director (Finance)

- (i) Ms. Vismita Tej, IRS, JS, MoC and Government Nominee Director, SECL Board has been nominated as the Member of the Audit Committee w.e.f. 30.12.2020 vice Shri S.B. Negi, IPS, JS, MoC.
- (ii) Shri S.B. Negi, IPS, JS, MoC, and Government Nominee Director, SECL Board has been nominated as the Member of the Audit Committee w.e.f. 28.10.2020 vice Shri R.K. Sinha, IAS, Ex-JS, MoC.
- (iii) Shri R.K. Sinha, IAS, Ex-JS, MoC was the Member of the Audit Committee for the period w.e.f. 29.09.2019 and continued upto 10.07.2020.
- (iv) Shri R. K. Nigam, Ex-D(T)O, SECL was ceased to be the Member of the Audit Committee for the period w.e.f. 31.10.2020 upon attaining superannuation.
- (v) Shri S.K. Pal, D(T) P&P, SECL has been nominated as the Member of the Audit Committee w.e.f. 15.12.2020.

NOTE:

At present, there is only one Independent Director on Board of SECL consequent upon the completion of tenure of 03 (three) Independent Directors w.e.f. 17.11.2019 and the appointment by Ministry of Coal (MoC) is still awaited.

The Company Secretary is the Secretary to the Audit Committee.

6.1.4 Meeting and Attendance:

Eight (08) meetings were held during the Financial Year 2020-21, as detailed below:

SN.	Audit Committee Meeting No.	Date
1	113	27.05.2020
2	114	10.06.2020
3	115	29.06.2020
4	116	11.08.2020
5	117	17.09.2020
6	118	06.11.2020
7	119	29.01.2021
8	120	31.03.2021

The details of Audit Committee meetings attended by Members and Invitees are as under:

SN.	Members/ Invitees of Audit Committee	Meetings held during their tenure	Meetings attended
1	Shri S.K. Deshpande, Independent Director	08	08
2	Ms. Vismita Tej, IRS, JS, MoC/ Govt. Nominee Director	02	02
3	Shri S.B. Negi, IPS, JS, MoC/ Govt. Nominee Director	01	01
4	Shri R.K. Sinha, IAS, Ex-JS, MoC/ Govt. Nominee Director	03	03
5	Shri Sanjiv Soni, D(F), CIL/ Govt. Nominee Director	08	08
6	Shri M.K. Prasad, D(T) O, SECL	08	08
7	Shri R.K. Nigam, D(T) O, SECL	05	05
8	Shri S.K. Pal, D(T) P&P, SECL	02	02
9	Shri S. M. Choudhary, D(F), SECL	08	08

6.2 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 pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. 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 31.03.2021:

SN.	Name	Designation	Category
1	Shri S.K. Deshpande	Chairman	Independent Director
2	Shri S. M. Choudhary	Member	Director (Finance), SECL
3	Shri S.K. Pal ⁱ	Member	Director (Technical) Projects & Planning
4	Dr. R. S. Jha ⁱ	Member	Director (Personnel), SECL

NOTE:

- i. Shri S.K. Pal, D(T)P&P, SECL was nominated as the Member of the CSR Committee vice Dr. R.S. Jha, Ex-D(P), SECL, who was ceased to be a Member of the CSR Committee upon attaining superannuation w.e.f. 31.01.2021.

General Manager (CSR) is the Secretary to the CSR Committee.

6.2.1 Meeting and Attendance:

Eight (08) Meetings of CSR Committee were held during the Financial Year 2020-21 as detailed below:

SN.	CSR Committee Meeting No.	Date
1	46	11.04.2020
2	47	08.06.2020
3	48	19.06.2020
4	49	09.07.2020
5	50	17.09.2020
6	51	08.01.2021
7	52	06.03.2021
8	53	30.03.2021

The details of CSR Committee meeting attended by Members and Invitees are as under:

SN	Members of CSR Committee	Meetings held during tenure	Meetings attended
1	Shri S.K. Deshpande, Independent Director	08	08
2	Shri S. M. Choudhary, D(F), SECL	08	08
3	Shri S.K. Pal, D(T) P&P, SECL	02	02
4	Dr. R. S. Jha, D(P), SECL	06	06

6.3 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 LODR Regulations, 2015 and the DPE Guidelines on Corporate Governance for CPSEs. As per the approved Risk Management Charter, Shri Binod Prasad Singh, General Manager (Safety & Rescue), SECL has been appointed as Chief Risk Officer (CRO) of the Company w.e.f. 23.03.2021. 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 31.03.2021:

SN.	Name	Designation	Category
1	Shri S.K. Deshpande	Chairman	Independent Director
2	Shri M.K. Prasad	Member	Director (Tech) Operations, SECL
3	Shri S. M. Choudhary	Member	Director (Finance), SECL
4*	Shri S.K. Pal	Member	Director (Tech) Projects & Planning, SECL
5*	Shri R.K. Nigam	Member	Director (Tech) Operations, SECL

* Shri S. K. Pal, D(T) P&P, SECL has been nominated as a Member vice Shri R.K. Nigam, Ex-D(T)O, SECL, who has relinquished the charge upon attaining superannuation w.e.f.31.10.2020.

6.3.1 Meeting and Attendance:

One Meeting of Risk Management Committee was held during the Financial Year 2020-21, as detailed below:

SN.	Risk Management Committee Meeting No.	Date
1	2 nd	26.03.2021

The details of Risk Management Committee Meeting attended by members are as under:

SN.	Members of Risk Management Committee	Meetings held during their tenure	Meetings attended
1	Shri S.K. Deshpande, Chairman	01	01
2	Shri M.K. Prasad, Director (Technical) Operations	01	01
3	Shri S.M. Choudhary, Director (Finance)	01	01

6.4 EMPOWERED COMMITTEE OF DIRECTORS (ECoD):

The new concept of Empowered Committee of Directors (ECoD) headed by CMD including some of the Functional Directors, Govt. Nominee Director & Independent Directors; has been introduced in the revised Delegation of Powers (DoP) of CIL and its Subsidiaries has been approved by the CIL Board. Accordingly, as per the directives of CIL, SECL Board at its 288th Meeting held on 19.07.2019 has constituted the ECoD with the terms of reference and the powers to be exercised especially in respect of Purchase & Contracts as per the revised Delegation of Powers (DoP) communicated by CIL.

6.4.1 Scope of ECoD:

Empowered Committee of Directors (ECoD) can exercise five (05) times of the powers of Chairman of the Company on 'Purchase & Contracts' as per the Revised Delegation of Powers (DoP) of the Company, communicated by CIL and approved by SECL Board at its 288th Meeting held on 19.07.2019.

6.4.2 Constitution:

The Empowered Committee of Directors (ECoD) of the Board of the Company had been constituted during the Financial Year 2019-20 w.e.f. 19.07.2019 as per the Revised Delegation of Power directives communicated by CIL and approved by the SECL Board. The Committee was headed by Chairman of the Company including some of the Functional Directors, Govt. Nominee Director & Independent Directors.

6.4.3 Composition:

The Empowered Committee of Directors (ECoD) has functioned during the Financial Year 2020-21 as per the Revised Delegation of Powers communicated by CIL and approved by the SECL Board with the following Members & Invitees:

SN.	Name	Designation	Category
1	Shri A.P. Panda	Chairman	Chairman-cum-Managing Director
2	Ms. Vismita Tej	Member	Government Nominee Director
3	Shri S.K. Deshpande	Member	Independent Director
4	Shri M.K. Prasad	Member	Director (Technical) Operations
5	Shri S. M. Choudhary	Member	Director (Finance)
6	Shri S.K. Pal	Member	Director (Technical) Projects & Planning

The Company Secretary is the Secretary to the Empowered Committee of Directors (ECoD).

6.4.4 Meeting and Attendance:

Two (2) Meetings were held during the Financial Year 2020-21, as detailed below:

SN.	Empowered Committee (ECoD) Meeting No.	Date
1	4	27.05.2020
2	5	11.08.2020

The details of Empowered Committee meetings attended by members are as under:

SN	Members of Empowered Committee	Meetings held during their tenure	Meetings attended
1	Shri A.P. Panda, Chairman	02	02
2	Shri S.K. Deshpande, Independent Director	02	02
3	Shri M.K. Prasad, Director (Technical) Operations	02	02
4	Shri S.M. Choudhary, Director (Finance)	02	02
5	Shri R.K. Sinha*, IAS, Govt. Nominee Director	01	01
6	Shri R.K. Nigam#, Director (Technical) Operations	02	02

* Shri R.K. Sinha, IAS, Ex-JS, MoC/ Govt. Nominee Director has relinquished the charge w.e.f.10.07.2020.

Shri R.K. Nigam, Ex- Director (Technical) Operations has relinquished the charge upon attaining superannuation w.e.f.31.10.2020.

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

No separate meeting of the Independent Directors was held during the Financial year 2020-21 in terms of Section 149(8) of the Companies Act, 2013 read with Para VII of Schedule IV of the Companies Act, 2013. MCA has vide its circular dated 24th March, 2020, bearing no. 11/2020, has implemented several measures to reduce the compliance burden to address the COVID-19 threat and has exempted the Independent Directors from holding a separate meeting for the Financial Year 2020-21 in terms of Section 149(8) of the Companies Act, 2013 read with Para VII of Schedule IV of the Act.

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 Financial Year 2020-21:

STATUTORY AUDITOR:

M/s. O. P. Totla & Co.,
Chartered Accountants,
(FRN: 000734C, C&AG RN: CR0115)
C-16, First Floor, Shyam Market,
New LIC Building, Pandari
Raipur-492005, (Chhattisgarh)

BRANCH AUDITORS:

1. M/s. Maheshwari & Associates,
Chartered Accountants
(FRN: 311008E, C&AG RN: CA0635)
Geetanjali Apartments, Flat No. 6A, 6th Floor,
8B, Middleton Street, Kolkata – 700071 (West Bengal).
2. M/s. KGRS & Co.,
Chartered Accountants
(FRN: 310014E, C&AG RN: CA1331)
14th Floor, Flat No.13A, 33A, J.L. Nehru Road,
Kolkata-700071 (West Bengal)
3. M/s. R SHAH & Co.,
Chartered Accountants
(FRN: 502010C, C&AG RN:CR1092)
432, Jasmine,
New Minal Residency,
J. K. Road,
Bhopal- 462011 (Madhya Pradesh)

8.1 Remunerations of Statutory Auditors:

Type of Audit	Remuneration	Remarks
Statutory Audit for the year 2020-21	Total ₹ 33,43,053.00 i.e., ₹18,20,226.00 for Principal Auditors and ₹15,22,827.00 for Branch Auditors.	Out of Pocket Expenses (OPE) subject to a maximum limit of ₹8,75,114.00 for Principal Auditors and ₹6,51,168.00 for Branch Auditors, and applicable Service Tax / GST payable on Fee & OPE, in addition to reimbursement/payment of travelling expenses on actual basis.
Review of Interim Financial Statements for the Quarter ended 30.06.2020, 30.09.2020 & 31.12.2020	Total ₹25,59,801.00 i.e., ₹14,17,674.00 for Principal Auditors and ₹11,42,127.00 for Branch Auditors.	Out of Pocket Expenses (OPE) subject to a maximum limit of ₹6,56,337.00 for Principal Auditors and ₹4,88,376.00 for Branch Auditors, and applicable Service Tax / GST 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
34 th AGM 2019-20	18.08.2020	10:00 AM	At the Registered Office of the Company at Seepat Road, Bilaspur - 495006, Chhattisgarh.
33 rd AGM 2018-19	22.07.2019	03:30 PM	At the Registered Office of the Company at Seepat Road, Bilaspur - 495006, Chhattisgarh.
32 nd AGM 2017-18	09.07.2018	10:30 AM	At CIL Hqrs, Coal Bhawan, New Town Rajarhat, kolkata - 700156, West Bengal.

One special resolution was passed during the last AGM. The 35th Annual General Meeting (AGM) of the Company is scheduled to be held on 12.08.2021 at the Registered Office of the Company at Seepat Road, Bilaspur - 495006, Chhattisgarh. No Extraordinary General Meeting (EGM) of Members was held during the Financial Year 2020-21.

10. CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING:

SECL is a wholly owned subsidiary of Coal India Limited (CIL). In pursuance to Regulation 9(2) of SEBI (Prohibition of Insider Trading) Regulations 2015, SECL had adopted 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons of Coal India Limited' with the objective of preventing purchase and /or sale of shares of CIL by an insider on the basis of unpublished price sensitive information. Under this Code, Insiders (Designated Persons) are prevented to deal in the CIL's shares during the closure of Trading Window. To deal in CIL Securities beyond limits specified, permission of Compliance Officer is required. All Directors/Officers/Designated Employees are also required to disclose related information periodically as defined in the Code. The said Code has been uploaded in website.

Company Secretary has been designated as Compliance Officer at SECL this Code.

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 Financial Year ended 31st March, 2021 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 i.e., '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, 2021. 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, 2021.

for South Eastern Coalfields Limited

Sd/-

(A. P. Panda)

Chairman-cum-Managing Director

DIN: 06664375

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:**

As required by the SEBI (LODR) Regulations the 'CEO and CFO Certification' in prescribed format, duly signed by the Chairman-cum-Managing Director/CEO and the Director (Finance)/CFO of the Company as approved by the Board of Directors of the Company at its 311th Meeting held on 28.05.2021 and is attached with the Financial Statements of the Company.

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

The "Coal India Whistle Blower Policy 2011" as approved by the Board of Directors of Coal India Limited has been implemented by SECL, as a subsidiary. 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. The Whistle Blower Policy is available on the website of the Company i.e., 'www.secl-cil.in'.

11. AUDIT QUALIFICATIONS:

It is always the Company's endeavor to present Financial Statements without any qualifications by Auditors. Management's Reply to the Statutory Auditors' observations on the Financial Statements of the Company for the Financial year ended 31st March, 2021 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, 2021 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. The Directors are also nominated for training programs/seminars conducted by Standing Conference of Public Enterprises (SCOPE) and other Government authorities/Autonomous bodies.

13. DEMATERIALIZATION OF SHARES:

100% of the shares of the Company are in Dematerialized mode.

14. THE NAMES AND ADDRESS OF THE DEPOSITORIES ARE AS UNDER:

M/s. NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)
A wing, 4th Floor, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel West, Mumbai (MH)

15. DETAILS OF SUBSIDIARIES OF SECL AND ITS LOCATION:

SECL is at present having two Subsidiaries as given below:

(a) CHHATTISGARH EAST RAILWAY LIMITED (CERL)

Registered Office: 2nd Floor, CSIDC Commercial Complex,
Raipura Chowk Raipur-492013, Chhattisgarh
E-mail id: cerlcewrl@gmail.com
Phone: 0771-2242155, Fax: 0771-2242154

(b) CHHATTISGARH EAST-WEST RAILWAY LIMITED (CEWRL)

Registered Office: 2nd Floor, CSIDC Commercial Complex,
Raipura Chowk Raipur-492013, Chhattisgarh
E-mail id: cerlcewrl@gmail.com
Phone: 0771-2242155, Fax: 0771-2242154

16. 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/#>).

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

The Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) has been complied and during the period under report, all Returns/Reports have been filed within the stipulated time with the Regulatory Authorities.

No Presidential Directives have been issued during the period 1st April, 2020 to 31st March, 2021 and during the last 3 (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. In compliance with the guidelines, SECL has paid dividend and issued bonus shares.

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/-
(S. M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A. P. Panda)
Chairman-cum-Managing Director
DIN: 06664375

Place: Bilaspur
Date: 06.08.2021

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
South Eastern Coalfields Limited
Bilaspur-495 006 Chhattisgarh

We have examined the compliance of conditions of Corporate Governance by **South Eastern Coalfields Limited** ('the Company'), for the financial year ended on March 31, 2021, 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-CAII (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. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Guidelines, *except for appointment of Independent Directors as per Section 149 of the Companies Act, 2013 read with Para 3.1.4 of DPE, Guidelines. Coal India Limited, being the Holding Company has constituted the Remuneration Committee for all its subsidiaries. The Remuneration of Directors /Officers however, is decided by Government of India.*

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

for **M&K Associates**
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
CP.No.10004
FCS No. 9298
UDIN: F009298C000483475
Hyderabad, June 18, 2021

CORPORATE OVERVIEW

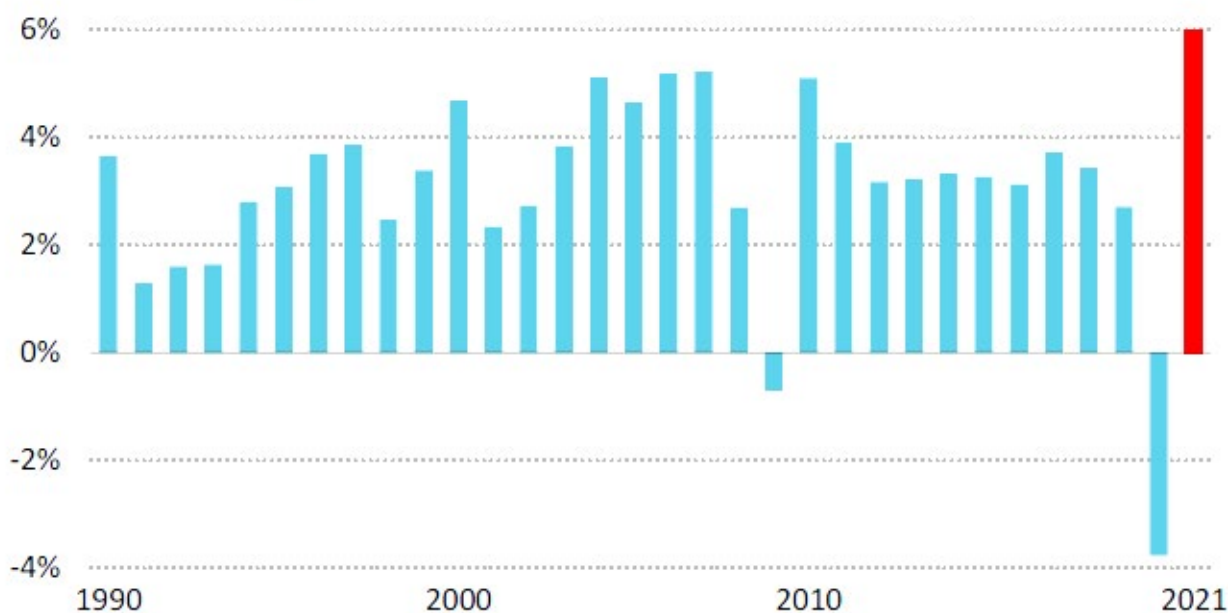
STATUTORY REPORTS

FINANCIAL STATEMENTS

Management Discussion and Analysis Report

The relation between economic growth and energy demand has always been obvious, with wealth creation in the economies virtually growing in tandem with the increase in the energy consumption. Globally, demand for primary energy will continue to rise to meet the requirements of growing population and aspiration for development. However, industrial experts argue that the elasticity between the energy demand and economic growth may decouple due to many factors such as energy mix, energy availability, energy accessibility, energy affordability, energy sustainability, energy efficiency, energy intensity etc. apart from technological interventions through expanding or innovative applications while factoring the environment concerns and recent pandemic issues across the globe.

Annual rate of change in world GDP 1990-2021



Source: IEA analysis based on economic data from the IMF and Oxford Economics

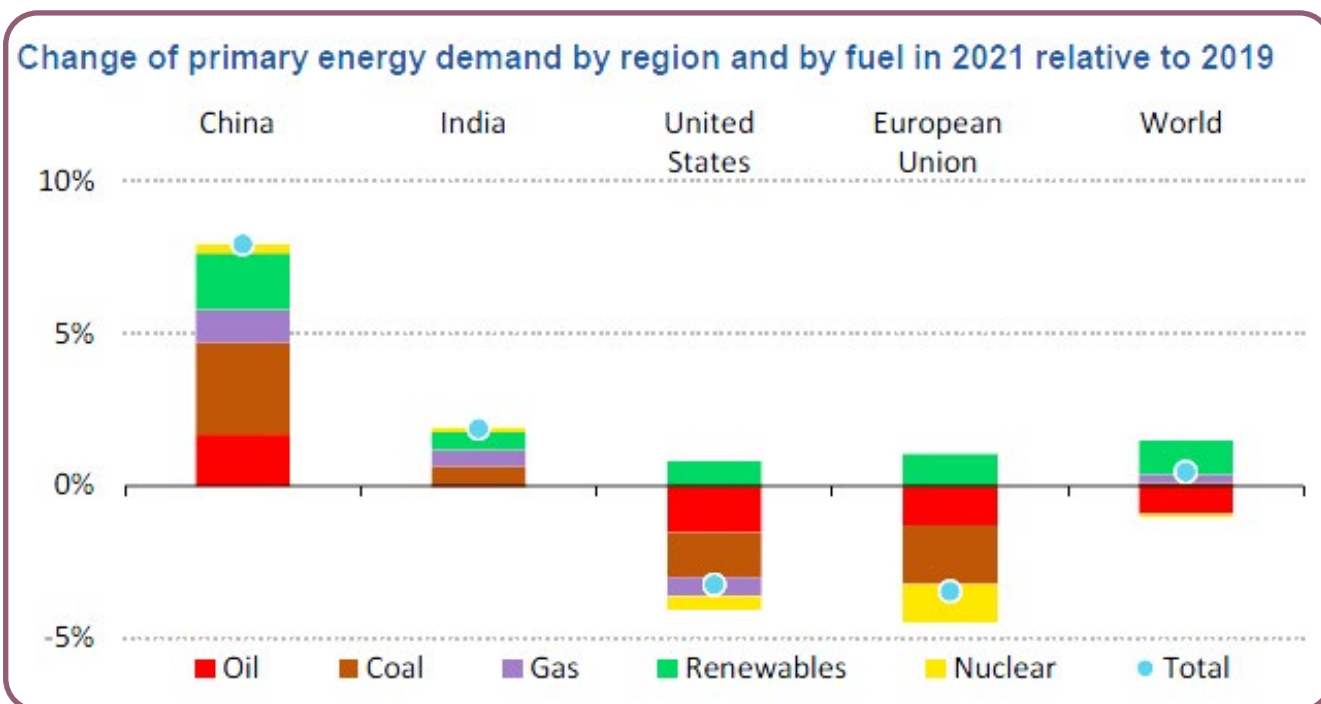
GLOBAL DEMAND – PRIMARY ENERGY

As per IEA's Global Energy Review 2021, the global energy demand in 2020 fell by 4%, the largest decline since World War II and the largest ever absolute decline. The latest statistical data for energy demand in the first quarter of 2021 highlights the continued impacts of the pandemic on global energy use. Building on Q1 data, projections for 2021 indicate that as Covid restrictions are lifted and economies recover, energy demand is expected to rebound by 4.6%, pushing global energy use in 2021 0.5% above pre-Covid-19 levels. The outlook for 2021 is, however, subject to major uncertainty. It depends on vaccine rollouts, the extent to which the Covid-19-induced lockdowns scarred economies, and the size and effectiveness of stimulus packages. Current economic outlook assumes global GDP to surpass 2019 levels, lifting demand for goods, services and energy. However, transport activity and, particularly, international travel remain severely suppressed. If transport demand returns to pre-Covid levels across 2021, global energy demand will rise even higher, almost 2% above 2019 levels, an increase broadly in line with the rebound in global economic activity.

As per IEA's Global Energy Review-2021, the drop in demand in 2020 did not affect all fuels evenly. Oil was by far the hardest hit, with restrictions on mobility causing demand for transport fuels to fall by 14% from 2019 levels. At the peak of restrictions in April, global oil demand was more than 20% below pre-crisis levels. Overall, oil demand was down by almost 9% across the year. In 2021, oil demand is however expected to rebound by 6%, faster than all other fuels.

The last time oil demand increased this rapidly was in 1976. Despite the strong rebound, oil demand remains 3% (3.1 mb/d) below 2019 levels. Road transport activity has remained subdued through much of the year, expected to recover to pre-Covid-19 levels only in the last months of 2021, while air transport demand is on track to remain markedly below 2019 levels for all of 2021. Only in Asia and, notably, in China does oil demand climb well above pre-Covid-19 levels.

In 2020, Coal demand dropped by 220 million tonnes of coal equivalent (Mtce), or 4%. The largest declines in coal use for electricity generation were in advanced economies, down 15%, which accounts for more than half of coal's global decline. Coal was particularly squeezed in the power mix by lower electricity demand, increasing output from renewables, and low gas prices. In 2021, coal demand has rebounded strongly, reversing all of the declines in 2020, though with major geographic variations. The decline in 2020 was concentrated in the United States and Europe, and demand in advanced economies is expected to recover only one quarter of its 2020 drop, curtailed by renewables deployment, lower gas prices and phase-out policies. Meanwhile, China is projected to account for 55% of the 2021 increase.



Source: IEA Global Energy Review 2021

COAL DEMAND

In Y2K, the United States and the European Union (EU-27) accounted for more than onethird of global coal consumption, about the same as China and India combined. In 2020, China and India account for two-thirds of global coal use, with the European Union and United States adding up to just 10%. Southeast Asia's coal consumption has now surpassed the European Union's and will soon overtake that of the United States. Global coal trends are now firmly driven by China and India, where the share has gone up to 56% and 11% from 29% and 6% respectively.

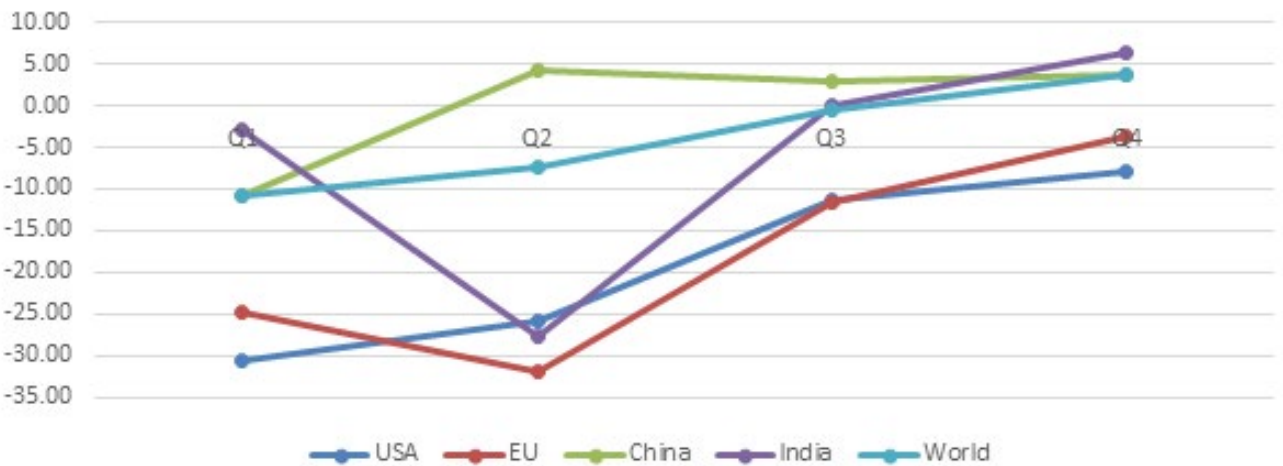
share of coal consumption 2020 vs Y2K



Source: IEA

Although, coal consumption fell by about 4% in 2020 (considered as the sharpest decline since World War II) mainly during the beginning of the year, but the demand had surged above pre-Covid levels by the year end largely driven by Asia, where economies were fast rebounding and December was particularly cold. Coal use in the fourth quarter was 3.5% higher than in the same period in 2019. Worldwide coal demand had dropped 11% year-on-year in the first quarter owing to mild weather, competitive gas prices and Covid-related lockdowns in China. In the second quarter, China eased its lockdowns and its economy began to recover, but lockdowns and related restrictive measures affected other big economies, thus global coal demand went down 7.5% year-on-year. In the second half of the year, majority of countries eased lockdowns and their economies rebounded, with coal consumption keeping pace, particularly in China and India. Higher gas prices lessened the fall in coal demand in the European Union and the United States. During the third quarter, global coal consumption almost returned to the level seen in the same period a year earlier. By the final quarter of 2020, global coal demand was up around 3.5% year-on-year, driven by the strong performance of the Chinese economy, economic recovery in India and an exceptional cold snap in Northeast Asia in December.

YoY quarterly % change in coal consumption by region 2020



Source: IEA

ENERGY SECURITY – COAL FUELLING INDIA

India Energy Security Scenario 2047 (IESS) provides useful guidance for development of energy scenarios across various energy consuming sectors at Four levels i.e., Least Effort, Determined Effort, Aggressive Effort and Heroic Effort. Similarly, guidance also gives insight into pathways for adoption of different combination of energy efficiency measures and technology interventions leading up to the year 2047, significantly linking to the 100th year of independence. Centre for Study of Science, Technology & Policy (C-STEP) India's report titled "Quality of Life for all" attempted to assess the energy demand and supply within sustainable development framework keeping in mind India's commitment to the climate change. The study examined India's development by 2030 under two scenarios viz., Business As Usual (BAU) and Sustainable Development (SD) scenario. The key findings show that the energy demand will grow from 4696 TWh to 10693 TWh under the BAU Scenario and 8296 TWh under SD Scenario. Study also estimates that 22% of BAU energy demand can be avoided by various sectors through technological interventions in agriculture, buildings, residential-cooking, industrial, transport-urban, transport freight, electricity supply etc. Further, about 39% of energy demand under BAU scenario for Residential Sectors, may come down due to aggressive penetration of modern technologies & efficient electrical appliances and about 20% in other sectors. Both scenarios, forecast that industrial sector will remain major consumer of energy followed by commercial and residential sectors. The energy supply in the BAU scenario is likely to grow 3 fold from 6355 TWh in 2012 to 17538 TWh in 2030 @ 6% CAGR, where share of Coal in energy supply is likely to increase from 39% in 2012 to 62% in 2030. The energy supply under SD scenario may fall to 13195 TWh by changing the energy mix with greater emphasis on renewable energy and reduction in the share of fossil fuels. Electricity generation volume will grow 4 times from 966TWh to 4144TWh and 3251TWh under the BAU and SD scenarios respectively. The electricity generation requirement could be lesser by 27% i.e., 893 TWh due to improved energy efficiency, higher reliance on renewables and change of energy mix. Despite higher share of renewable in the energy mix under the BAU scenario, reliance on coal-based electricity will increase from 70% in 2012 to 80% by 2030.

A NITI Aayog study on Energy Efficiency and Energy Mix in the Indian Energy System (2030) has made forecast with the assumptions under different scenarios based on the guidance provided in IESS 2047, considering the base year as last year of 11th Five Year Plan i.e., 2012. The report envisages inter alia growth of GDP at CAGR 7.4% up to 2047, increase in urbanization from 31% in the base year to 51%, growth in manufacturing sector from 16% to 34% etc. It also assumes that the activity demand will rise in the economy resulting in increase in per capita transport demand from 5970 KM to 18700 KM, rise in per capita steel consumption from 66 kg to 372 kg, increase in per capita residential building space from 1.8 Sqm to 35 Sqm, rise in per capita commercial building space from 0.7 Sqm to 5.9 Sqm and rise in modern energy use for cooking per capita in rural areas from 61 kgoe to 183 kgoe. The Report assumes electricity and energy mix at the determined effort level of IESS 2047 i.e., Level 2, considering the economic behavior in the demand sectors, technology choice and supply of electricity to meet energy demand. In this report also, Coal's share in the primary energy supply will remain significant i.e., 3284TWh out of 7017TWh (47%) in 2012, to 7773 TWh out of 15286 TWh (51%) in 2030 and 13401 TWh out of 25890 TWh (52%) in 2047. In the Electricity mix, Coal power stations' share will grow i.e., 106GW out of total 193GW in 2012 to 264GW out of total 562GW in 2030 and 482 GW out of 1112Gw in 2047. The report also mentions that the share of RE in the electricity generation mix will grow from 5.5% in 2012 to 15% in 2030 and further rise to 23.4% in 2047. Thus, Coal will remain a dominant fuel in the primary energy supply and electricity generation mix in India.

ENERGY MIX – INDIA

Thermal Power will continue to meet India's base load power needs for a foreseeable future. Even though renewables are likely to take a larger share of the burden of power generation, it is unlikely that wind and solar power will wipe out the need for fossil fuel based power generation. India 2020 Energy Policy Review by International Energy Agency shows that Fossil fuels contribute a major share i.e., 74% of the energy mix in India. Among fossil fuels, consumption of Coal is being primarily meant for power generation, Oil for transport & industry and Biomass for residential heating & cooking.

The Report mentions that Coal is the most abundant fossil fuel resource in India. Since nationalization of coal mines, share of coal has been rising both in the energy mix and power mix. After nationalization of coal mines in 1973, share of coal in the TPES, had gone up from 20 % to 44% and share in power generation from 50% to 74% by 2017. Coal accounted for over half of the total growth in energy supply during this period. Even a comparison of energy mix among G20 nations shows that China and South Africa had a larger share of coal as compared to India. Total Final Consumption (TFC) or energy consumption per capita in India was 0.44 toe as against global average of 1.29 toe and IEA average of 2.9 toe in 2017. In terms of energy consumption, Industrial sector accounted for the largest share of TFC in India, followed by the residential sector.

Another study on optimal generation capacity mix 2029-30 released by Central Electricity Authority (CEA) in Feb 2019, considered the Technologies and Fuel options available through conventional and renewable Sources to project the peak electricity demand and electrical energy requirement in 2029-30. The year 2030, gains significance as India has committed at

COP21 under Intended Nationally Determined Contributions (INDCs) *inter alia* to enhance power generation capacity based on non- fossil fuel sources to 40% of the total generation mix. Further, under the 19th Electric Power Survey, the electrical energy requirement has been projected at 2400 BU and peak electricity demand at 340 GW in the year 2029-30. The study shows that the installed capacity is likely to be 831GW, in which share of coal and lignite will be 32% of energy mix i.e., 267 GW, Solar at 300 GW (36%) and Wind at 140 GW (17%). But coal will contribute 50% of electricity generation in 2030. Similarly, discussion paper title 'coal transition in India' by The Energy and Resources Institute (TERI) in Nov18 concluded that electricity demand will grow @ 6% CAGR to reach 2040 TWh of grid consumption by the year 2030 corresponding to GDP growth of 7% per year though the period. For this purpose, the steam coal demand has been projected in the range of 1058-1171 MT for grid & captive power generation and additional 298 MT for industrial consumption including coking coal. The study shows final coal consumption will range between 1356 MT to 1469 MT under three different scenarios viz., current trajectory scenario (CTS), current policy scenario (CPS) and high RE scenario (HRES). In another study, TERI has assessed the electricity supply mix in 2030 under the above three scenarios, where coal capacity will be 238GW (generation share 54%) under CPS, 262GW (generation share 61%) under CTS and 192 GW (generation share 50%) under HRES.

IMPORT SUBSTITUTION AND COMMERCIAL MINING

India has been dependent on the imported coal to meet the domestic demand of different sectors. It has been the endeavour to identify the quantum of imports, which can be substituted by domestic production especially, non-coking coal by improving coal production not only to conserve foreign exchange but also to become self-reliant on energy supply, by utilising the abundant coal reserve of around 344 BT in India.

In the year 2020-21, coal production was 716.084MT, largely contributed by public sector companies (685.951 MT), out of which CIL contributed 596.219MT, SCCL & other PSUs produced 89.732 MT and private sector produced 30.133 MT. Both public and private sector together produced 671.297 MT non-coking coal. Indigenous coal was supplied mainly to power plants 580.558 Mt followed by sponge iron 9.572 MT, steel 8.943 MT and cement 6.751 MT etc. In order to augment the coal supplies, coal was imported to the tune of 214.995 MT as compared to 248.537 MT in 2019-20, a reduction of 13.50% over 2019-20. Import of coking coal and non-coking coal were 51.288 MT and 163.707 MT as against 51.833 MT and 196.704 MT respectively in 2019-20. Coal was mainly imported from Indonesia (92.535 MT), Australia (54.953 MT), South Africa (31.143 MT), USA (12.204 MT), Russia (6.749 MT), Singapore (4.486 MT) and others. Coking coal was primarily imported from Australia, 37.036 MT (72.21%).

In the present duopolistic market, PSUs i.e., CIL and SCCL supply about 90% of domestic coal and private miners produce the balance for their captive consumption. Although coal India has taken steps to achieve 1 BT production per annum by FY'24, still the demand forecast for coal may compel India to import, unless substituted by supplementary domestic efforts. Therefore, entrepreneurs have to come forward with all resources including advanced mining technologies, HEMMs, expertise etc. to augment production and offer coal to the consumers

at affordable prices by competing with other players in the field. It has also been in demand that PSUs are enjoying monopoly and mining must be allowed beyond captive purpose. As Coal sector has been de-regulated and 100% FDI permitted, it can attract investments from large mining companies across globe to supplement efforts, augment production and offer coal at competitive prices in India. After nationalization of coal mines, the coal sector has been opened for commercial mining by private companies after a gap of 47 years. In the first tranche of auction under MMDR Act, 19 coal mines were auctioned and second tranche is in process with a list of 67 coal mines.

CARBON LOAD

It is relevant to mention here that India has made important progress towards meeting the United Nations Sustainable Development Goals, notably Goal 7 on delivering energy access. Both the energy and emission intensities of India's Gross Domestic Product (GDP) have decreased by more than 20% over the past decade. This represents commendable progress even as total energy-related carbon dioxide (CO₂) emissions continue to rise. India's per capita emissions today is 1.6 tonnes of CO₂, well below the global average of 4.4 tonnes, while its share of global total CO₂ emissions is approx. 6.4%. India has taken significant steps to improve energy efficiency by avoiding an additional 15% of annual energy demand and 300 million tonnes of CO₂ emissions over the period 2000-18, according to IEA analysis. Further, India has committed through its INDC to enhance its forest cover, which will absorb 2.5 to 3 billion tonnes of CO₂ by 2030.

As per IEA's Global Energy Review 2021, the economic recovery in India in 2021 is set to push emissions almost 200 Mt higher than 2020, leaving emissions 1.4% (or 30 Mt) above 2019 levels. A rebound in coal demand above 2019 levels drove the emissions increase in India, with the expected rise in coal-fired electricity generation in 2021 likely to be three times greater than the increase in generation from renewables. CO₂ emissions in India are now broadly on par with emissions in the European Union at 2.35 Gt, although they remain two-thirds lower on a per capita basis and 60% below the global average.

COAL RESERVES IN INDIA

The inventory of Geological Resources of Indian Coal (as on 01.04.2020), prepared by the Geological Survey of India on the basis of resources estimated by CMPDIL, MECL, GSI, SCCL and some private/public entrepreneurs is given below:

1. A total of 344020.84 Million Tonnes of geological resources of coal have so far been estimated in India, up to the maximum depth of 1200 meters. Out of the total resources, the Gondwana coalfields account for 342397.00 MT (99.5%), while the Tertiary coalfields of Himalayan region contribute 1623.65 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	4667.75	645.31	0.00	5313.06	1.54
Medium Coking	14875.55	11245.13	1862.86	27983.54	8.13
Semi Coking	519.44	994.87	193.21	1707.52	0.50
Sub-total	20062.74	12885.31	2056.07	35004.12	10.17
2. Non-coking Coal	142804.29	137385.48	27203.30	307393.07	89.35
3. Tertiary coal	593.81	121.17	908.67	1623.65	0.47
Total (All types)	163460.84	150391.96	30168.04	344020.84	100.00

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

Depth Range (in Meters)	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)	% Share
0-300	118081.41	65704.07	9121.78	192907.26	56.07
300-600	26872.92	66602.74	15016.23	108491.89	31.54
0-600	14056.10	450.44	0.00	14506.54	4.22
600-1200	4450.41	17634.71	6030.03	28115.15	8.17
Total	163460.84	150391.96	30168.04	344020.84	100.00

3. The estimation of total resources of coal, as on 01.04.2020, has increased by 17525.21 MT as compared to 01.04.2019 wherein 'Proved Resources' has increased by 7846.43 MT, as shown in table below:

Inventory as on	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)
01.04.2020	163460.84	150391.96	30168.04	344020.84
01.04.2019	155614.41	140500.53	30380.69	326495.63
Difference	(+) 7846.43	(+) 9891.43	(-) 212.65	(+) 17525.21

(Source: CMPDIL)

COAL INDIA STRUCTURE AND INDUSTRY

In India, CIL has a dominant position in coal production, producing more than 80% of India's coal through 07 subsidiary producing companies and one consultancy subsidiary. South Eastern Coalfields Limited is the largest subsidiary with a quadrant share of CIL production. Singareni Collieries Company Limited (SCCL) is the second-largest public coal company sharing about 9% of the country's coal production. Relatively lesser quantities of coal are also being produced by TISCO, SAIL etc. for captive consumption, apart from production by other Pvt companies.

COMPANY OUTLOOK

The Geological Coal Reserves in SECL Command Area as on 01.04.2020 are 78017.02 MT.

SN	Coal Reserves	Depth (Mtrs)	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)
I.	Coal Reserves in MP	0-1200	2491.96	5766.93	326.30	8585.19
II.	Coal Reserves in CG	0-1200	24984.86	42367.83	2079.14	69431.8
Total Coal Reserves in SECL(MP+CG)		0-1200	27476.82	48134.76	2405.44	78017.00

Company has bright prospects with 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.

CONTRIBUTION TO 1 BT

As on 01.04.2021, 83 major coal projects (50 Underground Projects and 33 Opencast Projects) have been approved in SECL for a total capacity of 289.99 MTY with sanctioned capital of 45538.28 Crore (including pre-nationalized mines & Custodian Mines). Out of the 83 projects, 33 projects (06 UG & 27 OC) are On-going Projects, 44 projects (39 UG & 05 OC) are completed projects, 05 UG Mines are Existing Mines & 01 custodian Mine (Gare Pelma IV/2&3). In order to augment the coal production, 17 on-going projects (03 UG & 14 OC) are under implementation. As per CIL's Revised Roadmap for 1 Billion Tonne Coal production, SECL's will contribute annually 254.00 MT envisaging an incremental production of 103.40 MT over actual production in 2020-21. 1 (one) BT production plan has been re-visited considering status of land acquisition, Forestry & Environment clearances, Coal evacuation/dispatch infrastructure already under implementation of on-going & future projects. The major contributors in Ongoing projects will be Gevra OC Expn (70 MTY), Kusmunda OC Expn (50 MTY),

Dipka OC (40 MTY), Manikpur OC (3.5 MTY), Saraipali OC RCE (1.4 MTY) in the Korba Coalfields. In the Mand Raigarh Coalfields, Baroud OC (10MTY) , Jampali OC RCE (2 MTY), Chhal OC Seam-III (6 MTY), Durgapur OC (6.0MTY), Pelma OC (15MTY) will contribute in addition to the custodial mines in operation. In the Korea-Rewa Coalfields, Amadand OC (4 MTY), Kanchan OC (2 MTY), Jagannathpur OC RCE (3 MTY), Madannagar OC (12 MTY), Rampur Batura OC (4 MTY) & UG mines with CM operations like Churha, Vindhya, Kapildhara, Bangwar, etc. will contribute to the incremental production. Two OC mines have been planned to convert in to UG operations to protect the Environment viz, Malachua & Amritdhara projects.

MDO ENGAGEMENT

MDO concept envisages a coal block owner to outsource all the entire operations to a third Party, which takes the responsibility in land acquisition, resettlement & rehabilitation and responsible for designing, financing, procurement, construction, and operation and maintenance activities of the Project, including final Mine closure of the Mine. India meets close to 80 per cent of its electricity needs through coal-fired power plants. It is dependent on imports to meet its needs despite having the fifth largest recoverable coal reserves in the world. MDO model can reduce import dependency and fulfill *atmanirbhar* philosophy and conserve precious foreign exchange. MDO, with its technical expertise, enables faster operationalization of the coal blocks. In SECL, three Open cast projects viz., Madannagar OCP (12 MTY), Durgapur OCP (6MTY), Pelma OCP (15 MTY) have been identified for MDO mode of operation. Ketki UG Mine has also been selected for MDO mode after approval of revised project report (0.87 MTY).

COAL EVACUATION AND INFRASTRUCTURE

Creating transport infrastructure and facilitating logistics to move coal from the point of origin by consumers 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.

RAIL CORRIDORS:

Two (02) Joint-Venture Companies viz., M/s. Chhattisgarh East Railway Limited (CERL) and M/s. Chhattisgarh East-West Railway Limited (CEWRL) had been formed in March, 2013, as subsidiaries of SECL with 64% stake in each JV, in terms of the Memorandum of Understanding (MoU) signed between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) and the Government of Chhattisgarh. Both the rail corridors have been notified by Ministry of Railways as 'Special Railway Project' to provide national infrastructure and 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.

PROGRESS OF EAST RAIL CORRIDOR BY CERL:

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).

PHASE-I PROJECT:

1. Engine Rolling has successfully been completed for 45-74 Km (Korichhapar to Dharamjaygarh) of Main Line on 31st December 2020.
2. Signalling & Telecom (S&T) works for the first 45 Km from Kharsia to Korichhapar (single line) of Phase-I Project has been completed.
3. The Doubling of Kharsia to Korichhapar (0-44 Km) and the first block section of Spur Line (0-14 Km) i.e., Gharghoda to Bhalumuda are in advanced stage of completion. S&T works in these sections are also in advanced stage of completion.

- The Company has obtained the Stage-I Forest Clearance for Feeder Lines from MoEF, Nagpur. Working Permission has also been obtained.
- The Construction Work of Feeder Lines has been commenced.
- Total expenditure in the Project till 31.03.2021 is about ₹2522.40 Crore out of the total Project cost of ₹3055.15 Crore. Expenditure during the year is ₹351.11 Crore. Physical Progress is about 83%.
- Special efforts were undertaken for executing the work observing the COVID-19 Guidelines during spread of COVID-19.

PHASE-II PROJECT:

- The process of financial closure has been initiated and E-tender has been floated for inviting bids from the prospective banks and financial institution for providing Rupee Term Loan of ₹1349.00 Crore (entire Debt amount at 80:20 Debt: Equity) to part finance the Project cost of ₹1686.22 Crore.
- Equity to the tune of ₹74.00 Crore has been infused by the Promoters in the Project during the Financial Year which is mainly utilized for land acquisition purpose.
- Total expenditure in the Project till 31.03.2021 is about ₹95.00 Crore out of the total Project cost of ₹1686.22 Crore. Expenditure during the year is ₹70.59 Crore. Physical Progress is about 5%.
- Land acquisition and Forest Clearance for the Project is in process.

PROGRESS OF EAST WEST RAIL CORRIDOR BY CEWRL:

- The East-West Rail Corridor Project passes through Bilaspur and Korba Districts of Chhattisgarh.
- Financial Closure was achieved on 04.09.2020 despite the COVID-19 Pandemic Period for a Rupee Term Loan of ₹3976.00 Crore being 80% of the estimated Project cost.
- The Company has received a total of ₹497.86 Crore from the consortium till 31st March, 2021.

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. At present, there are 35 Nos. of Railway Sidings for dispatch of coal as detailed below:

SN.	Coalfields	No. of Railway Sidings	Capacity (in MTY)
1	Korba Coalfields	19	124.90
2	CIC Coalfields	16	28.75
Total		35	153.65

FIRST MILE CONNECTIVITY (FMC)

FMC initiatives aimed to replace the existing road transport of coal from pitheads to dispatch points with seamless mechanized transportation system like conveyor belts within mine boundaries to bring not only efficiency in transportation and loading into the carriers but also aims at significantly reducing the fugitive emissions in the environment. Coal Handling Plants (CHP) with silos will be set up with rapid loading systems with an aim to supply sized and quality coal to consumers. It will have multiple added advantages like easing the load on road network, saving in diesel cost, stoppage of possible pilferages, elimination of under loading/overloading of wagons, optimization of loading cycle time etc. At SECL, six coal mines (having capacity of 4 MTY or more) have been identified for executing 9 projects under FMC initiatives. Already first phase FMC work has been completed and second phase is likely to be completed at Kasmunda for backward integration of the system with the third phase. All Tenders were floated well within the assigned time and the works were awarded to the successful

bidders. Simultaneously, the rail connectivity arrangements are also being made to synchronize the loading with evacuation facilities by Mar'23. The details of FMC projects are as follows:

SN.	Name of the FMC Project	Capacity (MTY)/ Coal to be handled	Awarded Value (₹ in Cr)	Remarks
1	Kusmunda CHP Phase-I	10	89.96	Plant commissioned on 08.02.2020. Evacuation of coal is in operation.
2	Kusmunda Phase-II		262.75	Work is in progress.
3	Kusmunda Central Inpit Conveying system	40	544.59	Work awarded to M/s. RVR Projects limited. Agreement executed on 10.02.2021. Site development is in progress.
4	Manikpur CHP Silo	4.9	170.51	Work awarded to M/s. ACB India Limited on 05.12.2020. Soil investigation work completed.
5	Gevra RLS	20	222.19	Work awarded to M/s S.K. Samanta & Co. Pvt. Ltd. Agreement executed on 09.02.2021. Site survey work completed.
6	Gevra Silo No. 5 & 6	30	615.07	Work awarded to M/s. Heavy Engineering Corporation Limited. Agreement executed on 05.02.2021. Soil testing completed.
7	Dipka Mechanized siding with Silo	25	211.22	Work awarded to M/s. McNally-AML. Site handed over to the contractor. Agreement executed on 06.03.2021. Site survey work completed.
8	Chhal CHP with Silo	6	173.46	Work awarded to M/s. McNally-Troxel (JV). Site handed over on 22.02.2021.
9	Baroud CHP with Silo	10	216.53	Work awarded to M/s. McNally-Troxel (JV) on 18.01.2021. Site handed over on 22.02.2021.

GREEN INVESTMENTS

Investment in renewable energy and commitment towards a net Zero Company is an important step towards harnessing clean energy resource available to a mankind. In this direction, steps have been taken to install Ground Mounted Solar Power plants at four patches of land in Bhatgaon Area and Bishrampur Area to install 40MW by engaging Project developer through M/s CLUVPL, a joint venture between CIL & NLC India Ltd. Solar Power from these plants shall be used for captive consumption with an option to inject the surplus power into the grid. Further, Solar Energy Corporation of India (SECI) has been assigned to develop 100 MW solar plant under BOOT model in Chhattisgarh for captive consumption of power in the Korba coalfields, which will not only reduce the impact of energy charges in producing coal but also improve the carbon footprints in the working environment. In addition to the above, grid connected Roof Top Solar Power Plant with a capacity of 2150 KWP has also been planned to install on various service buildings.

BUSINESS VERTICALS

• CBM EXPLORATION

Coal Bed Methane (CBM) is an unconventional form of natural gas (comprising of about 95% methane) which is found in adsorbed state in the coal matrix, formed during coalification process which has usually more than 8000 kcal/kg of calorific value. In SECL command Areas, Sohagpur CBM Block-I (Madhya Pradesh) under Hasdeo Area has been identified by CMPDIL in the eastern part of Sohagpur coalfields. CMPDIL has prepared the Project Feasibility Report (PFR) of the CBM Block covering 50.62 Km² comprising of coal blocks Beheraband West, Beheraband mine, some part of Beheraband North, Chhulaha Bhuila East and Chhulaha Bhuila Central mine blocks. The estimated Gas in Place is 0.53 BCM. Pre-Feasibility Report was approved at an estimated capital outlay of ₹202.72 Crores. CMPDIL will be the Principal Implementing Agency.

• SURFACE COAL GASIFICATION

Coal gasification is considered an important strategy towards clean coal technology with a goal of reducing carbon footprints. As opposed to combustion, it is the most thermally efficient and cleanest way to convert the energy content of coal into electricity, hydrogen, clean fuels and value added chemicals. Coal Gasification is an environment friendly chemical process by which non-coking coal can be converted by reaction with O_2 and H_2O into a clean fuel gas called Synthesis Gas or 'Syngas' comprising mainly of H_2 , CO and CH_4 . The Syngas produced has an immense commercial application potential as it can be directly used as or converted into industrial clean fuels, variety of high value Chemicals & Petrochemicals, Fertilizers, and also for generating electricity as well as for making steel via Direct Reduced Iron (DRI) process. Gasification will also help to reduce the country's dependence on imported Oil and Natural Gas. Coal gasification plants are successfully operating in countries like South Africa, China, USA, Netherlands, etc. due to cost competitiveness with that of natural gas feedstock.

Surface Coal gasification Project is being taken up at Mahamaya Open cast Mine (Coal Grade-G4, capacity 1.5 MTY, Mine Life 33 years) in Bhatgaon Area, Surajpur district, Chhattisgarh. M/s. Projects and Development India Limited (PDIL), a Miniratna PSU, has been engaged for pre-feasibility study and to carry out market research for identification of downstream products and determine the techno-economic feasibility of setting up coal to Synthesis Gas and downstream product Plant. Based on techno-economic viability, global tender will be floated for setting up of the Coal Gasification project.

SWOT ANALYSIS



STRENGTHS

- Huge proven coal reserves of 23,938 Million Tonnes and Total Reserve is 68,493 Million Tonnes Coal Bed Methane (CBM) potential in command area.
- Major production from Opencast Mines with favorable stripping conditions.
- Deployment of large capacity HEMMS viz. 240 Te. Dumpers, 42 cubic meter Shovels, 381 mm Drill Machines, 150 Te. Cranes, 850HP Dozers, 533HP Graders, etc. to achieve economy of scale in large mines.
- Financial soundness with adequate reserves/ surplus to support growth plan and enhance infrastructure facilities.
- Experienced personnel, productive work culture, participating management, good industrial relation provides organizational support.
- Geological support for developing business verticals.

WEAKNESS

- Expansion and operation of semi- mechanical Underground Mines are not economical.
- Heavy dependence on import of spares and services for large HEMMs.
- Decline in core competency due to outsource operations.

OPPORTUNITIES

- Consistent Thermal power generation to meet base power demand.
- Investment in adequate infrastructure and faster coal evacuation facilities.
- Concentrated location of major open cast projects will provide opportunity to install pithead power plants integrated with mining projects.

THREATS

- Coal mining projects are mostly affected by time and cost overruns.
- Commercial mining may bring stiff competition.
- Huge fall in global non-coking coal prices is a cause of concern.
- Stringent Environment and Conservation Laws may create operational difficulties..

MINING 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 etc. It broadly involves following major concerns:

- Multiple levels of clearances for environmental issues and forests.
- Low extraction and huge burden of Land value make even safe, scientific and environment friendly underground mine unviable.
- Steep fall in global prices may destabilize the coal demand pattern in India.
- Difficulties in getting land records, handling disputes, taking physical possession, evicting unauthorized dwellers etc. pose severe challenges.
- Greater dependence on the imported HEMMs, their parts and services may adversely affect operations in Open cast mines.
- Concern for climate change and strong advocacy against fossil fuels without enabling access to alternate affordable energy resources, may threaten mining operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has well-established Internal Control system and procedures commensurate with its size and nature of business. The internal control system is effectively operating in the company and provides reasonable assurance that policies, processes, tasks, behaviors and other aspects of an organization taken together and facilitate its effective and efficient operation, to ensure the quality of internal and external reporting, and help to ensure compliance with applicable laws and regulations.

The Audit Committee of SECL Board plays an important role in overseeing the company's internal control processes and perform their oversight by demanding relevant, timely and accurate information from management, the Internal Auditor and the External Auditor, and by asking direct and challenging questions. The Board, with the assistance of the Audit Committee assesses the effectiveness of the system of Internal Control in the areas covered.

The Internal Audit is being conducted through firms of Chartered/Cost Accountants covering all the Offices/ Areas/Units of operation and the Audit Committee of SECL Board reviews their reports. Internal Financial Control Measures/Guidelines have 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, Certifications are obtained from Internal Auditors 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.

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”.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Covered in the main report.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Covered in the main report.

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

Covered in the main report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Covered in the main report.

CAUTIONARY STATEMENT

Statements in the ‘Management Discussion & Analysis Report’ and ‘Board’s 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/-

(S. K. Pal)

Director (Technical) Projects & Planning

DIN: 09034709

Sd/-

(A. P. Panda)

Chairman-cum-Managing Director

DIN: 06664375

Place: Bilaspur

Date: 06.08.2021

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, 2021

The preparation of financial statements of South Eastern Coalfields Limited for the year ended 31st March, 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on Independent Audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 16.07.2021 which supersedes their earlier Audit Report dated 28.05.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2021 under Section 143(6)(a) of the Act. 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. The Audit Report has been revised by the Statutory Auditor to give effect to some of my audit observations raised during Supplementary Audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and related audit report:

Comment on Financial Position

Balance Sheet

Assets

Current Assets

Trade Receivables (Note 13) : ₹1114.74 crore

The above includes an amount of ₹102.47 crore receivable from NTPC for the period from November 2017 to August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0-3 km.

Prior to November 2017, agreement with NTPC, allows charging STC for supply of coal to NTPC plants located at a distance beyond 3 Kms. However, South Eastern Coalfields Limited started levying STC unilaterally for 0-3 Kms from November 2017.

A modification/ supplementary agreement for charging STC for the distance 0-3 KM was entered into with NTPC only in August 2020 which states that the modification shall be applicable from the date of signing i.e., August 2020. NTPC refused to acknowledge the claims for 0-3 km pertaining to the period prior to August 2020.

In absence of any agreement, for charging of STC for 0-3 KM, for the period between November 2017 to August 2020 chances of recovery of ₹102.47 crore is very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors' Report is also deficient to that extent.

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

Sd/-

(Mausumi Ray Bhattacharyya)

Director General of Audit (Coal)

Kolkata

Place: Kolkata
Dated: 05.08.2021

Management Reply to the Comments of Comptroller and Auditor General of India

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 2021

Management Reply

The preparation of Financial Statements of South Eastern Coalfields Limited for the year ended 31st March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 16th July 2021 which supersedes their earlier Audit Report dated 28th May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of South Eastern Coalfields Limited for the year ended 31st March 2021 under section 143(6)(a) of the Act. 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. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Financial Statements and related audit report:

Comment on Financial Position

Balance Sheet

Assets

Current Assets

Trade Receivables (Note 13): ₹1114.74 crore

The above includes an amount of ₹102.47 crore receivable from NTPC for the period from November 2017 to August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0-3 km.

Prior to November 2017, agreement with NTPC, allows charging STC for supply of coal to NTPC plants located at a distance beyond 3 Kms. However, South Eastern Coalfields Limited started levying STC unilaterally for 0-3 Kms from November 2017.

A modification/ supplementary agreement for charging STC for the distance 0-3 KM was entered into with NTPC only in August 2020 which states that the modification shall be applicable from the date of signing i.e., August 2020. NTPC refused to acknowledge the claims for 0-3 km pertaining to the period prior to August 2020.

In absence of any agreement, for charging of STC for 0-3 km, for the period between November 2017 to August 2020 chances of recovery of ₹102.47 crore is very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors' Report is also deficient to that extent.

The matter of Non-payment of Surface Transportation Charges for 0-3 km by only one party i.e., NTPC amongst all consumers for a certain period has already been referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

The management expects a favourable result from AMRCD and hence, no expected credit loss has been recognized during the period.

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Sd/-
GM (Finance)

Sd/-
Director (Finance)

Sd/-
Chairman-cum-Managing Director

Date: 09.08.2021

Place: Bilaspur

Independent Auditors' Report

To
The Members of South Eastern Coalfields Limited
Report on Audit of Standalone Ind AS Financial Statements

Opinion

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, 2021, the Statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Standalone Ind AS Financial Statements”), in which are included the Returns of 10 branches for the year ended on that date audited by the branch auditors.

In our opinion and to the best of information and according to explanations given to us, and based on the consideration of reports of the branch auditors on separate Ind AS Financial Statements of the branches referred to in the Para Other Matters below, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (“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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), of the state of affairs of the Company as at 31st March, 2021 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those standards are further described in the ‘Auditors responsibilities for the Audit of the Standalone Ind AS Financial Statements’ section of our Report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by branch auditors in terms of their reports referred to in Para Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on standalone Ind AS Financial Statements.

Emphasis of Matters

1. We draw attention to Note-38(5)(n) to the Standalone Ind AS financial statements which explains the principles of prudence the management has applied in assessing the uncertainties and financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 Pandemic situation, for which a definitive assessment of the actual impact on the Ind AS Financial Statement in the subsequent period is highly dependent upon circumstances as they evolve.
2. We draw attention to Note-38(5)(m) to Standalone Ind AS financial statements which depict the change in accounting policy in respect of change in definition of Materiality and the consequential impact on the Ind AS Financial Statement.

3. We draw attention to Note-3.4 to Standalone Ind AS financial statements where company has adopted retrospective change in accounting practice i.e. to capitalize GST on Capital Goods w.e.f. 01st April 2020 and the consequent increase in Property Plant and Equipment and reduction in GST input receivable.
4. We draw attention to Note-38(5)(k) regarding periodical confirmation, reconciliation and consequential adjustment (if any) in respect of trade receivables, cash & bank balances, certain loans & advances, long term liabilities and current liabilities.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Standalone Ind AS Financial Statements and our Auditors' report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have concluded that no such material misstatement of the other information exists.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Principal Audit procedures performed
1.	<p>On account of COVID-19 pandemic, the audit was conducted through remote location. The review of physical documents was carried out through scanned images of documents and confirmations provided by the Company.</p> <p>There are inherent limitations to the scanned documents specially w.r.t. availability of original documents with the Company and authenticity of documents available.</p> <p>Our attendance at the physical verification done by the management was impracticable under the lock-down restrictions and therefore we have relied on the reports provided by Management to obtain comfort over the existence and condition of inventory at year end.</p>	<p>Due to Covid-19 outbreak and travel restrictions in lockdown during the period of audit, we could not travel to office of the company to carry out audit physically. As a result, necessary documents, records, information and reports were received in scan/soft form over emails and audit procedures were carried out on such information received.</p> <p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Reviewed information received in scanned / soft form of documents. Further enquiry was based on scrutiny and assessment of scanned documents. -Obtained confirmation w.r.t. authenticity of documents and availability of original documents in the custody of management of the company.

S. No.	Key Audit Matter	Principal Audit procedures performed
	<p>As we could not gather audit evidence in person or by personal interactions with the staff, we have identified this as Key Audit Matter.</p>	<p>- Made enquiry by verbal discussions with management of the company where ever necessary for placing reliance over the scanned documents received and gathering additional audit evidences.</p>
<p>2.</p>	<p>Assessment of Stripping Ratio and Stripping Activity Adjustments for Overburden Expenditure of Surface mine (Opencast mine).</p> <p>Stripping Ratio is the ratio of overburden to coal and determination of this involves significant assumptions and judgment of management and experts.</p> <p>Quantity of coal and overburden is estimated and surveyed by internal and external experts.</p> <p>Assumptions are reviewed at regular intervals and hence ratio changes from time to time. Expenditure incurred on overburden removal is capitalized and the same is expended in relation to actual production during the year and adjusted for standard stripping ratio and advance stripping.</p> <p>Because this accounting involves technical assumptions and judgment, we have considered this as Key Audit Matter.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Obtained management understanding about the stripping procedure adopted in the company and the similar mining industries. -Discussed with management about the procedures adopted to identify the expenses related to surface mines and allocate expenses incurred to coal and overburden. -Evaluated the controls in place and its effectiveness in respect of input information documents related to allocation of expenses to coal and overburden, and measurement of coal and overburden. -Reviewed the calculation of ratio variance of overburden to coal and provision calculation. -Reviewed the adequacy of disclosures in the notes to Ind AS financial statements. <p>Our audit procedures did not identify any material exceptions</p>
<p>3.</p>	<p>Provision for Coal Quality Variance (Grade Slippage)</p> <p>Coal Quality Variance is adjustment made to sale due to mismatch in declared grade of coal and external quality test report.</p> <p>Revenue from sale of coal is recognized in financial statements at declared grade of coal and adjustment for coal quality variance is made as grade slippage provision based on trend of past results</p> <p>The variance if any due to change in quality of coal is settled separately by issuing Debit/Credit notes.</p> <p>Due to materiality in the context of Revenue recognized in Statement of Profit and Loss and adjusted for Grade Slippage and the level of judgments and estimates required for trend of past results, we consider this to be a key audit matter.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Identified all the sales made during the current period from sale register, samples which are sent for testing of grade. -Obtained and evaluated trend of past results prepared based on the outcome of test from mutually agreed quality testing laboratory or Referee quality testing laboratory. -Obtained and evaluated calculation and working of grade slippage provision. -Evaluated the controls in place for estimation, recognition and disclosure in financial statements. <p>Our audit procedures did not identify any material exceptions</p>

S. No.	Key Audit Matter	Principal Audit procedures performed
4.	<p>Assessment of Litigations & Contingent Liabilities</p> <p>The Company is exposed to uncertain positions in matters related to taxation, mining, local and state levies under dispute against the company at different forums which involves significant judgment in assessing the time span involved for resolution and its potential impact on the financial statements.</p> <p>The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning and increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed.</p> <p>Accordingly, this matter is considered to be a key audit matter.</p> <p>Refer note no. 38 of Standalone Ind AS financial statement.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Obtained an understanding by discussion with company's legal and finance department about the process of identification of such liabilities implemented by the company. -Obtained a status of pending litigation from responsible person in company and their assessment about the possible outcome of such litigations. -Obtained and reviewed copies of various communications/ orders received from different forums and action taken by management of company in respect of such communications. -Evaluated the controls in place for recognition, measurement and disclosure of such litigations appropriately in financial statements. <p>Our audit procedures did not identify any material exceptions</p>

Management's Responsibilities for the Standalone Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these Standalone Ind AS financial statements, the Board of Directors of the company are responsible for assessing the ability of the Company to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objective is to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the company of the current

period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We had issued an audit report dated 28.05.2021 (hereinafter referred as "the original report") at Bilaspur on the Standalone Ind AS Financial Statements as adopted by the Board of Directors. Pursuant to the observations (as mentioned in subsequent Para) of the Comptroller and Auditor General of India under section 143(6)(a) of the Companies Act, 2013 and revision of Branch Auditor's report in compliance of same, we have revised the original report. This audit report supersedes the original report, which has been suitably revised to consider the observations of the Comptroller and Auditor General of India. Our audit procedure on events subsequent to the date of original report is restricted solely to the amendments made to the item mentioned in this paragraph.
2. Clause 8.2 of the Fuel Supply Agreement (FSA) with NTPC plants allows to charge coal transportation charges against the supply of coal to its customer located beyond the distance of 3 kms. The company is charging the coal transportation charges for lead range of 0-3 kms also in respect of such customers. However, some of the areas of NTPC have disputed the claim of transportation charges for the part of the lead range of 0-3 kms taking plea of FSA clause. The matter is taken up by CIL for resolution of dispute.
3. We did not audit the Financial Statements of 10 (Ten) branches included in the Standalone Ind AS Financial Statements of the Company whose Financial Statements reflect total assets of 5448.71 Crore as at 31st March 2021 and total revenue of 4252.94 Crore for the year ended on that date. The financial statements 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 and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Section 143(5) of the Act, we give in the "Annexure A", a statement on the directions issued by the Comptroller and Auditor General of India on the Standalone Ind AS financial statement of the Company.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors on the separate financial statements/ financial information of the branches, referred to in the Other Matters section above we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and reports of branch auditors adequate for the purposes of our audit have been received from the 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 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 including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid Standalone Financial Statements, comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013.
- f) As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Company.
- 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 B**”.
- h) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 38 to the Standalone Ind AS financial statement.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring the amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the “**Annexure C**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **O. P. Totla & Co.**
Chartered Accountants
FRNo.: 000734C

Sd/-
CA. S. K. Acharya
Partner
M. No.: 078371

UDIN : 21078371AAAADZ6972

Place : Raipur (C.G.)
Date : 16.07.2021

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date)

Report on Directions under section 143(5) of the Companies Act, 2013 in respect of M/s. South Eastern Coalfields Limited for the year 2020-21.

S No.	Direction	Action taken & Auditor's Reply
1	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.</p>	<p>Yes, the company has a system in place to process all the accounting transactions including sales, inventory, payrolls, Fixed Assets Register through IT systems i.e. Coalnet System. However accounting of all the departments are not integrated and entries are passed manually in accounting system. Schedules in respect of capital items are not integrated with Coalnet system and prepared and updated manually in excel form.</p> <p>Financial reporting process can be further improved by way of introducing integrated ERP system of accounting so that accounting /reporting of all the departments can be integrated.</p> <p>There is no impact on Ind AS Financial statements of Company.</p>
2	<p>Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc.</p> <p>made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).</p>	<p>As per the information and explanation given by the management, no restructuring of any existing loan or waiver/ write off of debts/ loans/ interest etc. made by a lender to the company during the FY 2020-21.</p> <p>There is no impact on Financial statements of Company</p>
3	<p>Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.</p>	<p>As per the information and explanation given by the management no such case of fund received / receivable for specific schemes from Central / State agencies during the year.</p>

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 2020-21

S No.	Additional direction	Action taken & Auditor's Reply
1.	<p>Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year.</p>	<p>Yes, stock measurement was done keeping in view the contour map. Physical stock measurement reports are accompanied by contour maps. New heaps have been created during the year with the approval of competent authority.</p>

S No.	Additional direction	Action taken & Auditor's Reply
2.	Whether the company has conducted physical verification exercise of assets and properties at the time of merger / split / restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per the information and explanation given by the management there is no such merger/split/re-structure of an Area during the year.
3.	Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account.	Yes, separate escrow accounts for each mine have been maintained at SECL. The proposal for utilization of funds of the Escrow Accounts has been initiated from the Area to Head Office.
4.	Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for?	As explained to us, penalty of Rs.10182.64 Crore in respect of 16 Mines for illegal mining imposed as per the order of the Hon'ble Supreme Court by the State Governments, which have been considered as "Contingent Liabilities" as appeals by the company before the competent authority are under process.

Annexure B to Independent Auditor's Report

(Referred to in paragraph 2(g) of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date)

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 M/s South Eastern Coalfields Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date which includes internal financial controls over financial reporting of the Company's branches.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors in terms of their reports referred to in the Para Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 standalone Ind AS 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors on internal financial controls system over financial reporting of the branches referred to in the Para Other Matters paragraph below, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on "the criteria for internal financial control over financial reporting 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".

However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" of the Company by way of adopting the changes in the financial reporting framework such as changes in accounting standards (to Ind AS), documentation in respect of its risk assessment process, risk analysis of different functional areas and incorporating the process flows at departmental levels including risk mitigation in respect of insurance coverage, identifying the significant account balances of expenses, income, assets & liabilities including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level. How the system is integrated to departments to capture the transactions that relates to the standalone Financial Statements and events/ conditions and other transactions that are significant to the standalone Financial Statements so as to fulfill objectives of control criteria established by the Company. Financial reporting process can be further improved by way of introducing integrated ERP system of accounting especially in case of compilation of information and data for financial reporting process and for better internal controls. Internal audit is concurrently done in the company. Regularity of Internal audit, its reports and follow-up action thereon should be timely ensured. However, our opinion is not qualified in the above respect.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Ten (10) branches, is based on the corresponding reports of the branch auditors. Our opinion is not modified in respect of this matter

For **O. P. Totla & Co.**
Chartered Accountants
FRNo.: 000734C

Sd/-
CA. S. K. Acharya
Partner

M. No.: 078371
UDIN : 21078371AAAADZ6972

Place :Raipur (C.G.)
Date :16.07.2021

CORPORATE OVERVIEW**STATUTORY REPORTS****FINANCIAL STATEMENTS**

Annexure C to Independent Auditor's Report

(Referred to in paragraph 3 of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date)

- i. In respect of Fixed Assets:
 - a) The company has maintained proper records showing in most cases, full particulars including quantitative details and situation of Fixed Assets.
 - b) Physical verification of fixed assets has been done by the management as per policy of the company during the year under audit. However, it is observed certain land and buildings are under encroachments/ unauthorised occupation. As informed, no material discrepancies have been noticed on such verification. In our opinion these periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - c) As per information and explanation given to us by the Management, title deeds of immovable properties are held in the name of company except for land classified in Leasehold Land/Other Land of financial statement which are acquired under CBA Act, 1957, LA Act 1894, State Code, Executive Orders, Forest Conservation Act, 1980 and Nationalization where there is no requirement of title deeds.
- ii. According to the information and explanations given to us, the inventory of coal, stores and spares has been physically verified by the management at regular intervals and no material discrepancies were noticed.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the clauses (iii) (a), (iii) (b) and (iii) (c) of the paragraph 3 of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not provided any guarantees and security, covered under Section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, paragraph 3(v) of the order is not applicable to the Company.
- vi. Maintenance of cost records has been specified by Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and as per explanation and information provided by the company, cost statements are prepared based on financial and production records every month and we broadly reviewed the cost records/statements maintained by the company 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.
- vii. a) According to the information and explanation given by the Company, the Statutory dues payable by the Company comprising of Provident fund, Goods and Services Tax, State Compensation Cess, Income tax deducted/collected at source and Royalty etc., the Company has generally been regular in depositing the aforesaid undisputed dues to the appropriate authorities. There are no undisputed statutory dues as referred to above as on 31st March 2021 outstanding for a period of more than six months from the date, they become payable.

b) The particulars of disputed statutory dues as on 31st March 2021 are as follows:

Name of Area	Name of the Statute	Nature of dues	Period to which dues relates	Forum where disputes in pending	Gross Disputed amount (₹) in Crore	Amount deposited under protest/ Adjusted by Tax Authorities(₹) in Crore	Amount not deposited (₹) in Crore
Baikuntpur	Central Sales Tax Act 1956	CST	1989-99, 1992-93, 2000-01, 2003-04, 2007-08, 2012-13, 2013-14, 2014-15, 2010-11	Tribunal, Raipur	4.2	1.36	2.84
	CG VAT Act, 2005	VAT	2006-07, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	Tribunal, Raipur	0.65	0.25	0.40
Bhatgaon	Central Sales Tax Act 1956	CST	2009-10, 2012-13, 2014-15, 2015-16	DY COMM OF COMM TAX BILASPUR	1.46	0.23	1.23
	Central Sales Tax Act 1956	CST	2011-12, 2014-15	Tribunal, Raipur	1.00	0.41	0.59
	CG VAT Act, 2005	VAT	2012-13, 2014-15, 2015-16	DY COMM OF COMM TAX BILASPUR	0.26	0.04	0.22
Chirimiri	Central Sales Tax Act 1956	CST	2000-01, 2001-02, 2002-03	Tribunal, Raipur	0.6	0.37	0.23
Bisrampur	Central Sales Tax Act 1956	Central sales tax	1997-98, 2005-06, 2007-08, 2010-11, 2013-14	Tribunal, Raipur	3.76	0.38	3.38
	CG VAT Act, 2005	VAT	1997-98, 2007-08, 2011-12, 2013-14, 2015-16,	Tribunal, Raipur	1.37	0.17	1.20
	Service Tax Act	Service Tax	2011-12 to 2017-18	CESTAT/Tribunal, Raipur	1.21	0.17	1.04
Johilla	Central Sales Tax Act 1956	Central sales tax	1998-99, 2000-01, 2001-02, 2004-05, 2005-06, 2006-07, 2008-09, 2009-10, 2010-11, 2011-12, 2014-15, 2015-16	Appellate board Bhopal/Additional Commissioner, Appellate Authority, Jabalpur/ HIGH COURT/Tribunal, Raipur	1.11	0.65	0.46
	MP VAT Act, 2002	VAT	05-06, 06-07, 09-10, 11-12, 12-13, 13-14, 14-15, 15-16, 16-17, 17-18, 18-19, 19-20	Appellate board Bhopal/Additional Commissioner, Appellate Authority, Jabalpur/ HIGH COURT/Tribunal, Raipur	2.32	0.71	1.61
	Central Excise Act, 1944	Excise Duty	March-11 to JAN-13	CESTAT	6.63	0	6.63

Name of Area	Name of the Statute	Nature of dues	Period to which dues relates	Forum where disputes in pending	Gross Disputed amount (₹) in Crore	Amount deposited under protest/ Adjusted by Tax Authorities(₹) in Crore	Amount not deposited (₹) in Crore
	Service Tax Act	Service Tax	2013-14 to 2017-18	CESTAT	8.56	0.21	8.35
Hasdeo	Central Sales Tax Act 1956	Central sales tax	1995-96, 1998-99, 2000-01, 2002-03, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18	Tribunal, Raipur/ Addl. Commissioner/ High Court/Asst Appl. Commissioner Satna/Asst Appl. Commissioner Jabalpur	29.49	11.88	17.61
	CG VAT Act, 2005	VAT	2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18	Asst Appl. Commissioner Jabalpur/Asst Appl. Commissioner Satna/ Addl. Commissioner/ Tribunal, Raipur	110.39	32.92	77.47
	Central Excise Act, 1944	Excise Duty	2011-12 to 2015-16	Asst Appl. Commissioner Jabalpur/ Tribunal, Raipur	1.5	0.26	1.24
Jamuna & Kotma	Central Sales Tax Act 1956	Central sales tax	1997-98, 1998-99, 2001-2002, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2011-12,	Addl / Deputy Commissioner/ High Court, MP/Tribunal, Raipur	8.67	1.73	6.94
	MP VAT Act, 2002	VAT	2006-07, 2007-08, 2008-09, 2009-10, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17	Dy. Commissioner, Satna/Addl / Deputy Commissioner/HIGH COURT, MP	18.52	2.49	16.03
	Income Tax Act, 1961	TDS	2015-16 to 2019-20	Traces Demand	0.21	0	0.21
	Central Excise Act, 1944	Excise Duty	July 2010 to Sep-13	Assistant Commissioners, Appeal	0.44	0.02	0.42
	Service Tax Act	Service Tax	2008 to 2017	Appellate Tribunal, Delhi/ Asst Commissioner, Jabalpur	11.47	0.66	10.81
Sohagpur	Central Sales Tax Act 1956	Central sales tax	1997-98, 2002-03, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11	Appelate Board,Bhopal/ High Court	1.77	0.31	1.46

Name of Area	Name of the Statute	Nature of dues	Period to which dues relates	Forum where disputes in pending	Gross Disputed amount (₹) in Crore	Amount deposited under protest/ Adjusted by Tax Authorities(₹) in Crore	Amount not deposited (₹) in Crore
	MP VAT Act, 2002	VAT	2005-06, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17,	Appelate Board,Bhopal/ Divl. Comm. (CT)	24.13	6.05	18.08
	Service Tax Act	Service Tax	2013-2017	CESTAT, New Delhi	3.36	0.08	3.28
Raigarh	Income Tax Act' 1961	TDS	2008-09 to 2019-20	TRACES Demand	0.52	0	0.52
	Service Tax Act	service tax	2007 & 2018	CESTAT, New Delhi	3.05	0.12	2.93
Kusmunda	Central Sales Tax Act 1956	Central sales tax	1994-95	C.G.V.K. Adhikaran	0.07	0	0.07
	MP VAT Act, 2002	VAT	2017-18, 2018-19	C.G.V.K. Adhikaran	0.13	0	0.13
	Income Tax Act' 1961	TDS	2008-09 to 2019-20	TRACES Demand	0.04	0	0.04
Dipka	Income Tax Act, 1961	TDS	2007-08 to 2019-20	Traces Demand	0.02	0	0.02
	Central Sales Tax Act 1956	Central sales tax	2014-15	Tribunal, Raipur	11.85	3.79	8.06
Korba	Central Sales Tax Act 1956	Central sales tax	91-92	Tribunal, Raipur	0.02	0.01	0.01
Gevra	Central Sales Tax Act 1956	Central sales tax	1997-98, 1998-99, 1999-00, 2000-01, 2005-06, 2008-09, 2011-12	Tribunal, Raipur/ Appeal	11.62	1.88	9.74
	Income Tax Act, 1961	TDS	2010-11 to 2019-20	TRACES Demand	0.24	0	0.24
	CG VAT Act, 2005	VAT	2010-11 to 2019-20	C.G.V.K. Adhikaran	1.4	1.4	0.00
Head Quarter	Income Tax Act 1961	Income Tax	1997-1998 to 2018-19	ITAT, CIT (A)	11,520.71	7,116.11	4,404.60
	Central Excise Act 1944	Central excise	Year 2011 to year 2015	High Court, Com (A) / CESTAT	430.09	249.81	180.28
	Service Tax Act	Service Tax	Year 2005 to year 2016	High Court, Com (A) / CESTAT	194.72	5.22	189.49
Total					12,417.56	7,439.69	4,977.86

- viii. 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, paragraph 3(viii) of the order is not applicable to the company.
- ix. According to the information and explanation provided to us the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, paragraph 3(ix) of the order is not applicable to the Company.
- x. To the best of our knowledge and belief and according to the information and explanations given to us and based on the audit procedures performed, we report that no case of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. As per notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, paragraph 3 (xi) of the order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records, transactions with the related parties during the year are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required under Ind AS 24 'Related Party Disclosures' specified under Section 133 of the Act read with relevant rules.
- xiv. 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. Therefore, paragraph 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the company.

For **O. P. Totla & Co.**
Chartered Accountants
FRNo.: 000734C

Sd/-
CA. S. K. Acharya
Partner
M. No.: 078371

UDIN : 21078371AAAADZ6972

Place :Raipur (C.G.)
Date :16.07.2021

BALANCE SHEET

As at 31st March, 2021

(₹ in Crore)

	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	7,178.46	6,009.14
(b) Capital Work-in-Progress	4	1,361.78	760.27
(c) Exploration and Evaluation Assets	5	1,585.45	1,457.26
(d) Intangible assets	6	10.27	10.27
(e) Intangible assets under development		-	-
(f) Financial Assets			
(i) Investments	7	810.07	746.07
(ii) Loans	8	20.48	110.20
(iii) Other Financial Assets	9	1,808.43	1,694.55
(g) Deferred tax assets (net)		420.06	305.60
(h) Other non-current assets	10	393.57	81.41
Total Non-Current Assets (A)		13,588.57	11,174.77
(2) Current Assets			
(a) Inventories	12	1,613.80	1,253.04
(b) Financial Assets			
(i) Investments	7	1.64	0.29
(ii) Trade Receivables	13	1,114.74	1,653.80
(iii) Cash & Cash equivalents	14	849.40	39.49
(iv) Other Bank balances	15	1,220.70	3,966.50
(v) Loans	8	0.30	0.89
(vi) Other Financial Assets	9	788.43	860.44
(c) Current Tax Assets (Net)		8,843.57	8,457.72
(d) Other Current Assets	11	2,039.28	1,711.28
Total Current Asset (B)		16,471.86	17,943.45
Total Assets		30,060.43	29,118.22

BALANCE SHEET Contd..

As at 31st March, 2021

(₹ in Crore)

	Note No.	As at 31-03-2021	As at 31-03-2020
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	668.06	668.06
(b) Other Equity	17	3,639.94	2,396.29
Equity Attributable to Equity Shareholders of The Company		4,308.00	3,064.35
Non-Controlling Interest		-	-
Total Equity (A)		4,308.00	3,064.35
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables	19	-	-
(iii) Other financial liabilities	20	394.80	258.56
(b) Provisions	21	15,068.83	13,821.62
(c) Other non-current liabilities	22	1.32	0.40
(d) Deferred Tax liabilities (net)		-	-
Total Non-Current Liabilities (B)		15,464.95	14,080.58
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	1,724.93
(ii) Trade payables	19		
(I) Total Outstanding dues of creditors of MSME		11.73	3.08
(II) Total Outstanding dues of Creditors other than MSME		1,483.27	1,571.49
(iii) Other Financial Liabilities	20	2,307.02	1,884.79
(b) Other Current liabilities	23	5,717.90	5,747.34
(c) Provisions	21	767.56	1,041.66
Total Current Liabilities (C)		10,287.48	11,973.29
Total Equity and Liabilities (A+B+C)		30,060.43	29,118.22
Significant Accounting Policies	2		
Additional Notes on Accounts	38		

The Accompanying Notes No.1 to 38 form an integral part of Financial Statements.

On Behalf of the Board

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Date: 28-05-2021

Place: Bilaspur

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

STATEMENT OF PROFIT & LOSS

For The Year Ended 31st March, 2021

(₹ in Crore)

	Note No.	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(I) Revenue from Operations	24		
A. Sales (Net of Statutory levies)		16655.04	16850.08
B. Other Operating Revenue (Net of Statutory Levies)		1393.62	1329.32
Revenue from Operations (A+B)		18048.66	18179.40
(II) Other Income	25	678.58	841.45
(III) Total Income (I+II)		18727.24	19020.85
(IV) EXPENSES			
Cost of Materials Consumed	26	1666.18	1483.85
Changes in inventories of finished goods/work in progress and Stock in trade	27	(413.96)	(318.40)
Employee Benefits Expense	28	7706.41	8183.60
Power Expense		804.96	777.85
Corporate Social Responsibility Expense	29	79.42	84.65
Repairs	30	247.50	174.24
Contractual Expense	31	2831.71	2611.06
Finance Costs	32	113.17	121.51
Depreciation/Amortization/ Impairment		807.77	760.85
Provisions	33	761.61	103.03
Write off	34	-	0.40
Stripping Activity Adjustment		1227.23	1636.66
Other Expenses	35	850.74	880.08
Total Expenses (IV)		16682.74	16499.38
(V) Profit before exceptional items and Tax (I-IV)		2044.50	2521.47
(VI) Share of Joint Venture / Associate's profit/(loss)			
(VII) Profit before Tax (V+VI)		2044.50	2521.47
(VIII) Tax expense	36		
Current Tax		768.46	615.15
Deferred Tax		(114.46)	238.48
Earlier years		(49.45)	(67.08)
Total tax Expenses (VIII)		604.55	786.55
(IX) Profit for the period/year from continuing operations (VII-VIII)		1439.95	1734.92
(X) Profit/(Loss) from discontinued operations			
(XI) Tax expenses of discontinued operations			
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)			
(XIII) Profit for the Period/ year (IX+XII)		1439.95	1734.92

STATEMENT OF PROFIT & LOSS Contd..

For The Year Ended 31st March, 2021

(₹ in Crore)

	Note No.	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(XIV) Other Comprehensive Income	37		
A (i) Items that will not be reclassified to profit or loss		(262.32)	(470.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss		66.02	118.53
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		(196.30)	(352.43)
(XVI) Total Comprehensive Income for the period (XIII+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period /year)		1,243.65	1,382.49
Profit attributable to:			
Owners of the company		1,439.95	1,734.92
Non-controlling interest		-	-
		1,439.95	1,734.92
Other Comprehensive Income attributable to:			
Owners of the company		(196.30)	(352.43)
Non-controlling interest		-	-
		(196.30)	(352.43)
Total Comprehensive Income attributable to:			
Owners of the company		1,243.65	1,382.49
Non-controlling interest		-	-
		1,243.65	1,382.49
(XVII) Earnings per equity share (for continuing operation): [Refer Note 38 (5) (c)]			
(1) Basic		2,155.43	2,596.97
(2) Diluted		2,155.43	2,596.97
(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		2,155.43	2,596.97
(2) Diluted		2,155.43	2,596.97

The Accompanying Notes No.1 to 38 form an integral part of Financial Statements.

Refer Note 38(5)(c) for calculation of EPS.

On Behalf of the Board

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Date: 28-05-2021

Place: Bilaspur

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2021

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	As at 01-04-2019	Changes During The Year/Period [#]	As at 31-03-2020	As at 01-04-2020	Changes During The Period /Year ^{##}	As at 31-03-2021
66,80,561 (66,80,561) Equity Shares of ₹1000 each	668.06	-	668.06	668.06	-	

During the year 2018-19 company bought back its 4,90,039 numbers of Fully paid up Equity Shares of face value of ₹1,000 through tender offer.

#During the year 2017-18, the company has issued 41,82,850 Bonus Equity Shares to existing Equity Share Holders in the ratio (7 Bonus Shares to existing 5 Shares).

B. OTHER EQUITY

Particulars	Equity Portion of Preference Share Capital	Other Reserves		General Reserve	Retained Earnings		Total Other attrib to E hol
		Capital Reserve	Capital Redemption reserve		Profit After Tax	Other Comprehensive Income	
Balance as at 01.04.2019	-	-	49.00	1,930.33	699.66	284.82	2,063.81
Addition during the year	-	-	-	-	-	-	-
Adjustment during the year	-	-	₹	-	-	-	-
Profit for the year	-	-	-	-	1,734.92	-	1,734.92
Remeasurment of Defined Benefits Plan (net of tax)	-	-	-	-	-	(352.43)	(352.43)
Appropriations:	-	-	-	-	-	-	-
Transfer to/from General Reserve	-	-	-	86.75	(86.75)	-	-
Interim Dividends	-	-	-	-	(1617.52)	-	(1617.52)
Corporate Dividend tax	-	-	-	-	(332.49)	-	(332.49)
Balance as at 31.03.2020	-	-	49.00	2,017.08	397.82	(67.61)	2,063.81
Addition during the year	-	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,439.95	-	1,439.95
Remeasurment of Defined Benefits Plan (net of tax)	-	-	-	-	-	(196.30)	(196.30)
Appropriations:	-	-	-	-	-	-	-
Transfer to / from General Reserve	-	-	-	72.00	(72.00)	-	-
Dividends	-	-	-	-	-	-	-
Dividend tax	-	-	-	-	-	-	-
As at 31-03-2021	-	-	49.00	2,089.08	1,765.77	(263.91)	3,160.14

On Behalf of the Board

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

CASH FLOW STATEMENT (INDIRECT METHOD)

For The Year Ended 31st March, 2021

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	2044.50	2521.47
Adjustment for:		
Depreciation & Impairment of Fixed Assets	807.77	760.85
Interest and Dividend Income	(202.40)	(546.32)
Finance cost	113.17	121.51
Profit/Loss of sale of assets	(0.32)	(3.54)
Liability and Provision Written Back	(368.44)	(228.18)
Allowances for Trade Receivables	738.86	92.89
Other Provision- Capital WIP/P&M in Stores	(0.24)	(4.02)
Stripping Activity Expenses / Adjustment	1227.23	1636.66
Operating profit before Current / Non Current Assets and Liabilities	4360.13	4351.32
Adjustments for :		
Trade Receivables	(199.80)	(1359.02)
Inventories	(360.76)	(317.19)
Loans and Advances and other financial Assets	(1067.38)	(1151.04)
Financial and Other Liabilities	562.68	890.00
Trade Payables	(79.57)	203.38
Cash generated from operations	3215.30	2617.45
Income Tax (paid) / refund	(1038.84)	(1897.56)
Net Cash Flow from Operating Activities (A)	2176.46	719.89
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(2449.76)	(713.80)
Sale proceeds from Property, Plant and Equipment	1.97	7.39
Addition in Exploration and Evaluation Asset	(257.52)	(267.49)
Proceeds/(Investment) in Bank Deposit	2,745.80	665.35
Proceeds/(Investment) in Mutual Fund, Shares etc.	(1.35)	(0.09)
Payment for Equity in Joint Ventures	(64.00)	(121.47)
Loan repayment /(given) from /(to) Subsidiaries	96.00	(45.00)
Interest received on Fixed Deposit	317.66	518.64
Interest pertaining to Investments	-	53.46
Interest / Dividend from Mutual fund	2.08	21.27
Net cash flow from Investing Activities (B)	390.88	118.26
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/ (Repayment) of Borrowings	-	-
Receipts from Non Controlling Interest	-	-
Interest & Finance cost pertaining to Financing Activities	(32.50)	(2.54)
Dividend on Equity Shares	-	(1617.52)

CASH FLOW STATEMENT (INDIRECT METHOD) Contd..**For The Year Ended 31st March, 2021****(₹ in Crore)**

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Dividend Tax on Equity Shares	-	(332.49)
Net cash used in Financing Activities (C)	(32.50)	(1952.55)
Net increase/ decrease in Cash & Bank Balances (A+B+C)	2534.84	(1114.40)
Cash and cash equivalent at the beginning of the period/year (Refer Reconciliation Noted below)	(1685.44)	(571.04)
Cash and cash equivalent at the end of period/year	849.40	(1685.44)
(All figures in bracket represent outflow)		
Reconciliation of Cash and Cash Equivalents (Closing Balance) :		
Cash and Cash equivalent as per Note-14	849.40	39.49
Bank Overdraft as per (Note-18)	0.00	(1724.93)
Cash and Cash equivalent (Net)	849.40	(1685.44)

Sd/-

(CS S.M Yunus)

Company Secretary

Sd/-

(CMA Mantu Taral)

General Manager (F)

Sd/-

(CA S.M. Choudhary)Director (Finance)
DIN: 07478302

Sd/-

(A.P. Panda)Chairman-cum-Managing Director
DIN- 06664375As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-

(CA S.K. ACHARYA)

PARTNER

Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

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 companies 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 section 133 of Companies Act, 2013 ("The Act") and the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on historical cost basis of measurement, except for

- certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.14);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.20).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in crore' up to two decimal points.

2.2 Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

NOTE 2: Significant Accounting Policies (Contd.)

All other liabilities are classified as non-current.

2.3 Revenue recognition**Revenue from contracts with customers**

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

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

Step 1 : Identifying the contract:

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

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

Combination of contracts

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

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

Contract modification

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

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

NOTE 2: Significant Accounting Policies (Contd.)**Step 2 : Identifying performance obligations:**

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

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

Step 3: Determining the transaction price

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

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

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

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

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

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

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

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

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

NOTE 2: Significant Accounting Policies (Contd.)**Step 4 : Allocating the transaction price:**

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

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

Step 5: Recognizing revenue:

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

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

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

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

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

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

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

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

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at

NOTE 2: Significant Accounting Policies (Contd.)

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

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

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

Contract assets:

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

Trade receivables:

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

Contract liabilities:

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

Interest

Interest income is recognised using the Effective Interest Method.

Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred

NOTE 2: Significant Accounting Policies (Contd.)

income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholder's fund".

2.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.5.1 Company as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

Subsequently, right-of-use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of the asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

2.5.2 Company as a lessor

All leases as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Operating leases- lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Finance leases- assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

2.6 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete

NOTE 2: Significant Accounting Policies (Contd.)

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, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The

NOTE 2: Significant Accounting Policies (Contd.)

carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land

(incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building	: 3-60 years
Roads	: 3-10 years
Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 5-30 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of "Other Land" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

NOTE 2: Significant Accounting Policies (Contd.)

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.9 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- acquisition of rights to explore.
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

NOTE 2: Significant Accounting Policies (Contd.)

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project-by-project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.10 Development Expenditure

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

Commercial Operation

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

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

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

2.11 Intangible Assets

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

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

NOTE 2: Significant Accounting Policies (Contd.)

as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

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

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

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

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

Research and Development is recognised as an expenditure as and when incurred.

2.12 Impairment of Assets (other than financial assets)

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

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

2.13 Investment Property

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

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

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

2.14 Financial Instruments

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

2.14.1 Financial assets**2.14.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established

NOTE 2: Significant Accounting Policies (Contd.)

by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.14.2 Subsequent measurement

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

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

2.14.2.1 Debt instruments at amortised cost

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

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

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

2.14.2.2 Debt instrument at FVTOCI

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

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

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

2.14.2.3 Debt instrument at FVTPL

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

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

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

NOTE 2: Significant Accounting Policies (Contd.)**2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures**

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.14.2.5 Other Equity Investment

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

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

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

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

2.14.2.6 Derecognition

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

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

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

2.14.2.7 Impairment of financial assets (other than fair value)

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI

NOTE 2: Significant Accounting Policies (Contd.)

- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. 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/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.14.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

NOTE 2: Significant Accounting Policies (Contd.)**2.14.3.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.14.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for.

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

2.14.5 Offsetting of financial instruments

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

NOTE 2: Significant Accounting Policies (Contd.)

2.14.6 Cash & Cash equivalents

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

2.15. Borrowing Costs

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

2.16 Taxation

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

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

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

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

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

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

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

NOTE 2: Significant Accounting Policies (Contd.)

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. 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 into 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.

NOTE 2: Significant Accounting Policies (Contd.)**2.17.3 Other Employee benefits**

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

2.18 Foreign Currency

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

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

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

2.19 Stripping Activity Expense/Adjustment

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

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

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

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

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

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

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

NOTE 2: Significant Accounting Policies (Contd.)

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 Weighted Average method. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stocks 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 Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income, and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

NOTE 2: Significant Accounting Policies (Contd.)

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of items are material in the financial statements. Materiality is judged by reference to the nature or magnitude or both of the item. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the Company may also be required to present separately immaterial items when required by law.

W.e.f 01.04.2019 Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total revenue from Operation (net of statutory levies) as per the last audited financial statement of the company.

2.23.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.23.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.23.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is

NOTE 2: Significant Accounting Policies (Contd.)

sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.23.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.23.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.23.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India

- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.24 Abbreviation used:

a. CGU	Cash generating unit	l. ECL	Eastern Coalfields Limited
b. DCF	Discounted Cash Flow	m. BCCL	Bharat Coking Coal Limited
c. FVTOCI	Fair value through Other Comprehensive Income	n. CCL	Central Coalfields Limited
d. FVTPL	Fair value through Profit & Loss	o. SECL	South Eastern Coalfields Limited
e. GAAP	Generally accepted accounting principles	p. MCL	Mahanadi Coalfields Limited
f. Ind AS	Indian Accounting Standards	q. NCL	Northern Coalfields Limited
g. OCI	Other Comprehensive Income	r. WCL	Western Coalfields Limited
h. P&L	Profit and Loss	s. CMPDIL	Central Mine Planning & Design Institute Limited
i. PPE	Property, Plant and Equipment	t. NEC	North Eastern Coalfields
j. SPPI	Solely Payment of Principal and Interest	u. IICM	Indian Institute of Coal Management
k. EIR	Effective Interest Rate	v. CIL	Coal India Limited

Notes to Financial Statements

NOTE - 03 : Property Plant and Equipment

PARTICULARS	Freehold Land	Other Land	Land Reclamation / Site restoration Costs	Buildings (Including water supply, roads and culverts)	Plant and Equip-ments	Tele commu-nication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Mining Infra-structure	Surveyed Off Assets	Others	Total	₹ in Crore)	
Gross Carrying Amount:																
Balance as at 01.04.2019	11.22	2069.93	471.65	755.60	4876.20	44.72	119.51	17.79	66.08	27.56	472.83	25.17	-	8958.26		
Additions	4.77	202.27	-	11.95	375.04	0.34	45.56	2.25	9.88	24.45	61.40	8.94	-	746.85		
Disposals/ Retirements/ Adjustments	(2.81)	1.33	-	(0.53)	(7.75)	2.11	-	(2.10)	1.29	(3.66)	(2.20)	(3.85)	-	(18.17)		
Balance as at 31.03.2020	13.18	2273.53	471.65	767.02	5243.49	47.17	165.07	17.94	77.25	48.35	532.03	30.26	-	9686.94		
Balance As on 01.04.2020	13.18	2273.53	471.65	767.02	5243.49	47.17	165.07	17.94	77.25	48.35	532.03	30.26	-	9686.94		
Additions	0.57	209.13	-	6.57	1685.94	0.38	1.29	3.87	20.56	3.79	49.18	8.80	-	1990.08		
Disposals/ Retirements/ Adjustments	0.00	0.00	-	0.06	(7.98)	-1.28	-	(0.18)	0.01	(0.13)	(1.62)	(1.65)	-	(12.77)		
Balance As on 31.03.2021	13.75	2482.66	471.65	773.65	6921.45	46.27	166.36	21.63	97.82	52.01	579.59	37.41	-	11664.25		
Accumulated Dep. and Impairment																
Balance as at 01.04.2019	-	414.26	133.92	143.86	1,985.76	26.65	26.58	7.90	45.18	8.44	121.76	-	-	2,914.31		
Charge for the year	-	110.36	39.36	67.99	473.62	5.72	13.96	1.53	11.35	3.42	35.79	-	-	763.10		
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	0.33		
Disposals/ Retirements/ Adjustments	-	(0.02)	-	0.21	1.00	(0.29)	0.00	0.01	0.16	(0.30)	(0.71)	-	-	0.06		
Balance as at 31.03.2020	-	524.60	173.28	212.06	2460.38	32.08	40.54	9.44	56.69	11.56	157.17	-	-	3677.80		
Balance As on 01.04.2020	-	524.60	173.28	212.06	2460.38	32.08	40.54	9.44	56.69	11.56	157.17	-	-	3677.80		
Charge for the year	-	113.41	35.75	28.64	561.76	2.87	10.24	1.70	12.44	5.31	37.35	-	-	809.47		
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	0.25		
Disposals/ Retirements/ Adjustments	-	(0.01)	-	-	0.00	-	-	(0.01)	(0.01)	-	(1.70)	-	-	(1.73)		
Balance As on 31.03.2021	-	638.00	209.03	240.70	3022.14	34.95	50.78	11.13	69.12	16.87	193.07	-	-	4485.79		
Net Carrying Amount																
Balance As on 31.03.2021	13.75	1844.66	262.62	532.95	3899.31	11.32	115.58	10.50	28.70	35.14	386.52	37.41	-	7178.46		
Balance as at 31.03.2020	13.18	1748.93	298.37	554.96	2783.11	15.09	124.53	8.50	20.56	36.79	374.86	30.26	-	6009.14		
Balance as at 01.04.2019	11.22	1655.67	337.73	611.74	2890.44	18.07	92.93	9.89	20.90	19.12	351.07	25.17	-	6043.95		

Note:

3.1 Land :

- Land acquired in pursuance to Coal Mines (Nationalisation) Act, 1973, does not require title deeds separately for corresponding land. All other title deeds for land acquired are in possession and are mutated in favour of company. 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.
- Other Lands includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984. Depreciation has been provided based on useful life as per Schedule II of the Companies Act, 2013 or as mentioned under Note-2. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.
- Land Reclamation/Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.
- In compliance of decision of CIL Board in its 415th meeting held on 24.12.2020, CIL and its subsidiaries capitalised GST on capital goods w.e.f. 01st April, 2020. Such capitalisation results in reduction of GST receivable by ₹333.08 Crore and consequent increase in PPE by same amount.

Notes to Financial Statements

NOTE - 04 : Capital Work in Progress

(₹ in Crore)

PARTICULARS	Buildings (Including water Supply ,roads and culverts)	Plant and Equipments	Railway Sidings	Other Mining Infrastructure/ Development	Total
Gross Carrying Amount:					
Balance as at 01.04.2019	11.04	355.19	124.10	314.50	804.83
Additions	25.06	246.85	73.53	234.26	579.70
Capitalisation / Deletion/Ad-justment	(12.55)	(251.53)	(41.94)	(300.17)	(606.19)
Balance as at 31.03.2020	23.55	350.51	155.69	248.59	778.34
Balance As on 01.04.2020	23.55	350.51	155.69	248.59	778.34
Additions	102.22	199.54	258.76	318.69	879.21
Capitalisation / Deletion/Ad-justment	(6.05)	(127.24)	(0.29)	(142.95)	(276.53)
Balance As on 31.03.2021	119.72	422.81	414.16	424.33	1381.02
Accumulated Provision and Impairment					
Balance as at 01.04.2019	-	14.35	-	2.60	16.95
Charge for the Year	-	1.19	-	-	1.19
Impairment during the Year	-	-	-	-	-
Capitalisation / Deletion/Ad-justment	-	(0.07)	-	-	(0.07)
Balance as at 31.03.2020	-	15.47	-	2.60	18.07
Balance As on 01.04.2020	-	15.47	-	2.60	18.07
Charge for the Year	-	1.17	-	-	1.17
Impairment during the Year	-	-	-	-	-
Capitalisation / Deletion/Ad-justment	-	0.00	-	-	0.00
Balance As on 31.03.2021	-	16.64	-	2.60	19.24
Net Carrying Amount					
Balance As on 31.03.2021	119.72	406.17	414.16	421.73	1361.78
Balance as at 31.03.2020	23.55	335.04	155.69	245.99	760.27
Balance as at 01.04.2019	11.04	340.84	124.10	311.90	787.88

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'.

Notes to Financial Statements

NOTE - 05 : Exploration & Evaluation Asset

(₹ in Crore)

PARTICULARS	Exploration & Evaluation Costs
Gross Carrying Amount:	
Balance as at 01.04.2019	1,174.29
Additions	267.49
Capitalisation /Other Adjustments	15.48
Balance as at 31.03.2020	1,457.26
Balance As on 01.04.2020	1,457.26
Additions	257.52
Capitalisation/ Other Adjustments	(129.33)
Balance As on 31.03.2021	1,585.45
Accumulated Provision and Impairment	
Balance as at 01.04.2019	-
Charge during the year	-
Impairment during the Year	-
Other Adjustments	-
Balance as at 31.03.2020	-
Balance As on 01.04.2020	-
Charge during the year	-
Impairment during The Year	-
Other Adjustments	-
Balance As on 31.03.2021	-
Net Carrying Amount	
Balance As on 31.03.2021	1,585.45
Balance as at 31.03.2020	1,457.26
Balance as at 01.04.2019	1,174.29

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.

Notes to Financial Statements

NOTE - 06 : Intangible Asset

(₹ in Crore)

PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount:				
Balance as at 01.04.2019	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2020	-	10.27	-	10.27
Balance As on 01.04.2020				
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2021	-	10.27	-	10.27
Amortisation and Impairment				
Balance as at 01.04.2019	-	-	-	-
Charge for the year	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2020	-	-	-	-
Balance As on 01.04.2020				
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance As on 31.03.2021	-	-	-	-
Net Carrying Amount				
Balance As on 31.03.2021	-	10.27	-	10.27
Balance as at 31.03.2020	-	10.27	-	10.27
Balance as at 01.04.2019	-	10.27	-	10.27

- 6.1 The Prospecting and Boring and development expenditure of ₹10.27 Crores (₹10.27 Crores) incurred on Datima (Bisrampur Area), Behraband (Hasdeo Area) and Baisi Block (Raigarh Area) and intended for sale to outside parties are shown under Intangible Assets. Rajgamar dip side (South of Phulkadih Nala) and Kesla North Block are also allotted to others. The sale proceeds of same are expected to be more than the cost.

Notes to Financial Statements

NOTE - 7 : Investments (Refer Note 38(1))

(₹ in Crore)

Non Current	(%) hold-ing	Number of Bonds/shares current year/ (previous year)	Face value per Bonds/share current year/ (previous year)	As at 31-03-2021	As at 31-03-2020
Equity Shares in Subsidiary Companies					
Chhattisgarh East Railway Limited (Raipur)	72.56	487193600 (333724800)	10.00 (10.00)	487.19	333.72
Chhattisgarh East-West Railway Limited (Raipur)	64.06	322880000 (322880000)	10.00 (10.00)	322.88	322.88
Share Application Money Pending Allotment (CERL,Raipur)				-	89.47
Investment in Bond of :					
Consumer Co-operative Societies Ltd. Baikunthpur(C.G.)	-	250 (250)	10.00 (10.00)	-	-
Total :				810.07	746.07
Aggregate of Unquoted investments				810.07	746.07
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 ₹) current year/ (previous year)	As at 31-03-2021	As at 31-03-2020
Mutual Fund Investment				
SBI Mutual Fund	4891.209 (1308.531)	3351.7386 (1003.2500)	1.64	0.13
UTI Mutual Fund	0.00 (1550.969)	1019.4457 (1019.4457)	-	0.16
Grand Total :			1.64	0.29

Aggregate of Unquoted investments:	-	-
Aggregate of Quoted investments:	1.64	0.29
Market value of Quoted investments:	1.64	0.29

Notes to Financial Statements

NOTE - 8 : LOANS (Refer Note 38(1) for classification)

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
Non-Current				
Loans to body corporate and employees				
- Secured considered good ^{8.1 & 8.2}	20.48		110.20	
- Unsecured considered good	-		-	
- Credit impaired	0.07		0.07	
	20.55		110.27	
Less : Allowance for Doubtful Loans	0.07	20.48	0.07	110.20
TOTAL		20.48		110.20
Current				
Loans to body corporate and employees				
- Secured considered good	0.30		0.89	
- Unsecured considered good	-		-	
- Credit impaired	-		-	
	0.30		0.89	
Less : Allowance for Doubtful Loans	-	0.30	-	0.89
TOTAL		0.30		0.89

8.1 Loans to body corporate and employees includes House Building Loan, and Car Loan provided by Company to Employees.

8.2 Further, these Loans includes Non Current Loan to Subsidiaries (CERL & CEWRL)

Name of Subsidiary Company	As at 31-03-2021		As at 31-03-2020	
	Principle	Interest	Principle	Interest
Chhattisgarh East Railway Limited (CERL)	-	-	-	-
Chhattisgarh East West Railway Limited (CEWRL)	-	15.96	96.00	9.52
Total	-	15.96	96.00	9.52

The Company has granted loan to its subsidiaries M/s CEWRL bearing interest rate of SBI MCLR as on 01.03.2018 with a spread of 50 basis points which comes to 8.65% per annum upto 07.09.2020 and 8.25% per annum w.e.f. 08.09.2020 with compounding at quartely rests, as per the terms of the common loan agreement entered into by CEWRL with the consortium of Banks lead by State Bank of India . Loan agreement is under preparation.

Notes to Financial Statements

NOTE - 9 : OTHER FINANCIAL ASSETS (Refer Note 38(1))

(₹ in Crore)

Non Current	As at 31-03-2021		As at 31-03-2020	
Bank deposits		-		-
Deposits and Receivables for Site Restoration :				
Deposit in Bank under Mine Closure Plan ^{9.1}		1,624.15		1,511.92
Security Deposit for utilities ^{9.2}	184.28		181.65	
Less: Allowances for doubtful deposits	-	184.28	-	181.65
Other Deposits and Receivables	7.01		7.40	
Less: Allowances for doubtful deposits & receivables	7.01	-	6.42	0.98
TOTAL		1,808.43		1,694.55
Current				
Surplus Fund with CIL		-		1.16
Current Account with Subsidiaries of SECL ^{9.3}		1.29		0.88
Interest accrued		35.23		159.01
Claims & other receivables	753.53		700.99	
Less : Allowances for doubtful claims	1.62	751.91	1.60	699.39
TOTAL		788.43		860.44

9.1 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 93 Mines. Refer Note 21.2 for Balance of Escrow Account.

9.2 Deposits includes ₹184.28 Crore (₹181.65 Crore) deposited for Utilities i.e. P&T, Electricity etc.

9.3 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.

Notes to Financial Statements

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
(i) Capital Advances	114.40		6.89	
Less : Provision for doubtful Advances	0.45	113.95	0.45	6.44
(ii) Advances other than capital advances				
(a) Security Deposit for utilities	-		-	
Less : Provision for Doubtful Deposits	-	-	-	-
(b) Other Deposits and Advances	0.74		0.77	
Less : Provision doubtful deposits & advances	0.74	-	0.77	-
(c) Progressive Mine Closure Expenses incurred ^{10.1}		279.62		74.97
TOTAL		393.57		81.41

10.1 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 from 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.

NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
(a) Advance for Revenue (goods & services)	38.18		34.09	
Less : Provision for doubtful advances	-	38.18	-	34.09
(b) Advance payment of statutory dues	-		-	
Less : Provision for doubtful advances	-	-	-	-
(c) Other Advances and Deposits ^{11.1}	246.69		238.03	
Less : Provision for doubtful advances	-	246.69	-	238.03
(d) Progressive Mine Closure Expenses incurred ^{11.2}		248.46		203.79
(e) Input tax Credit Receivable		1,505.95		1,235.37
TOTAL		2,039.28		1,711.28

11.1 Other Deposits includes ₹229.53 Crore (₹220.15 Crore) deposited under protest with tax authorities and others.

11.2 Progressive Mine Closure Expense incurred are due to be received from ESCROW account maintained for the purpose. An amount of ₹248.46 Crore (₹203.79 Crore) has been audited by CMPDIL and under process at CCO, Kolkata.

Notes to Financial Statements

NOTE - 12 : INVENTORIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
(a) Stock of Coal ^{12.1 & 12.3}	1,255.82	796.35
Coal under development mines	-	10.35
Stock of Coal (Net)	1,255.82	806.70
(b) Stock of Stores & Spares (at cost) ^{12.2}	225.13	278.61
Stores in Transit	3.02	3.04
Net Stock of Stores & Spares (at cost)	228.15	281.65
(c) Stock of Medicine at Central Hospital	1.43	1.13
(d) Workshop Jobs	128.40	163.56
Total	1,613.80	1,253.04

- 12.1 Refer Annexure to Note-12 for Quantative details of Stock of Coal and Note-2.20- Significant Accounting policies on Inventories for Method of Valuation and refer Note 38 (5)(m) for change in policy .
- 12.2 The Closing Stock of Stores (Net of Provision) at Central and Regional Stores has been considered in the Accounts as per balances appearing in Financial Ledger on progressive monthly weighted average method.
- 12.3 Inventories have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

Notes To Note-12 Financial Statements

Annexure to Note - 12 For The Year Ended 31-03-2021

Table : A

Reconciliation of closing stock of Coal adopted in Account with Book stock :

(Qty. in Lakh tonnes) (Value in ₹ Crores)

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	178.66	801.43	0.23	10.24	178.89	811.67	92.56	464.28	0.22	9.89	92.78	474.17
(B) Adjustment in Opening Stock												
Total	178.66	801.43	0.23	10.24	178.89	811.67	92.56	464.28	0.22	9.89	92.78	474.17
2 Production*	1506.05						1505.46					
Sub-Total (1+2)	1684.71						1598.02					
3 Off- Take:												
(A) Outside Despatch**	1387.69	16643.55	0.00	11.49	1387.69	16655.04	1419.03	16838.93	0.00	11.15	1419.03	16850.08
(B) Outside Despatch Development Mine	0.00						0.23					
(C) Own Consumption 1	0.09	3.76			0.09	3.76	0.10	3.56			0.10	3.56
Sub-Total (3)	1387.78	16647.31	0.00	11.49	1387.78	16658.80	1419.36	16842.49	-	11.15	1419.13	16853.64
4 Derived Stock#	296.93	1259.55	0.02	0.68	296.95	1260.23	178.66	801.43	0.23	10.24	178.89	811.67
5 Measured Stock#	288.64	1224.53	0.02	0.68	288.66	1225.21	174.96	784.13	0.22	10.12	175.18	794.25
Difference Shortage/ (excess) (4-5)	8.29	35.02	0.00	0.00	8.29	35.02	3.70	17.30	0.01	0.12	3.71	17.42
6 Break-up of Difference:												
(A) Shortage within 5%	7.67	31.45	0.00	0.00	7.67	31.45	3.01	13.25	0.01	0.12	3.02	13.37
(B) Excess within 5%	0.17	0.84	0.00	0.00	0.17	0.84	0.10	0.92	0.00	0.00	0.10	0.92
(C) Shortage beyond 5%##	0.79	4.41	0.00	0.00	0.79	4.41	0.79	4.97	0.00	0.00	0.79	4.97
(D) Excess 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)	296.14	1255.14	0.02	0.68	296.16	1255.82	177.87	796.46	0.23	10.24	178.10	806.70

* Production includes 32.01 Lakh Tonne from Gare Palma IV/2&3 OC and 0.00 lakh tonne from Gare Palma IV/1.

** Outside despatch includes ₹296.09 Crore (₹338.35 Crore) sale of 32.41 Lakh Te (28.88 lakh) coal related to Gare Palma IV/2&3 Mine and ₹1.06 Crore (₹70.45 Crore) sale of 0.00 lakh Te (8.21 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.

Stock includes 1.18 Lakh tonne Coal amounting to ₹4.12 Crore is lying at Gare Palma IV/2 & 3 and 0.00 lakh tonne Coal amounting to ₹0.00 Crore is lying at Gare Palma IV/1 for which Coal India has been appointed as a designated custodian. Further, Closing Stock Includes fire effected Stock of Coal 0.29 Lakh tonne amounting to ₹0.00 Crore related to Jampali OC of Raigarh Area.

Shortage of Measured Stock over Derived Stock beyond 5%, consist 0.10 Lte amounting to ₹0.00 Crores of Amgaon OC (Bishrampur Area) & 0.69 Lte amounting to ₹4.41 Crores of Jampali OC (Raigarh Area).

Notes To Note-12 Financial Statements

Annexure to Note - 12 For The Year Ended 31-03-2021 Contd...

Table: B

Summary of Closing Stock of Coal

Particulars	Current Period /Year						Previous Year					
	Raw Coal			DCC (Coal, Coal fines, gas etc.)			Raw Coal			DCC (Coal, Coal fines, gas etc.)		
	Non-Coking			Total			Non-Coking			Total		
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock	178.66	801.43	0.23	10.24	178.89	811.67	92.56	464.28	0.22	9.89	92.78	474.17
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	1506.05											
Offtake	1505.46											
(A) Outside Despatch	1387.69	16643.55	11.49	1387.69	16655.04	1419.03	16838.93	11.15	1419.03	16850.08		
(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	0.09	3.76			0.09	3.76	0.10	3.56			0.10	3.56
TOTAL	1387.78	16647.31	11.49	1387.78	16658.80	1419.13	16842.49	11.15	1419.13	16853.64		
Closing Stock *	296.93	1259.55	0.02	0.68	296.95	1260.23	178.66	801.43	0.23	10.24	178.89	811.67
Less: Shortage	0.79	4.41	0.00	0.00	0.79	4.41	0.79	4.97	0	0	0.79	4.97
Closing Stock *	296.14	1255.14	0.02	0.68	296.16	1255.82	177.87	796.46	0.23	10.24	178.10	806.70

* Non-vendable Stock - Nil

Notes to Financial Statements

NOTE - 13 : TRADE RECEIVABLES [Refer Note 38(2) for classification]

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
Current				
(i) Trade Receivables ^{13.1}				
- Secured considered good ^{13.2}	44.67		44.67	
- Unsecured considered good ^{13.4}	1,070.07		1,609.13	
- Credit impaired	1,124.65		385.79	
	2,239.39		2,039.59	
Less : Allowance for bad & doubtful debts	1,124.65	1,114.74	385.79	1,653.80
Total		1,114.74		1,653.80

- 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.
- 13.3 No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person and no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or member.
- 13.4 Trade Receivables above is net of Provision for Coal Quality Variance of ₹226.30 Crore (₹100.67 Crore).

NOTE - 14 : CASH AND CASH EQUIVALENTS [Refer Note 38(1)]

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
(a) Balances with Banks				
- In Deposit Accounts		-		-
- In Current Accounts				
a. Interest bearing (CLTD Accounts etc) ^{14.1*}	849.40		37.12	
b. Non Interest Bearing**		-	2.37	
- In Cash Credit Accounts		-		-
(b) Bank Balance outside India				
(c) Cheques, Drafts and Stamps in hand		-		-
(d) Cash on hand		-		-
(e) Others		-		-
Total Cash and Cash Equivalents		849.40		39.49

*Current Account (Interest bearing) comprises of CLTD, Sweep Account, RLTD etc.

- 14.1 Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

Notes to Financial Statements

NOTE - 15 : OTHER BANK BALANCES [Refer Note 38(1)]

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Balances with Banks		
Deposit accounts ^{15.1 & 15.2}	672.58	3,447.02
Deposit accounts (For specific purposes) ^{15.3}	548.12	519.48
CSR Fund for Ongoing Projects	-	-
Total	1,220.70	3,966.50

- 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 Balance in Deposit Accounts includes Fixed Deposits ₹ 0.00 Crore (₹3443.39 Crore) pledged for availing Overdraft facility from Banks which are adjustable against such Fixed Deposits pledged. Outstanding Balance of Overdraft was ₹0.00 Crore (₹1724.93 Crore) on Balance sheet date .
- 15.3 Deposit accounts with Banks includes ₹548.12 Crore (₹519.48 Crores) recovered from the consumers for Terminal Tax, suppliers on explosives bills etc. and held under lien/earmarked as per courts order or for other specific purposes.

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Authorised		
(i) 1,00,00,000 (1,00,00,000) Equity Shares of ₹1000/- each	1000.00	1000.00
	1000.00	1000.00
Issued, Subscribed and Paid-up		
66,80,561 (66,80,561) Equity Shares of ₹1000/- each ^{16.2 & 16.3}	668.06	668.06
	668.06	668.06

- 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 31-03-2021	As at 31-03-2020
	6680561	100
	6680561	100

- 16.2 Pursuant to letter of offer dated 28.01.2019 the company bought back its 4,90,039 numbers of Equity Shares of face value of ₹1,000 each fully paid up through tender offer and extinguished these shares in the year 2018-19 (on 09.02.19). Post such buy-back the number of fully paid equity shares as on 31-03-2019 stands as 66,80,561.
- 16.3 During the year 2017-18, the company has issued 41,82,850 Bonus Equity Shares to existing Equity Share Holders in the ratio of 7:5 (7 Bonus Shares to existing 5 Shares) , date of allotment was 21.03.2018.
- 16.4 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 in the year 2016-17. Post such buy-back the number of fully paid equity shares as on 31-03-2017 as 29,87,750.
- 16.5 The Company has only one class of equity shares having a face value ₹1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

Notes to Financial Statements

NOTE 17 : OTHER EQUITY

	Preference Share Capital	Other Reserve		General Reserve	Retained Earnings		Total
		Capital reserve	Capital Redemption reserve		Profit After Tax	Other Comprehensive Income	
Balance as at 01.04.2019	-	-	49.00	1,930.33	699.66	284.82	2,963.81
Addition during the year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,734.92	-	1,734.92
Remeasurement of Defined Benefits Plan (net of tax)	-	-	-	-	-	(352.43)	(352.43)
Appropriations	-	-	-	-	-	-	-
Transfer (to)/ from General reserve	-	-	-	86.75	(86.75)	-	-
Interim Dividend	-	-	-	-	(1617.52)	-	(1617.52)
Corporate Dividend tax	-	-	-	-	(332.49)	-	(332.49)
Balance as at 31.03.2020	-	-	49.00	2,017.08	397.82	(67.61)	2,396.29
Additions during the year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,439.95	-	1,439.95
Remeasurement of Defined Benefits Plan (net of tax)	-	-	-	-	-	(196.30)	(196.30)
Appropriations	-	-	-	-	-	-	-
Transfer (to)/ from General reserve	-	-	-	72.00	(72.00)	-	-
Interim Dividend	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-
As at 31-03-2021	-	-	49.00	2,089.08	1,765.77	(263.91)	3,639.94

17.1 : Authorised Preference Share Capital :

30,00,000 (30,00,000) 10% Cumulative Redeemable Preference Shares of ₹1000/- each amounting to ₹3000.00 Crore (₹3000.00 Crore)
(Redeemed in the year 2003-04 as per terms of earliest redemption)

17.2 : Issued, Subscribed and Paid up Preference Share Capital : NIL

Notes to Financial Statements

NOTE 18: BORROWINGS

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Non-Current		
Term loan		
From Banks	-	-
Other Loans	-	-
Total	-	-
CLASSIFICATION 1		
Secured	-	-
Unsecured	-	-
Current		
Loans repayable on demand		
From Banks		
¹ -Bank Overdrafts ^{18.1}	-	1,724.93
¹ - Other loan from Banks	-	-
Other Loans	-	-
Total	-	1,724.93
CLASSIFICATION 1		
Secured	-	1,724.93
Unsecured	-	-

18.1 Balance in Loan from Banks is related to Overdraft facility availed pledging Fixed Deposits ₹ 0.00 Crore (₹3443.39 Crore).

Notes to Financial Statements

NOTE - 19 : TRADE PAYABLES [Refer note 38(1) for classification]

(₹ in Crore)

	Current	As at 31-03-2021	As at 31-03-2020
Micro, Small and Medium Enterprises ^{19.1}		11.73	3.08
Other than Micro, Small and Medium Enterprises ^{19.2}		1,483.27	1,571.49
TOTAL		1,495.00	1,574.57

19.1 Trade Payables ₹ 11.73 Crore (3.08 Crore) of Micro, Small and Medium Enterprises includes :

- Principal amount ₹ 11.73 Crore (₹ 3.08 Crore) & Interest remaining unpaid but not due as at year end ₹ 0.00.
- Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year is ₹0.00 Crore (₹0.00 Crore)
- Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 is ₹0.00 Crore (₹ 0.00 Crore)
- Interest accrued and remaining unpaid as at year end is ₹0.00 Crore (₹ 0.00 Crore)
- Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise is ₹0.00 Crore (₹ 0.00 Crore).

19.2 Others includes liabilities related to contractual works, other expenses etc.

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	Non Current	As at 31-03-2021	As at 31-03-2020
Security Deposits		369.31	252.34
Earnest Money Deposit		-	-
Others		25.49	6.22
		394.80	258.56
Current			
Current Account with Coal India Ltd.		9.99	-
Current Maturities of Long Term debt		-	-
Unpaid dividends		-	-
Security Deposits		314.81	332.79
Earnest money		46.08	35.09
Payables for Capital Expenditure		469.05	183.38
Liability for salary wages and Allowances		443.42	441.35
Others ^{20.1,20.2 & 20.3}		1,023.67	892.18
TOTAL		2,307.02	1,884.79

20.1 ₹1023.670 Crore (₹892.18 Crore) includes ₹634.64 Crore (₹587.62 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 Payables to PF / Pension Authorities and liability provided on account of claims by consumers for underloading & quality etc.

20.3 Further, ₹1023.67 Crore (₹892.18 Crore) includes ₹41.09 Crore (₹0.00 Crore) relating to amount Unspent CSR Other than Ongoing Project and Ongoing Project .

Notes to Financial Statements

NOTE - 21 : PROVISIONS

(₹ in Crore)

Non Current	As at 31-03-2021	As at 31-03-2020
Employee Benefits		
- Gratuity	-	-
- Leave Encashment	267.60	373.25
- Other Employee Benefits	600.39	475.77
Other than Employee Benefits		
Site Restoration/ Mine Closure ^{21.1}	1,284.72	1,283.71
Stripping Activity Adjustments ^{21.2}	12,916.12	11,688.89
Others	-	-
TOTAL	15,068.83	13,821.62
Current		
For Employee Benefits		
- Gratuity	137.99	295.34
- Leave Encashment	85.35	76.15
- Ex- Gratia	330.11	357.59
- Performance Related Pay	134.05	218.55
- Other Employee Benefits ^{21.3}	80.06	94.03
TOTAL	767.56	1,041.66

21.1 Provision for Mine Closure:

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 estimate of 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 (@8%) 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 value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses. In reference to above 'guidelines for preparation of mine closure plan', an escrow account has been opened. (Refer Note - 9)

Reconciliation of Relamation of Land/ Site restoraion /Mine Closure :	As at 31-03-2021	As at 31-03-2020
Gross value of site restoration Asset as on closing date	782.74	782.74
Add: Unwinding of Provision charged (incl. Capitalised) Upto previous Closing date	649.13	568.65
Add: Unwinding of Provision charged (incl. Capitalised) For Current Year	80.67	80.48
Withdrawal from Escrow Account adjusted upto Closing Date	(227.82)	(148.16)
Mine Closure Provision	1284.72	1283.71

Escrow Account Balance	As at 31-03-2021	As at 31-03-2020
Balance in Escrow Account (Current/ Non Current) on opening date	1511.92	1331.59
Add: Balance Deposited durign Current Year	123.23	119.20
Add: Interest Credited during the year	68.66	71.27
Less: Amoun Withdrawn during Current Year	(79.66)	(10.14)
Balance in Escrow Account (Current/ Non Current) on Closing date	1624.15	1511.92

21.2 Stripping Activity Adjustments consists of Deferred Stripping Activity Expenses and Other Stripping Activity Adjustments.

21.3 Provision for Other Employee Benefits includes ₹7.50 Crore (₹25.22 Crore) related to Superannuation benefits @6.99% which is unfunded till Balance Sheet date.

Notes to Financial Statements

NOTE - 22 : OTHER NON CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Shifting & Rehabilitation Fund	-	-
Deferred Income	1.32	0.40
	1.32	0.40

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Statutory Dues	1,156.60	1,202.93
Advance from customers / others ^{23.1}	4561.30	4,544.41
Others liabilities ^{23.2}	-	-
TOTAL	5,717.90	5,747.34

23.1 Advance from Customers & Others includes ₹15.48 Crores (₹15.48 Crores) 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.

Notes to Financial Statements

NOTE - 24 : REVENUE FROM OPERATIONS

(₹ in Crore)

	For The Year Ended 31-03-2021		For the Year Ended 31-03-2020	
A. Sales of Coal etc.		26639.62		27086.06
Less : Statutory Levies		9984.58		10235.98
Sale of Coal etc (Net after adjustment of Coal Quality Variance) (A) ^{24.1, 24.2 & 24.3}		16655.04		16850.08
B. Other Operating Revenue				
Subsidy for Sand Stowing & Protective Works		7.87		0.76
Loading and additional transportation charges	856.69		777.83	
Less : Levies	39.74	816.95	37.05	740.78
Evacuation Facility Charges	599.04		617.18	
Less : Levies	30.24	568.80	29.40	587.78
Other Operating Revenue Net (B)		1393.62		1329.32
Revenue From Operations (A+B)		18,048.66		18,179.40

- 24.1 Net Sales (Net of levies) includes ₹296.09 Crore (₹338.35 Crore) sale of 32.41 Lakh Te (28.88 lakh) coal related to Gare Palma IV/2&3 Mine and ₹1.06 Crore (₹70.45 Crore) sale of 0.00 lakh Te (8.21 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 Disaggregated revenue information- Refer Annexure to Note-24 on next page
- 24.3 Sale of Coal above has been increased/ (decreased) by estimated Coal Quality variance (Net of Reversal) amounting to ₹-125.63 Crore {₹912.53 Crore }.

Notes to Note-24 Financial Statements

ANNEXURE TO NOTE - 24

Disaggregated revenue information:

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Types of goods or service		
- Coal	16643.55	16838.93
- Others	11.49	11.15
Total revenue from contracts with customers	16655.04	16850.08
Types of customers		
- Power sector	9,425.80	10,769.60
- Non-Power Sector	7,343.38	5,156.80
- Others (including provision for quality variance)	(114.14)	923.68
Total revenue from contracts with customers	16,655.04	16,850.08
Types of contract		
- FSA/MOU	13,807.73	14,836.89
- E Auction	2,961.45	1,089.51
- Others (including provision for quality variance)	(114.14)	923.68
Total revenue from contracts with customers	16,655.04	16,850.08
Timing of goods or service		
- Goods transferred at a point in time	16655.04	16850.08
- Goods transferred over time	-	-
- Services transferred at a point in time	-	-
- Services transferred over time	-	-
Total revenue from contracts with customers	16655.04	16850.08

Notes to Financial Statements

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Interest Income	200.32	525.05
Dividend from Mutual Fund	2.08	21.27
Other non-operating Income		
Profit on Sale of Assets	0.44	3.72
Lease Rent	14.04	19.20
Liability/ Provision Write Back	368.44	228.18
Miscellaneous Income	93.26	44.03
Total	678.58	841.45

NOTE 26 : Cost of Materials Consumed

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Explosives	354.26	298.52
Timber	2.30	4.96
Oil & Lubricants	730.05	539.31
HEMM Spares	227.31	211.57
Other Consumable Stores & Spares	352.26	429.49
Total	1666.18	1483.85

NOTE 27 : Changes In Inventories Of Finished Goods, Work In Progress

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
A Coal		
Opening Stock	796.35	469.67
Add: Opening Stock brought to Revenue ^{27.1}	10.35	-
Opening Stock ^{27.1}	806.70	469.67
Closing Stock	1255.82	796.35
Change in Inventory of Coal (A)	(449.12)	(326.68)
B Workshop made finished goods and WIP		
Opening Stock	163.56	171.84
Closing Stock	128.40	163.56
Change in Inventory of workshop (B)	35.16	8.28
Change in Inventory of Stock in trade (A+B) { Decretion / (Accretion) }	(413.96)	(318.40)

Notes to Financial Statements

NOTE 28 : Employee Benefit Expenses (Refer Note 38.3)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Salary, Wages, Allowances , Bonus etc.	5522.17	5776.54
Contribution to P.F. & Other Funds	1479.18	1650.35
Staff Welfare Expenses	705.06	756.71
Total	7706.41	8183.60

NOTE 29 : Corporate Social Responsibility Expenses

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
CSR Expenses	79.42	84.65
Total	79.42	84.65

A. Activity wise break-up of CSR Expenses :	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Eradicating hunger, poverty and malnutrition	29.58	71.58
Promoting education, including special education and employment enhancing vocation skills	5.69	1.73
Gender equality and measures for reducing inequalities faced by socially and economically backward groups	0.05	1.94
Environmental sustainability	0.11	5.62
Protection of national heritage, art and culture	0.40	1.74
Benefit of armed forces veterans, war widows and their dependents	0.18	0.07
Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	-	-
Contribution to fund set up by the Central government for socio economic development	-	-
Contribution to incubators or research and development projects	-	-
Contributions to Universities and Research Institutes	-	-
Rural development projects	2.24	1.94
Slum area development	-	-
Disaster management, including relief, rehabilitation and reconstruction activities	-	-
Administrative Expenses	0.08	0.04
Total	38.33	84.65

Notes to Financial Statements

NOTE 29 : Corporate Social Responsibility Expenses (Contd.)

B. CSR Expenditure Break-up	Current Year	Previous Year
(a) Amount Required to be spent during the year	79.42	83.85
(b) Amount approved by the Board to be spent during the year	79.42	83.85
(c) Amount spent during the year on:	38.33	84.65
(i) Construction/Acquisition of any asset	36.21	74.3
(ii) on purposes other than (i) above	2.12	10.35
C. Unspent amount	Current Year	Previous Year
a) Opening Balance as on 01.04.2020	-	-
b) Amount deposited in Specified Fund of Sch. VII	-	-
c) Amount required to be spent during the year	79.42	83.85
d) "Amount spent during the year"	38.33	84.65
e) Closing Balance	41.09	-
D. Excess amount spent	Current Year	Previous Year
a) Opening Balance		
b) "Amount required to be spent during the year"	79.42	83.85
c) "Amount spent during the year"	38.33	84.65
d) Closing Balance		
E. Ongoing Project (to be given year-wise)	Current Year	Previous Year
a) Opening Balance with Company	79.42	83.85
b) "Opening Balance In Separate CSR Unspent A/c"	-	-
c) "Amount spent during the year From Company's bank A/c"	38.33	84.65
d) Amount spent during the year From Separate CSR Unspent A/c	-	-
e) Closing Balance With Company	41.09	-
f) Closing Balance in Separate CSR Unspent A/c	-	-

Notes to Financial Statements

NOTE 30 : Repairs

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Building	19.87	17.92
Plant & Machinery	223.54	153.04
Others	4.09	3.28
Total	247.50	174.24

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 31-03-2021	For the Year Ended 31-03-2020
Transportation Charges	904.76	924.47
Wagon Loading	34.75	27.29
Hiring of Plant and Equipments	873.99	650.62
Other Contractual Work	1018.21	1008.68
Total	2831.71	2611.06

NOTE 32 : Finance Cost

(₹ in Crore)

Interest Expenses	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Unwinding of Interest	80.67	80.47
Other Borrowing Cost	32.50	41.04
Total	113.17	121.51

Notes to Financial Statements

NOTE 33 : Provisions (Net of Reversal)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(A) Provision made For		
Doubtful debts	738.86	92.89
Doubtful Advances & Claims	0.58	-
Stores & Spares	-	-
Others	22.17	10.14
Total	761.61	103.03

NOTE 34 : Write Off (Net of past provisions)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Doubtful debts	-	-
Less :- Provided earlier	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
Others	-	0.40
Less :- Provided earlier	-	0.40
Total		0.40

Notes to Financial Statements

NOTE 35 : Other Expenses

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Travelling expenses	17.53	32.02
Training Expenses	8.39	12.73
Telephone & Postage	14.46	15.29
Advertisement & Publicity	4.40	11.45
Freight Charges	0.11	0.27
Demurrage	17.22	48.32
Security Expenses	111.71	109.93
Hire Charges	68.27	61.04
Legal Expenses	2.29	2.26
Consultancy Charges	5.82	9.56
Under Loading Charges	98.00	84.08
Loss on Sale/Discard/Surveyed of Assets	0.12	0.18
Service Charges of CIL ^{35.3}	150.61	150.55
CMPDIL Charges ^{35.2}	66.32	57.25
Auditor's Remuneration & Expenses		
- For Audit Fees	0.67	0.54
- For Taxation Matters	0.25	0.06
- For Other Services	-	0.64
- For Reimbursement of Exps.	0.04	0.28
Internal & Other Audit Expenses	3.02	2.85
Rehabilitation Charges ^{35.1}	83.26	85.16
Rates & Taxes	17.87	13.48
Insurance	0.01	0.01
Lease Rent and other rent ^{35.4}	2.69	2.74
Rescue/Safety Expenses	17.75	17.96
Dead Rent/Surface Rent	0.85	0.90
Siding Maintenance Charges	7.93	7.58
R & D expenses	-	-
Environmental & Tree Plantation Expenses	70.14	73.84
Donations/Subscriptions	1.03	0.04
Miscellaneous expenses	79.98	79.07
Total	850.74	880.08

35.1 As per the decision of Ministry of Coal, an amount of ₹83.26 Crores (₹85.16 Crores) 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.

Notes to Financial Statements

NOTE 36 : Tax Expense

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Current Year	768.46	615.15
Deferred tax	(114.46)	238.48
Earlier Years	(49.45)	(67.08)
Total	604.55	786.55
Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate		
Profit/(Loss) before tax	2044.50	2521.47
At India's statutory income tax rate of 25.168% (31 March 2020: 25.168%)	514.56	634.60
Less: Income exempt form Tax	-	(5.35)
Add: Non-deductible expenses for tax purposes	40.95	48.62
Add/ (Less) : Adjustment in respect of current income tax of previous years	49.04	108.68
Add/ (Less): Adjustment for Tax under MAT provisions	-	-
Income Tax Expenses reported in statement of Profit & Loss	604.55	786.55
Effective income tax rate :	29.570%	31.194%
Deferred tax liability relates to following:		
Deffered Tax Liability		
Related to Property, Plant and Equipment	159.59	156.58
Others	-	-
Total Deferred Tax Liability	159.59	156.58
Deferred Tax Asset		
Related to Receivables / Advances	401.08	186.41
Employee Benefits	47.33	186.05
Others	131.24	89.72
Total Deferred Tax Asset	579.65	462.18
Net Deffered Tax Asset/Liabilities	420.06	305.60

NOTE 37 : Other Comprehensive Income

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(A) (i) Items that will not be reclassified to profit or loss		
Remeasurmnt of defined benefit plans	(262.32)	(470.96)
	(262.32)	(470.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurmnt of defined benefit plans	(66.02)	(118.53)
	(66.02)	(118.53)
Total [A(i) - A(ii)]	(196.30)	(352.43)
(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		
	-	-
Total [B(i) - B(ii)]	-	-
Total (A+B)	(196.30)	(352.43)

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

1. Fair Value measurement

(a) Financial Instruments by Category

(₹ in Crore)

	Note No.	As at 31-03-2021			As at 31-03-2020		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost
Financial Assets- Non Current							
Investments : Equity Shares Subsidiary Companies	7	-	-	810.07	-	-	746.07
Loans	8	-	-	20.48	-	-	110.20
Other Financial Assets	9	-	-	1808.43	-	-	1694.55
Financial Liabilities- Non Current							
Borrowings	18	-	-	0.00	-	-	0.00
Trade payables	19	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	369.31	-	-	252.34
Other Liabilities	20	-	-	25.49	-	-	6.22

(₹ in Crore)

	Note	As at 31-03-2021			As at 31-03-2020		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost
Financial Assets- Current							
Investments : Mutual Fund	7	1.64	-	-	0.29	-	-
Trade receivables*	13	-	-	1114.74	-	-	1653.80
Cash & cash equivalents	14	-	-	849.40	-	-	39.49
Other Bank Balances	15	-	-	1220.70	-	-	3966.50
Loans	8	-	-	0.30	-	-	0.89
Other Financial Assets	9	-	-	788.43	-	-	860.44
Financial Liabilities- Current							
Borrowings	18	-	-	0.00	-	-	1724.93
Trade payables**	19	-	-	1495.00	-	-	1574.57
Security Deposit and Earnest money	20	-	-	360.89	-	-	367.88
Other Liabilities	20	-	-	1946.13	-	-	1516.91

* Allowance for Coal Quality Variance deducted from Trade Receivable.

**Liability for Salary, Wages and Allowances included in Trade Payables instead of Other Financial Liabilities

(b) Fair value hierarchy

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Financial assets and liabilities measured at fair value – recurring fair value measurement	Note No.	As at 31-03-2021			As at 31-03-2020		
		Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL							
Investments :							
Mutual Fund	7	1.64	-	-	0.29	-	-
Financial Liabilities							
If any item		-	-	-	-	-	-

(₹ in Crore)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at	Note No.	As at 31-03-2021			As at 31-03-2020		
		Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets- Non Current							
Investments : Equity Shares Subsidiary Companies	7	-	-	810.07	-	-	746.07
Loans	8	-	-	20.48	-	-	110.20
Deposits & receivable	9	-	-	1808.43	-	-	1694.55
Financial Liabilities- Non Current							
Borrowings	18	-	-	0.00	-	-	0.00
Trade payables	19	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	369.31	-	-	252.34
Other Liabilities	20	-	-	25.49	-	-	6.22
Financial Assets- Current							
Trade receivables	13	-	-	1114.74	-	-	1653.80
Cash & cash equivalents	14	-	-	849.40	-	-	39.49
Other Bank Balances	15	-	-	1220.70	-	-	3966.50
Loans	8	-	-	0.30	-	-	0.89
Other Financial Assets	9	-	-	788.43	-	-	860.44
Financial Liabilities- Current							
Borrowings	18	-	-	0.00	-	-	1724.93
Trade payables	19	-	-	1495.00	-	-	1574.57
Security Deposit and Earnest money	20	-	-	360.89	-	-	367.88
Other Liabilities	20	-	-	1946.13	-	-	1516.91

A brief of each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments, security deposits and other liabilities taken included in level 3.

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 (NAV) of instruments in respect of investment in Mutual Funds.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortized cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

2. RISK ANALYSIS AND MANAGEMENT**Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortized cost	Ageing analysis/ Credit rating	Department of Public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Risk	Exposure arising from	Measurement	Management
Market Risk-foreign exchange	Future commercial transactions, recognized 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 principles for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk:**Credit risk management:**

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. Our FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities (“PPUs”) and independent power producers (“IPPs”);
- FSAs with customers in non-power industries (including captive power plants (“CPPs”)); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Provision for Expected credit loss: The Company provides for expected credit risk loss for doubtful/credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

As on 31-03-2021 (₹ in Crore)

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	314.39	491.17	72.27	355.56	107.65	1124.65	2465.69
Expected loss rate		-	-	-	-	-	100.00%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	1124.65	1124.65

As on 31-03-2020 (₹ in Crore)

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	432.63	199.47	297.49	224.11	600.77	385.79	2140.26
Expected loss rate		-	-	-	-	-	100.00%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	385.79	385.79

Reconciliation of loss allowance provision – Trade receivables

Provisions	Note no.	Amount
Loss allowance on 01-04-20	13	385.79
Changes in loss allowance		738.86
Loss allowance on 31-03-21	13	1124.65

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company.

C. Market risk**a) Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**b) Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows:

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Equity Share capital	668.06	668.06
Long term debt	-	-

3. Employee Benefits: Recognition and Measurement Refer Note-28 (Ind AS-19)**Defined Benefit Plans :****a) Gratuity**

The Company provides for gratuity, a post-employment defined benefit plan ("the Gratuity Scheme") covering the eligible employees. The Gratuity Scheme is fully funded through trust maintained with Life Insurance Corporation of India, wherein employer contribution is 2.01% of basic salary and Dearness allowances. Every employee who has rendered continuous service of more than 5 years or more is entitled to receive gratuity amount equal to 15 days salary for each completed years of service computed as (15 days/26 days in a month* last drawn salary and dearness allowance* completed years of service) subject to maximum of Rs 0.20 crores at the time of separation from the company considering the provisions of the Payment of Gratuity Act 1972 as amended. The liability or asset recognised in the balance sheet in respect of the Gratuity Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income (OCI).

b) Post-Retirement Medical Benefit – Executive (CPRMSE)

Company has post-retirement medical benefit scheme known as Contributory Post Retirement Medicare Scheme for Executive of CIL and its Subsidiaries (CPRMSE), to provide medical care to the executives and their spouses in Company hospital/empaneled hospitals or outpatient/Domiciliary only in India subject to ceiling limit, on account of retirement on attaining the age of superannuation or are separated by the Company on medical ground or retirement under Voluntary Retirement Scheme under common coal cadre or Voluntary Retirement Scheme formulated and made applicable from time to time. Membership is not extended to the executives who resigns from the services of the CIL and its subsidiaries. The maximum amount reimbursable during the entire life for the retired executives and spouse taken together jointly or severally is Rs 25 lakhs except for specified diseases with no upper limit. The Scheme is funded through trust maintained by the CIL at group level solely for this purpose, wherein employer contribution is 2% of basic salary and Dearness Allowance per month. The liability for the scheme is recognised based on actuarial valuation done at each reporting date.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Defined Contribution Plans:****a) Provident Fund and Pension:**

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates based on a fixed percentage of the eligible employee's salary i.e. 12% and 7% of Basic salary and Dearness Allowance towards Provident Fund and Pension Fund respectively to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund for the Period/ year ended 31-03-2021 is ₹ 911.28 Crore (₹ 885.18 Crore for the Period/year ended 31-03-2020) has been recognized in the Statement of Profit & Loss (Note 28).

b) Post-Retirement Medical Benefit – Non- Executive (CPRMSE-NE)

As a part of social security scheme under wage agreement, Company is providing Contributory Post-Retirement Medicare Scheme for non-executives (CPRMSE-NE), wherein fixed amount is being contributed by the company and charged to statement of profit and loss.

c) CIL Executive Defined Contribution Pension Scheme (NPS)

The company provides a post-employment contributory pension scheme to the executives of the Company known as "CIL Executive Defined Contribution Pension Scheme -2007" (referred as New Pension Scheme "NPS"). NPS is being administered through separate trust at group level solely formed for the purpose. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post-retirement medical benefits -Executive i.e. CPRMSE or any other retirement benefits. The employer contribution of 6.99% of basic and Dearness Allowance is being charged to statement of profit and loss.

Other Long Term Employee Benefits**a) Leave encashment**

The company provides benefit of total Earned Leave (EL) of 30 days and Half Paid Leave (HPL) of 20 days to the executives of the company, accrued and credited proportionately on half yearly basis on the first day of January and July of every year. During the service, 75% EL credited balance is one time encashable in each calendar year subject to ceiling of maximum 60 days EL encashment. Accumulated HPL is not permitted for encashment during the period of service. On superannuation, EL and HPL together is considered for encashment subject to the overall limit of 300 days without commutation of HPL. In case of non-executives, leave encashment is governed by the National Coal Wage Agreement (NCWA) and at present the workmen are entitled to get encashment of earned leave at the rate of 15 days per year and on discontinuation of service due to death, retirement, superannuation and VRS, the balance leave or 150 days whichever is less, is allowed for encashment. Therefore, the liabilities for earned leave are expected to be settled during the service as well as after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The Scheme is fully funded through trust maintained with Life Insurance Corporation of India.

b) Life Cover Scheme (LCS)

As a part of social security scheme under wage agreement, the Company has Life Cover Scheme under Deposit Linked Insurance Scheme, 1976 notified by the Ministry of Labour, Government of India, known as "Life Cover Scheme of Coal India Limited" (LCS). An amount of Rs 1,25,000 is paid under the scheme w.e.f 01.10.2017. The liability under the scheme is borne by the Company as per actuarial valuation at each Balance Sheet date.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**c) Settlement Allowances**

As a part of wage agreement, a lump sum amount of Rs 12000/- is paid to all the non-executive cadre employees governed under NCWA on their superannuation on or after 31.10.2010 as settling-in allowance. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

d) Group Personal Accident Insurance (GPAIS)

Company has taken group insurance scheme from United India Insurance Company Limited to cover the executives of the company against personal accident known as “Coal India Executives Group Personal Accident Insurance Scheme” (GPAIS). GPAIS covers all types of accident on 24 hour basis worldwide. Premium for the scheme is borne by the Company. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date

e) Leave Travel Concession (LTC)

As a part of wage agreement, Non-executive employees are entitled to travel assistance for visiting their home town and for “Bharat Bhraman” once in a block of 4 years. A lump sum amount of Rs 8000/- and Rs 12000/- is paid for visiting Home town and “Bharat Bhraman”, respectively. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

f) Compensation to Dependent on Mine Accident Benefits

As a part of social security scheme under wage agreement, the company provides the benefits admissible under The Employee’s Compensation Act, 1923. An amount of Rs 15 lakhs is paid to the next of kin of an employee in case of a fatal mine accident w.e.f 07.11.2019. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

Funding status of defined benefit plans, defined contribution plans and other long term employee benefits plans, which are valued on actuarial basis, are as under:**(i) Funded-**

- Gratuity
- Leave Encashment
- Medical Benefits
- Provident Fund
- Pension Schemes

(ii) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31-03-2021 based on valuation made by the Actuary, details of which are mentioned below is ₹5800.02 Crore (₹5738.67 Crore).

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹In Crores)

Head	As at 31-03-2020	Incremental Liability	As at 31-03-2021
Gratuity	4543.42	(44.21)	4499.21
Earned Leave	647.61	26.30	673.91
Half Pay Leave	127.92	2.32	130.24
Leave Travel Concession - Executive	-	-	-
Leave Travel Concession - Non-Executive	42.14	(0.19)	41.95
Settlement Allowance Executives	12.96	1.63	14.59
Settlement Allowance Non-Executives	29.44	(2.04)	27.40
Life Cover Scheme- Executives	0.82	(0.06)	0.76
Life Cover Scheme- Non-Executives	14.52	(1.28)	13.24
Group Personal Accident Insurance Scheme	0.21	(0.01)	0.20
Post-Retirement Medical Benefits-Executives	209.60	24.85	234.45
Post-Retirement Medical Benefits- Non Executives	65.30	49.08	114.38
Compensation to dependents in case of mine accidental death	44.73	4.96	49.69
TOTAL	5738.67	61.35	5800.02

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 31-03-2021

DISCLOSURE AS PER IND AS 19 (2015)

(₹In Crores)

Table 1: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Present Value of Obligation as at				
Present value of obligation as on last valuation	4,543.42	4,361.42	775.52	607.38
Current Service Cost	198.52	191.79	172.66	162.22
Interest Cost	284.09	262.61	46.31	33.91
Participant Contribution	-	-	-	-
Plan Amendments: Vested portion at end of period(Past Service)	-	-	-	-
Actuarial gain/loss on obligations due to Change in Financial Assumption	(68.16)	240.56	(14.98)	50.11
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	333.60	252.08	23.44	109.21
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
The effect of change in Foreign exchange rates	-	-	-	-
Benefits Paid	792.26	765.04	198.80	187.31
Acquisition Adjustment	-	-	-	-
Disposal/Transfer of Obligation	-	-	-	-
Curtailement cost	-	-	-	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 1: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Present Value of Obligation as at				
Settlement Cost	-	-	-	-
Other(Unsettled Liability at the end of the valuation date)	-	-	-	-
Present value of obligation as on valuation date	4,499.21	4,543.42	804.15	775.52

(₹in Crores)

Table 2: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Fair Value of Plan Assets as at				
Fair value of Plan Assets at Beginning of period/year	4,248.08	4,227.60	331.63	201.48
Interest Income	290.99	279.02	22.72	13.30
Employer Contributions	611.34	484.82	298.80	301.65
Participant Contributions	-	-	-	-
Acquisition/Business Combination	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	792.26	765.04	198.80	187.31
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	3.07	21.68	2.52	2.51
Fair value of Plan Assets at End of measurement period	4,361.22	4,248.08	456.87	331.63

(₹in Crores)

Table 3: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Table Showing Reconciliation to Balance Sheet				
Funded Status	(137.99)	(295.34)	(347.28)	(443.89)
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	4361.22	4248.08	456.87	331.63
Fund Liability	4499.21	4543.42	804.15	775.52

(₹in Crores)

Table 4: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Table Showing Plan Assumptions				
Discount Rate	6.85%	6.60%	6.85%	6.60%
Expected Return on Plan Asset	6.85%	6.60%	6.85%	6.60%
Rate of Compensation Increase(Salary Inflation) Executives	9.00%	9.00%	9.00%	9.00%
Non Executives	6.25%	6.25%	6.25%	6.25%
Pension Increase Rate	N/A	N/A	N/A	N/A
Average expected future service (Remaining working Life)	10	10	10	10
Average Duration of Liabilities	10	10	10	10

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 4: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Table Showing Plan Assumptions				
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)	0.30%	0.30%	0.30%	0.30%

(₹ in Crores)

Table 5: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Expense Recognized in statement of Profit/Loss as at				
Current Service Cost	198.52	191.79	172.66	162.22
Past Service Cost(vested)	-	-	-	-
Past Service Cost(Non-Vested)	-	-	-	-
Net Interest Cost	(6.90)	(16.41)	23.59	20.61
Cost(Loss)/(Gain) on settlement	-	-	-	-
Cost(Loss)/(Gain) on curtailment	-	-	-	-
Actuarial Gain loss Applicable only for last year	-	-	5.94	156.81
Employee Expected Contribution	-	-	-	-
Net Effect of changes in Foreign Exchange Rates	-	-	-	-
Benefit Cost(Expense Recognized in Statement of Profit/loss)	191.62	175.38	202.19	339.64

Table 6: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Other Comprehensive Income				
Actuarial gain/loss on obligations due to Change in Financial Assumption	(68.18)	240.56	-	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	333.58	252.08	-	-
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
Total Actuarial (gain)/losses	265.40	492.64	-	-
Return on Plan Asset, Excluding Interest Income	3.08	21.68	-	-
The effect of asset ceiling	-	0.00	-	-
Balance at the end of the Period	262.32	470.96	-	-
Net(Income)/Expense for the Period Recognized in OCI	262.32	470.96	-	-

Table 7: Disclosure Item	Gratuity		Leave Encashment	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Allocation of Plan Asset at end Measurement Period				
Cash & Cash Equivalents	-	-	-	-
Investment Funds	-	-	-	-
Derivatives	-	-	-	-
Asset-Backed Securities	-	-	-	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 7: Disclosure Item	Gratuity		Leave Encashment	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Allocation of Plan Asset at end Measurement Period				
Structured Debt	-	-		
Real Estates	-	-		
Special Deposit Scheme	-	-		
State Government Securities	-	-		
Government of India Assets	-	-		
Corporate Bonds	-	-		
Debt Securities	-	-		
Annuity Contracts/Insurance Fund	-	-		
Other	-	-		
Total	-	-		

Table 8: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Total Allocation in % of Plan Asset at end Measurement Period				
Cash & Cash Equivalents	-	-	-	-
Investment Funds	-	-	-	-
Derivatives	-	-	-	-
Asset-Backed Securities	-	-	-	-
Structured Debt	-	-	-	-
Real Estates	-	-	-	-
Special Deposit Scheme	-	-	-	-
State Government Securities	-	-	-	-
Government of India Assets	-	-	-	-
Corporate Bonds	-	-		
Debt Securities	-	-		
Annuity Contracts/Insurance Fund	-	-		
Other	-	-		
Total	-	-		

Table 9: Disclosure Item**Mortality Table**

Age	Mortality (Per Annum)
25	0.000931
30	0.000977
35	0.001202
40	0.000168
45	0.002579
50	0.004436
55	0.007513
60	0.011162
65	0.015320
70	0.024058

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 10: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21		31-03-21	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis				
Discount Rate (-/+ 0.5%)	4,368.64	4,637.52	775.40	835.03
%Change Compared to base due to sensitivity	-2.902%	3.074%	-3.575%	3.840%
Salary Growth (-/+ 0.5%)	4,559.19	4,434.24	834.60	775.52
%Change Compared to base due to sensitivity	1.333%	-1.444%	3.786%	-3.560%
Attrition Rate (-/+ 0.5%)	4,499.44	4,498.99	804.10	804.20
%Change Compared to base due to sensitivity	0.005%	-0.005%	-0.006%	0.006%
Mortality Rate (-/+ 10%)	4,500.88	4,497.55	803.94	804.36
%Change Compared to base due to sensitivity	0.037%	-0.037%	-0.026%	0.026%

Table 11 : Statement Showing Cash Flow Information	Gratuity
Next Year Total (Expected)	4251.51
Minimum Funding Requirements	292.23
Company's Discretion	

			(₹ in Crore)	
Table 12 : Benefit Information Estimated Future payments(Past Service)	Gratuity	Leave Encashment		
Year				
1	677.85	88.22		
2	628.62	87.97		
3	570.07	90.76		
4	569.40	96.69		
5	497.77	86.09		
6 to 10	2109.58	381.24		
More than 10 years	2436.43	713.03		
Total Undiscounted Payments Past and Future Service				
Total Undiscounted Payments related to Past Service	7489.74	1544.00		
Less Discount for Interest	2990.52	739.85		
Projected Benefit Obligation	4499.21	804.15		

Table 13: Statement Showing Outlook Next Year Components of Net Periodic benefit Cost	Gratuity	Leave Encashment
Current service Cost (Employer portion Only) Next period	192.36	-
Interest Cost next period	284.98	-
Expected Return on Plan Asset	308.19	-
Unrecognized past service Cost	-	-
Unrecognized actuarial/gain loss at the end of the period	-	-
Settlement Cost	-	-
Curtailment Cost	-	-
other(Actuarial Gain/loss)	-	-
Benefit Cost	169.15	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 14: Bifurcation of Net Liability	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Current Liability	655.76	684.54	85.35	76.14
Non-Current Liability	3843.45	3858.88	718.80	699.38
Net Liability	4499.21	4543.42	804.15	775.52

4. Unrecognized items:

A. Contingent Liabilities (Ind AS-37)

i) Claims against the group not acknowledged as debt

(₹ in Crores)

S. No.	Particulars	Central Government	State Government and other localities	Central Public Sector Enterprises	Others	Total
1	Opening as on 01.04.2020	12277.59	10958.31	49.03	612.83	23897.76
2	Addition/ Adjustment during the year	84.32	(34.10)	-	39.58	89.80
3	Claims settled during the year	-	-	-	-	-
	a. From opening balance	115.92	11.62	0.00	27.66	155.20
	b. Out of addition during the year	0.00	0.00	0.00	0.76	0.76
	c. Total claims settled during the year (a + b)	115.92	11.62	0.00	28.42	155.96
4	Balance as on 31-03-21	12245.99	10912.59	49.03	623.99	23831.60

Detailed information of contingent liabilities are as under:

(₹ in Crores)

Sl. No.	Particulars	As at 31-03-21	As at 31-03-20
1	Central Government		
	Income Tax	11521.22	11550.19
	Central Excise	438.66	438.69
	Clean Energy Cess	0.02	-
	Central Sales Tax	63.71	-
	Service Tax	222.38	288.71
	Others(Please Specify)	-	-
	Sub-Total	12245.99	12277.59
2	State Government and Local Authorities		
	Royalty	242.89	242.89
	Environment Clearance	10182.64	10182.63
	Sales Tax/VAT	171.11	232.74
	Entry Tax	310.41	298.94
	Electricity Duty	-	-
	MADA	-	-
	Others(Property tax etc)	5.54	1.10
	Sub-Total	10912.59	10958.30

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Sl. No.	Particulars	As at 31-03-21	As at 31-03-20
3	Central Public Sector Enterprises		
	Arbitration Proceedings	-	-
	Suit against the company under litigation	-	-
	Others(Claims by Debtors)	49.03	49.03
	Sub-Total	49.03	49.03
4	Others: (If any)		
	Miscellaneous - Suit Against the company not acknowledged as Debts	623.99	612.84
	Sub-Total	623.99	612.84
	Grand Total	23831.60	23897.76

The management of the company believes that the outcome of the above will not have any material adverse effect on the company.

- Collector -Raigarh & Korba and Koriya have issued show cause / demand notices demanding ₹10182.64 Crore for excess production beyond the limit of Environment clearance, Mining plans and Section 21(5) of the MMDR Act etc. Replies /Appeal to some notices has been submitted to respective collectors and some replies are under process for legal vetting.

ii) **Guarantee / Sponsor Support Agreement:**

- The Company has given Bank Guarantees of ₹58.51 Crore (₹24.42 Crore) for which there is a floating charge on Current Assets of the Company.
- The Company has executed a Sponsor Support Agreement as promotor of M/s Chhattisgarh East West Railway Ltd, in favour of the Lenders Agent 'State Bank of India against the Rupee Term Loan (RTL) Facility up to Rs.2544.64 Crore (64% of Rs.3976.00 Crore Term Loan sanctioned through Consortium of Banks led by State Bank of India).

iii) **Letter of Credit**

Outstanding letters of Credits as on Balance Sheet date amounted to ₹ 81.86 Crore (₹7409.07 Crore).

B. Commitments:

- (i) The amount remaining to be executed on capital account not provided for is ₹2366.55 Crore (₹611.58 Crore).
- (ii) The amount remaining to be executed on revenue account not provided for is ₹5197.75 Crores (₹4387.71 Crore).

5. Other Information

a) **Provisions**

The position and movement of various provisions (except those relating to employee benefits which are valued actuarially), as on 31-03-21 are given below:

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Provisions	Note No.	As at 01-04-2020	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	As at 31-03-2021
Property, Plant and Equipment:	3					
Provision for Depreciation & impairment of Assets		3677.80	809.72	(1.73)	-	4485.79
Capital Work in Progress :	4					
Against CWIP :		18.07	1.17	-	-	19.24
Exploration And Evaluation Assets :	5					
Provision and Impairment:		-	-	-	-	-
Other Intangible Assets :	6					
Provision and Impairment:		-	-	-	-	-
Loans :	8					
Provision for Doubtful Loan		0.07	-	-	-	0.07
Other Non-Current Financial Assets:	9					
Deposits		-	-	-	-	-
Claims Receivables		6.42	0.59	-	-	7.01
Other Current Financial Assets:	9					
Claims Receivables		-	-	-	-	-
Other Receivables		1.60	0.02	-	-	1.62
Other Non-Current Assets :	10					
Capital Advance		0.45	-	-	-	0.45
Advance for revenue		1.54	-	-0.06	-	1.48
Other Current Assets :	10					
Advances for Revenue		-	-	-	-	-
Other Receivables		-	-	-	-	-
Inventories :	12					
Stock of Coal		-	-	-	-	-
Stock of Stores & Spares		51.88	0.00	(4.90)	-	46.98
Trade Receivables :	13					
Provision for bad & doubtful debts		385.79	738.86	-	-	1124.65
Non-Current Provision :	21					
Employee Benefits						
- Gratuity		-	0.00	-	-	0.00
- Leave Encashment		373.25	-	(105.65)	-	267.60
- Other Employee Benefits		475.77	124.62	-	-	600.39
Site Restoration/ Mine Closure		1283.71	80.67	(79.66)	-	1284.72
Stripping Activity Adjustments		11688.89	1227.23	-	-	12916.12
Others		-	-	-	-	-
Current Provision :	21					
- Gratuity		295.34	429.59	(586.94)	-	137.99
- Leave Encashment		76.15	-	9.20	-	85.35

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Provisions	Note No.	As at 01-04-2020	Addition during the year	Write back/ Adj. during the year	Unwinding of discounts	As at 31-03-2021
- Ex- Gratia		357.59	-	(27.48)	-	330.11
- Performance Related Pay		218.55	-	(84.50)	-	134.05
- Other Employee Benefits		94.03	-	(13.97)	-	80.06

b) Segment Reporting

The Company is primarily engaged in a single segment business of production and sale of Coal. The income from interest and other income is less than 10% of the total revenue; hence no separate segment is recognized for the same.

c) Earnings per share in terms of :**i) Net Profit**

Sl. No.	Particulars	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Net profit after tax attributable to Equity Share Holders	1439.95	1734.92
ii)	Weighted Average no. of Equity Shares Outstanding	6680561	6680561
iii)	Basic and Diluted Earnings per Share in Rupees (Face value Rs.1000/- per share)	2155.43	2596.97

d) Related Party Disclosures➤ **Post-Employment Benefit Fund:**

- 1.) Group Gratuity Cash Accumulation Plan with LIC.
- 2.) New Group Gratuity Cash Accumulation Plan with LIC (for employees joining after 01.04.2014).
- 3.) New Group Leave Encashment Scheme with LIC.
- 4.) Coal Mines Provident Fund (CMPF).
- 5.) Contributory Post-Retirement Medical Scheme for Executive Trust
- 6.) CIL Executive Defined Contribution Pension Scheme-2007

➤ **Coal India Ltd & it's following Subsidiary Companies**

- 1.) Eastern Coalfields Limited (ECL)
- 2.) Bharat Coking Coal Limited (BCCL)
- 3.) Central Coalfields Limited (CCL)
- 4.) Western Coalfields Limited (WCL)
- 5.) Northern Coalfields Limited (NCL)
- 6.) Mahanadi Coalfields Limited (MCL)
- 7.) Central Mine Planning and Design Institute Limited (CMPDIL)

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**Subsidiary Companies**

- 1) Chhattisgarh East Railway Limited
- 2) Chhattisgarh East West Railway Limited

KEY MANAGERIAL PERSONNEL DURING YEAR 2020-21**FUNCTIONAL DIRECTORS:**

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	A.P. PANDA	Chairman-Cum-Managing Director	28.12.2018	CONT—
2	M.K. PRASAD	Director (Technical) Operations	01.11.2020	CONT—
		Director (Technical) Projects & Planning	18.06.2019	14.12.2020
3	S.M. CHOUDHARY	Director (Finance)	12.10.2019	CONT—
		Director (Personnel) Additional Charge	01.02.2021	CONT—
4	S.K. PAL	Director (Technical) Projects & Planning	15.12.2020	CONT—
5	R.S. JHA	Director (Personnel)	29.09.2014	31.01.2021
6	R.K. NIGAM	Director (Technical) Operations	01.05.2019	31.10.2020

PART TIME OFFICIAL/ GOVT. NOMINEE DIRECTORS:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	MS. VISMITA TEJ IRS, JS (MoC)	Govt. Nominee Director	30.12.2020	CONT—
2	S.B. NEGI IPS, JS (MoC)	Govt. Nominee Director	28.10.2020	30.12.2020
3	R.K. SINHA IAS, EX-JS (MoC)	Govt. Nominee Director	29.11.2019	10.07.2020
4	SANJIV SONI D(F), CIL	Govt. Nominee Director	29.10.2019	CONT—

PART TIME NON-OFFICIAL/ INDEPENDENT DIRECTORS:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	CA S.K. DESHPANDE	Independent Director	25.07.2019	CONT—

COMPANY SECRETARY:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	SYED MOHAMMED YUNUS	COMPANY SECRETARY	17.08.2010	CONT—

Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Short Term Employee Benefits (STB)		
	Gross Salary	2.12	1.94
	Medical Benefits	-	-
	Perquisites and other benefits	1.00	0.51
	Encashment of Leave	0.17	0.38
	Provision of Gratuity & Leave (Actuarial)	-	0.06
ii)	Post-Employment Benefits		
	Contribution to P.F. & other fund	0.43	0.55

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the Year ended 31-03-21	For the Year ended 31-03-20
iii)	Termination Benefits	-	-
TOTAL		3.72	3.44

Note:

- (i) Besides above, whole time Directors have been allowed to use of cars for private journey up to a ceiling of 1000 KMs on payment of ₹2000 per month as per service conditions.

Payment to Independent Directors

(₹ in Crore)

Sl. No.	Payment to Independent Directors	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Sitting Fees	0.07	0.11

Balances Outstanding with Key Managerial Personnel as on 31-03-21

Sl. No.	Particulars	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

➤ Related Party Transactions within Group

SECL has entered into transactions with its subsidiaries (CERL & CEWRL) and Coal India Ltd (Group) which include Apex charges, Rehabilitation charges, Lease rent, Interest on Funds parked by subsidiaries, IICM charges and other expenditure incurred by or on behalf of CIL (Group) through current account with CIL and by or on behalf of CERL & CEWRL through their current account and transaction of various services received from CMDPIL.

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

(₹ in Crore)

Name of Related Parties	Apex Charges	Rehabilitation Charges	Dividend Paid	Lease Rent	Interest on Funds parked with CIL	Current Account Balances	
						Receivable	Payable
Coal India Ltd.	150.61 (150.55)	83.26 (85.16)	0.00 (0.00)	1.80 (1.80)	-	0.00 (1.16)	9.99 (0.00)
CMPDIL (CMPDIL Exp.)	-	-	-	-	-	-	155.80

Name of Joint venture Subsidiaries	Equity contribution	Loans	Current Account Balances		
			Receivable	Payable	
Chhattisgarh East Railway Limited (CERL)		64.00 (0.00)	0.00 (0.00)	0.64 (0.44)	0.00 (0.00)
Chhattisgarh East West Railway Limited (CERWL)		0.00 (0.00)	(96.00) (0.00)	0.65 (0.44)	0.00 (0.00)
Total		64.00 (0.00)	(96.00) (0.00)	1.29 (0.88)	0.00 (0.00)

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**i) Lease from CIL:**

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.

➤ Entities under the control of the same government:

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 following transactions have been entered at arm's length price with entities under the control of the same Government.

(₹ in Crore)

Name of the entity	Transaction	Year ended 31-03-21	Year ended 31-03-20
NTPC	Sale of Coal (including levies)	5903.04	5110.28

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 Periods 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 Crores 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 Periods 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 period ended on Balance Sheet date accounted for is ₹1.56 Crore (₹1.56 Crores) 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 ₹11.92 Crore (₹11.36 Crore), the depreciation recognized in the Statement of Profit & Loss for the period ended is ₹0.56 Crore (₹0.56 Crore).

The future minimum lease rental receivable in the aggregate as at 31-03-2021 is ₹15.57 Crore (₹17.13 Crore) for each of the following period is as under:

(₹ in Crore)

	As at 31-03-21	As at 31-03-20
(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	7.78	9.34

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 ₹1.99 Crores (₹1.81Crores) received / receivable for the current period/ year.
- (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 ₹2.02 Crores (₹1.84 Crores) received / receivable for the current period / year. Renewal of Lease Agreement is under process.
- (c) 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 Dipka Area 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 ₹2.30 Crores (₹2.09 Crores) received/ receivable for current period / year.
- (d) Leased out Assets (Line No-2) to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) ₹19.21 Crores and accumulated depreciation as on Balance Sheet date is ₹14.33 Crores (₹13.54 crores).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹114.04 Crores (₹117.24 Crores) for each of the following periods is as under:

Period	As at 31-03-21				As at
	Junadih Sdg -3 (a)	Junadih Sdg -4 (b)	Line No 2 (d)	Total	31-03-20
Not later than one year	4.19	2.02	2.53	8.74	7.22
Later than one year and not later than five year	11.20	-	12.90	24.10	21.91
Later than five years and till the period of lease	0.50	-	80.70	81.20	88.11
	15.89	2.02	96.13	114.04	117.24

No contingent rents are recognized as income in the Profit and Loss Account.

iii) LAND:

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 land for construction & operation of Railway siding Junadih line no 5 at Gevra area for a period of 20 years with effect from 17.10.2005. Lease Rent ₹1.22 Crores (₹1.11 Crores) has been received for the current period / year.

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 01.11.1996. Lease Rent ₹3.53 Crore (₹3.21 Crore) received/receivable during current period/ year.

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washer Limited) valued ₹ 0.86 Crore (₹0.82 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹0.54 Crore (₹0.46 Crore).

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The future minimum lease rental receivable in the aggregate at the end of the year is ₹35.14 Crores (₹38.68 Crores) for each of the following periods is as under:

Period	As at 31-03-21			As at
	Land for Junadh Sdg -5 (a)	Land for Washery & Siding (b)	Total (a+b)	31-03-20
Not later than one year	2.57	3.89	6.46	4.76
Later than one year and not later than five year	5.98	19.85	25.83	24.31
Later than five years and till the period of lease	0.00	2.85	2.85	9.61
	8.55	26.59	35.14	38.68

No contingent rents are recognized as income in the Profit and Loss Account.

iv) DANKUNI COAL COMPLEX

Vide Notification of Ministry of Corporate Affairs dated 30th March 2019 Indian Accounting Standard (Ind AS) 116, Leases has become effective for the company from 01.04.2019 replacing Ind AS 17, Leases. The accounting policy on leases has been changed as per Ind AS 116. The principal change of Ind AS 116, Leases is change in the accounting treatment by lessees of leases currently classified as operating leases. Lease agreements has given rise to the recognition of a right-of-use asset and a lease liability for future lease payments in case of company being lessee.

Coal India Ltd. (Holding Company) has given plant and machinery and other structures of Dankuni Coal Complex at Kolkata initially for 5 years from 01.04.1995, with absolute right to manufacture, sell its products including gas and by-products. The revised lease rent payable from 01.04.2016 onward to Coal India Ltd. is ₹1.80 Crore per annum.

In view of the para 5 (read with para B3 to B9 of Appendix B) of Ind AS 116, the company has performed an assessment of whether an underlying asset of Dankuni Coal Complex are of low value on an absolute basis and concluded that assets of Dankuni Coal Complex has completed its depreciable life and carried at salvage value @5% of Original Cost which are not material by the size, nature or circumstances of the lessee and qualify as low value assets.

Hence, The Company elected not to apply the requirements in paragraphs 22-49 of this standard for low value assets of Dankuni Coal Complex and adjustment to the opening balance of retained earnings is NIL.

f) Taxation (Ind AS- 12)

Current tax Assets (Net) ₹8843.57 Crore (₹8457.72 Crore) is detailed below:

Particular	As at 31-03-2021	As at 31-03-2020
Advance Income tax / Tax deducted at Source [including Tax Deposited Under Protest ₹7140.42 Crore (₹6067.83 Crore)]	8457.72	6989.70
Add: Demand of earlier years adjusted against Interest on Refund of A.Y. 97-98 to 03-04	-	166.05
Add: Demand of A.Y.2018-19	-	530.10
Less: Adjustment for earlier years	49.45	-
Less: Refund for earlier years	-	67.08
Total [including Tax Deposited Under Protest ₹7116.11 Crore (₹7140.42 Crore)]	8507.17	7752.93
Add: Advance tax / TDS -Current year	1038.84	1201.41
Less: Provision Income tax-Current year	(702.44)	(496.62)
TOTAL (Net)	8,843.57	8457.72

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**g) Insurance and escalation claims**

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

h) 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.

i) 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.

j) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

k) Balance Confirmations

Balance confirmation/reconciliation is carried out periodically for trade receivables, cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

l) Misappropriation, Fraud, Excess payment, theft etc. cases:

- 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, case was forwarded to CBI, Bhilai. Punishment has been awarded from special court for trial of CBI Cases, Raipur.
- 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 being investigated by CBI, Jabalpur and is under trial, prosecution evidence stage at CBI Trial Court, Jabalpur.
- iii.) Excess payment is reported to be made to a security agency at Bishrampur Area amounting to ₹1.21 Crore. The cases is being dealt by CBI, Raipur and is under trial stage.
- iv.) Excess payment is reported to be made to a security agency at Korba Area amounting to ₹0.32 Crore. The cases is being dealt by CBI, Raipur and is in trial stage.
- v.) Excess payment is reported to be made to security agency at Jamuna Kotma Area amounting to ₹1.40 Crore. The case is being dealt by CBI Jabalpur and is under trial.
- vi.) Excess payment is reported to be made to a security agency at Johilla Area amounting to ₹1.10 Crore. The case is being dealt by CBI, Jabalpur and is under pre charge Stage.
- vii.) Irregularities in deployment of OB Contractor at Amera OC of Bisrampur Area and payment involving ₹0.28 Crores. The Charge sheet ready to be filed. Charge sheet will be filed once Court opens.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**m) Significant accounting policy**

Pursuant to the notification No. G.S.R.463(E) dated 24.07.2020 the definition of Materiality has been substituted in Ind AS1, Presentation of financial statements. Accordingly, The Policy on Materiality in significant Accounting policy has been modified. There is no financial impact of the aforesaid change.

n) Impact of COVID-19

The company is taking continuous measures to combat the adverse impact of COVID-19 and has implemented manifold measures for ease of doing business. The company has considered the possible effects that may arise due to pandemic in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets as on 31st March 2021. The group will continue to closely monitor any material changes arising out of future economic conditions and the resultant impact on its business.

o) Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendment revised Division I, II & III of Schedule III and are applicable from April 1, 2021. The group is evaluating the effect of the amendments on its financial statements.

p) Others

- a) Previous year/period's figures have been restated, regrouped, and rearranged wherever considered necessary.
- b) Previous Year/period's figures in Note No. 3 to 38 are in brackets.
- c) Note – 1 and 2 represents corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet and 24 to 37 form part of Statement of Profit & Loss for the period /year ended on balance sheet date. Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

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, 2021.

The preparation of Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Consolidated 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 Revised Audit Report dated 16.07.2021 which supersedes their earlier Audit Report dated 28.05.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March, 2021 under section 143(6)(a) read with section 129 (4) of the Act which includes the Standalone Financial Statements of the 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. The Audit Report has been revised by the Statutory Auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

Comment on Financial Position

Balance Sheet

Assets

Current Assets

Trade Receivables (Note 13) : ₹1114.74 crore

The above includes an amount of ₹102.47 crore receivable from NTPC for the period from November 2017 to August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0-3 km. Prior to November 2017, agreement with NTPC, allows charging STC for supply of coal to NTPC plants located at a distance beyond 3 Kms. However, South Eastern Coalfields Limited started levying STC unilaterally for 0-3 Kms from November 2017.

A modification/ supplementary agreement for charging STC for the distance 0-3 KM was entered into with NTPC only in August 2020 which states that the modification shall be applicable from the date of signing i.e. August 2020. NTPC refused to acknowledge the claims for 0-3 km pertaining to the period prior to August 2020.

In absence of any agreement, for charging of STC for 0-3 KM, for the period between November 2017 to August 2020 chances of recovery of ₹102.47 crore is very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors' Report is also deficient to that extent.

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

Sd/-

(Mausumi Ray Bhattacharyya)

Director General of Audit (Coal)

Kolkata

Place: Kolkata

Dated: 05.08.2021

Management Reply to the Comments of Comptroller and Auditor General of India

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 2021

Management Reply

The preparation of Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Consolidated 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 Revised Audit Report dated 16th July 2021 which supersedes their earlier Audit Report dated 28th May 2021.

The matter of Non-payment of Surface Transportation Charges for 0-3 km by only one party i.e., NTPC amongst all consumers for a certain period has already been referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Consolidated Financial Statements of South Eastern Coalfields Limited for the year ended 31st March 2021 under section 143(6)(a) read with section 129(4) of the Act which includes the Standalone Financial Statements of the 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. The Audit Report has been revised by the Statutory Auditor to give effect to some of my audit observations raised during Supplementary Audit.

The management expects a favourable result from AMRCD and hence, no expected credit loss has been recognized during the period.

In addition, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Consolidated Financial Statements and the related audit report:

Comment on Financial Position

Balance Sheet

Assets

Current Assets

Trade Receivables (Note 13): ₹1114.74 crore

The above includes an amount of ₹102.47 crore receivable from NTPC for the period from November 2017 to August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0-3 km.

Prior to November 2017, agreement with NTPC, allows charging STC for supply of coal to NTPC plants located at a distance beyond 3 Kms. However, South Eastern Coalfields Limited started levying STC unilaterally for 0-3 Kms from November 2017.

A modification/ supplementary agreement for charging STC for the distance 0-3 KM was entered into with NTPC only in August 2020 which states that the modification shall be applicable from the date of signing i.e., August 2020. NTPC refused to acknowledge the claims for 0-3 km pertaining to the period prior to August 2020.

In absence of any agreement, for charging of STC for 0-3 km, for the period between November 2017 to August 2020 chances of recovery of ₹102.47 crore is very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors' Report is also deficient to that extent.

Sd/-
GM (Finance)

Sd/-
Director (Finance)

Sd/-
Chairman-cum-Managing Director

Date: 09.08.2021

Place: Bilaspur

Independent Auditors' Report

To

The Members of South Eastern Coalfields Limited

Report on Audit of Consolidated Ind AS Financial Statements

Opinion

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, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Consolidated Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, , the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (“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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), of the consolidated state of affairs of the Group as at 31st March, 2021 and of consolidated profit (including consolidated other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those standards are further described in the ‘Auditors responsibilities for the Audit of the Consolidated Ind AS Financial Statements’ section of our Report. We are Independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and rules issued there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on Consolidated Ind AS Financial Statements.

Emphasis of Matters

In respect of Holding company:

1. We draw attention to Note-38(5)(p) to the Consolidated Ind AS financial statements which explains the principles of prudence the management has applied in assessing the uncertainties and financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 Pandemic situation, for which a definitive assessment of the actual impact on the financial statement in the subsequent period is highly dependent upon circumstances as they evolve.
2. We draw attention to Note-38(5)(o) to the Consolidated Ind AS financial statements which depict the change in accounting policy in respect of change in definition of Materiality and the consequential impact on the Ind AS Financial Statement.
3. We draw attention to Note-3.4 to the Consolidated Ind AS financial statements where company has adopted retrospective change in accounting practice i.e. to capitalize GST on Capital Goods w.e.f. 01st April 2020 and the consequent increase in Property Plant and Equipment and reduction in GST input receivable.

4. We draw attention to Note-38(5)(m) regarding periodical confirmation, reconciliation and consequential adjustment (if any) in respect of trade receivables, cash & bank balances, certain loans & advances, long term liabilities and current liabilities.

Our opinion is not modified in respect of these matters.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the Consolidated Ind AS Financial Statements and our Auditors' report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have concluded that no such material misstatement of the other information exists.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Principal Audit procedures performed
In Respect of Holding Company		
1.	<p>On account of COVID-19 pandemic, the audit was conducted through remote location. The review of physical documents was carried out through scanned images of documents and confirmations provided by the Company.</p> <p>There are inherent limitations to the scanned documents specially w.r.t. availability of original documents with the Company and authenticity of documents available.</p> <p>Our attendance at the physical verification done by the management was impracticable under the lockdown restrictions and therefore we have relied on the reports provided by Management to obtain comfort over the existence and condition of inventory at year end.</p> <p>As we could not gather audit evidence in person or by personal interactions with the staff, we have identified this as Key Audit Matter.</p>	<p>Due to Covid-19 outbreak and travel restrictions in lockdown during the period of audit, we could not travel to office of the company to carry out audit physically. As a result, necessary documents, records, information and reports were received in scan/soft form over emails and audit procedures were carried out on such information received.</p> <p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Reviewed information received in scanned / soft form of documents. Further enquiry was based on scrutiny and assessment of scanned documents. -Obtained confirmation w.r.t. authenticity of documents and availability of original documents in the custody of management of the company. - Made enquiry by verbal discussions with management of the company where ever necessary for placing reliance over the scanned documents received and gathering additional audit evidences.

S. No.	Key Audit Matter	Principal Audit procedures performed
2.	<p>Assessment of Stripping Ratio and Stripping Activity Adjustments for Overburden Expenditure of Surface mine (Opencast mine).</p> <p>Stripping Ratio is the ratio of overburden to coal and determination of this involves significant assumptions and judgment of management and experts.</p> <p>Quantity of coal and overburden is estimated and surveyed by internal and external experts.</p> <p>Assumptions are reviewed at regular intervals and hence ratio changes from time to time. Expenditure incurred on overburden removal is capitalized and the same is expended in relation to actual production during the year and adjusted for standard stripping ratio and advance stripping.</p> <p>Because this accounting involves technical assumptions and judgment, we have considered this as Key Audit Matter.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Obtained management understanding about the stripping procedure adopted in the company and the similar mining industries. -Discussed with management about the procedures adopted to identify the expenses related to surface mines and allocate expenses incurred to coal and overburden. -Evaluated the controls in place and its effectiveness in respect of input information documents related to allocation of expenses to coal and overburden, and measurement of coal and overburden. -Reviewed the calculation of ratio variance of overburden to coal and provision calculation. -Reviewed the adequacy of disclosures in the notes to Ind AS financial statements. <p>Our audit procedures did not identify any material exceptions</p>
3.	<p>Provision for Coal Quality Variance (Grade Slippage)</p> <p>Coal Quality Variance is adjustment made to sale due to mismatch in declared grade of coal and external quality test report.</p> <p>Revenue from sale of coal is recognized in financial statements at declared grade of coal and adjustment for coal quality variance is made as grade slippage provision based on trend of past results</p> <p>The variance if any due to change in quality of coal is settled separately by issuing Debit/Credit notes.</p> <p>Due to materiality in the context of Revenue recognized in Statement of Profit and Loss and adjusted for Grade Slippage and the level of judgments and estimates required for trend of past results, we consider this to be a key audit matter.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Identified all the sales made during the current period from sale register, samples which are sent for testing of grade. -Obtained and evaluated trend of past results prepared based on the outcome of test from mutually agreed quality testing laboratory or Referee quality testing laboratory. -Obtained and evaluated calculation and working of grade slippage provision. -Evaluated the controls in place for estimation, recognition and disclosure in financial statements. <p>Our audit procedures did not identify any material exceptions</p>
4.	<p>Assessment of Litigations & Contingent Liabilities</p> <p>The Company is exposed to uncertain positions in matters related to taxation, mining, local and state levies under dispute against the company at different forums which involves significant judgment in assessing the time span involved for resolution and its potential impact on the financial statements.</p> <p>The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning and increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed.</p>	<p>We applied following audit procedures to address this key audit matter:</p> <ul style="list-style-type: none"> -Obtained an understanding by discussion with company's legal and finance department about the process of identification of such liabilities implemented by the company. -Obtained a status of pending litigation from responsible person in company and their assessment about the possible outcome of such litigations. -Obtained and reviewed copies of various communications/orders received from different forums and action taken by management of company in respect of such communications.

S. No.	Key Audit Matter	Principal Audit procedures performed
	Accordingly, this matter is considered to be a key audit matter. Refer note no. 38 of Consolidated Ind AS financial statement.	-Evaluated the controls in place for recognition, measurement and disclosure of such litigations appropriately in financial statements. Our audit procedures did not identify any material exceptions

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with of the Companies (Indian Accounting Standards) Rules, 2015 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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.

In preparing the Consolidated Ind AS Financial Statements, Board of Directors of the Holding Company is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Director either intends to liquidate the companies under the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objective is to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our

opinion on whether the Group has adequate internal financial controls with reference to financial statement in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of Holding Company.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

We communicate with those charged with governance of holding company included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We had issued an audit report dated 28.05.2021 (hereinafter referred as "the original report") at Bilaspur on the Consolidated Ind AS Financial Statements as adopted by the Board of Directors. Pursuant to the observations (as mentioned in subsequent Para) of the Comptroller and Auditor General of India under section 143(6)(a) of the Companies Act, 2013 and revision of Branch Auditor's report in compliance of same, we have revised the original report. This audit report supersedes the original report, which has been suitably revised to consider the observations of the Comptroller and Auditor General of India. Our audit procedure on events subsequent to the date of original report is restricted solely to the amendments made to the item mentioned in this paragraph.
2. Clause 8.2 of the Fuel Supply Agreement (FSA) with NTPC plants allows to charge coal transportation charges against the supply of coal to its customer located beyond the distance of 3 kms. The company is charging the

coal transportation charges for lead range of 0-3 kms also in respect of such customers. However, some of the areas of NTPC have disputed the claim of transportation charges for the part of the lead range of 0-3 kms taking plea of FSA clause. The matter is taken up by CIL for resolution of dispute.

3. We did not audit the financial statements/financial information of Two subsidiaries, whose financial statements/financial information reflect total assets of ₹3760.54 crore as at 31st March, 2021, total revenues of ₹33.77 crore and the net cash flows amounting to ₹13.79 crore for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Section 143(5) of the Act, we give in the “**Annexure A**”, a statement on the directions issued by the Comptroller and Auditor General of India on the Consolidated Ind AS financial statement of the Company.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate Financial Statements/ financial information of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as appears from our examination of those books and the report of the other auditors.
 - c) The reports on the accounts of the branches of Holding Company and its Subsidiaries audited under Section 143(8) of the Act by other auditors have been sent to us as applicable and have been properly dealt with in preparing this report
 - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Ind AS Financial Statements.
 - e) In our opinion, the aforesaid Consolidated Ind AS Financial Statements, comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013.
 - f) As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Group.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
 - h) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable.
 - i) 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 Consolidated Ind AS financial statements has disclosed the impact of pending litigations on the consolidated financial position of the group– Refer Note 38 to the Consolidated Ind AS financial statement.
 - (ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring the amount which were required to be transferred to the Investor Education and Protection Fund.
3. Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable on the consolidated financial statements.

Place : Raipur (C.G.)
Date : 16.07.2021

For **O. P. Totla & Co.**
Chartered Accountants
FRNo.: 000734C

Sd/-

CA. S. K. Acharya
Partner
M. No.: 078371

UDIN : 21078371AAAAEA7396

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date)

Report on Directions under section 143(5) of the companies act, 2013.

S. No.	Direction	Action taken & Auditor's Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	The Holding company SECL has a system in place to process all the accounting transactions including sales, inventory, payrolls, Fixed Assets Register through IT systems i.e. Coalnet System. However accounting of all the departments are not integrated and entries are passed manually in accounting system. Schedules in respect of capital items are not integrated with Coalnet system and prepared and updated manually in excel form. Financial reporting process can be further improved by way of introducing integrated ERP system of accounting so that accounting /reporting of all the departments can be integrated. The Subsidiary companies CERL & CEWRL uses Tally. ERP9 as its accounting software to record all accounting transactions. There is no impact on Financial statements of the group.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	As per the information and explanation given by the management, no restructuring of any existing loan or waiver/ write off of debts/ loans/ interest etc. made by a lender to the group during the FY 2020-21.
3	Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	As per the information and explanation given by the management no such case of fund received / receivable for specific schemes from Central / State agencies during the year.

Report on Additional directions under section 143(5) of the Companies Act, 2013.

S. No.	Additional direction	Action taken & Auditor's Reply
1.	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour maps in all cases? Whether approval of the competent authority was obtained for new heap, if any, created during the year.	Yes, stock measurement was done keeping in view the contour map. Physical stock measurement reports are accompanied by contour maps. New heaps have been created during the year with the approval of competent authority.
2.	Whether the company has conducted physical verification exercise of assets and properties at the time of merger / split / restructure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	As per the information and explanation given by the management there is no such merger/split/re-structure of an Area during the year.

Annexure A to Independent Auditor's Report (Cont.)

S. No.	Additional direction	Action taken & Auditor's Reply
3.	Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account.	Yes, separate escrow accounts for each mine have been maintained at SECL. The proposal for utilization of fund of the Escrow accounts have been initiated from the Area to H.O.
4.	Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for?	As explained to us, penalty of Rs.10182.64 Crore in respect of 16 Mines for illegal mining imposed as per the order of the Hon'ble Supreme Court by the State Governments, which have been considered as "Contingent Liabilities" as appeals by the company before the competent authority are under process.

Annexure B to Independent Auditor's Report

(Referred to in paragraph 2(g) of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date)

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 M/s South Eastern Coalfields Limited ("the Holding Company") and its Subsidiaries (together referred to as "the Group") as of 31st March, 2021 in conjunction with our audit of the Consolidated Ind AS Financial Statements for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its Subsidiary companies are responsible for establishing 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". 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 internal financial controls over financial reporting of the Holding company and its subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Para Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS 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 Group; (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 Group are being made only in accordance with authorisations of management and directors of the group companies; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the Consolidated Ind AS 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Para Other Matters below, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on "the criteria for internal financial control over financial reporting established by the group companies 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".

However certain areas need further improvement in designing the "Documentation on Internal Financial Controls" of the Holding Company by way of adopting the changes in the financial reporting framework such as changes in accounting standards (to Ind AS), documentation in respect of its risk assessment process, risk analysis of different functional areas and incorporating the process flows at departmental levels including risk mitigation in respect of insurance coverage, identifying the significant account balances of expenses, income, assets & liabilities including the fixed assets accounting, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level. How the system is integrated to departments to capture the transactions that relates to the Consolidated Financial Statements and events/ conditions and other transactions that are significant to the Consolidated Financial Statements so as to fulfill objectives of control criteria established by the Company. Financial reporting process can be further improved by way of introducing integrated ERP system of accounting especially in case of compilation of information and data for financial reporting process and for better internal controls. Internal audit is concurrently done in the Holding company. Regularity of Internal audit, its reports and follow-up action thereon should be timely ensured. Our opinion is not modified in respect of this matter.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **O. P. Totla & Co.**
Chartered Accountants
FRNo.: 000734C

sd/-

CA. S. K. Acharya
Partner

M. No.: 078371

UDIN : 21078371AAAAEA7396

Place : Raipur (C.G.)

Date : 16.07.2021

CONSOLIDATED BALANCE SHEET

As at 31st March, 2021

(₹ in Crore)

	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	7,880.10	6,603.94
(b) Capital Work-in-Progress	4	3,881.23	2,767.00
(c) Exploration and Evaluation Assets	5	1,585.45	1,457.26
(d) Intangible assets	6	10.27	10.27
(e) Intangible assets under development		-	-
(f) Investment Property		-	-
(g) Financial Assets			
(i) Investments	7	-	-
(ii) Loans	8	4.52	4.68
(iii) Other Financial Assets	9	1,813.36	1,699.48
(h) Deferred tax assets (net) ^(Refer Note-36)		440.67	294.27
(i) Other non-current assets	10	569.38	251.03
Total Non-Current Assets (A)		16,184.98	13,087.93
(2) Current Assets			
(a) Inventories	12	1,613.80	1,253.04
(b) Financial Assets			
(i) Investments	7	1.64	0.29
(ii) Trade Receivables	13	1,114.74	1,653.80
(iii) Cash & Cash equivalents	14	849.94	51.60
(iv) Other Bank balances	15	1,395.19	4,115.63
(v) Loans	8	0.30	0.89
(vi) Other Financial Assets	9	795.83	867.51
(c) Current Tax Assets (Net) ^(Refer Note- 38)		8,844.49	8,458.57
(d) Other Current Assets	11	2,192.62	1,831.42
Total Current Asset (B)		16,808.55	18,232.75
Total Assets (A+B)		32,993.53	31,320.68

CONSOLIDATED BALANCE SHEET

As at 31st March, 2021 (Contd..)

	Note No.	As at 31-03-2021	As at 31-03-2020
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	668.06	668.06
(b) Other Equity	17	3,628.95	2,379.69
Equity Attributable to Equity Shareholders of The Company		4,297.01	3,047.75
Non-Controlling Interest		360.08	313.17
Total Equity (A)		4,657.09	3,360.92
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,529.98	1,823.08
(ii) Trade payables	19	-	-
(iii) Other financial liabilities	20	394.80	258.56
(b) Provisions	21	15,068.83	13,821.62
(c) Deferred Tax liabilities (net)		-	-
(d) Other non-current liabilities	22	1.32	0.40
Total Non-Current Liabilities (B)		17,994.93	15,903.66
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	1,724.93
(ii) Trade payables	19		
Total Outstanding dues of creditors of MSME		11.73	3.08
Total Outstanding dues of Creditors other than MSME		1,484.96	1,575.85
(iii) Other Financial Liabilities	20	2,358.60	1,961.58
(b) Other Current liabilities	23	5,718.66	5,749.00
(c) Provisions	21	767.56	1,041.66
(d) Current Tax liabilities (Net)		-	-
Total Current Liabilities (C)		10,341.51	12,056.10
Total Equity and Liabilities (A+B+C)		32,993.53	31,320.68
Significant Accounting Policies	2		
Additional Notes on Accounts	38		

The Accompanying Consolidated Notes No.1 to 38 form an integral part of Consolidated Financial Statements.

On behalf of Board.

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Date: 28-05-2021

Place: Bilaspur

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

CONSOLIDATED STATEMENT OF PROFIT & LOSS

For The Year Ended 31st March, 2021

(₹ in Crore)

	Note No.	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(I) Revenue from Contract with Customers			
A Sales (Net)	24	16655.04	16850.08
B Other Operating Revenue (Net)		1427.39	1343.27
Revenue from Operations (A+B)		18082.43	18193.35
(II) Other Income	25	678.58	841.51
(III) Total Income (I+II)		18761.01	19034.86
(IV) EXPENSES			
Cost of Materials Consumed	26	1666.18	1483.85
Changes in inventory of finished goods/work in progress and Stock in trade	27	(413.96)	(318.40)
Employee Benefit Expenses	28	7706.41	8183.60
Power & Fuel		805.04	777.87
Corporate Social Responsibility Expenses	29	79.42	84.65
Repairs	30	257.74	178.73
Contractual Expenses	31	2831.71	2611.06
Finance Cost	32	158.93	141.46
Depreciation/Amortization/ Impairment expenses		808.42	761.04
Provisions	33	761.61	103.03
Write off	34	-	0.40
Stripping Activity Expenses		1227.23	1636.66
Other Expenses	35	852.21	880.71
Total Expenses (IV)		16740.94	16524.66
(V) Profit before exceptional items and Tax (I-IV)		2020.07	2510.20
(VI) Share of Joint Venture / Associate's profit/(loss)		-	-
(VII) Profit before Tax (V-VI)		2020.07	2510.20
(VIII) Tax expense	36		
Current Tax		768.46	615.15
Deferred Tax		(146.40)	249.81
Earlier years		(49.45)	(67.08)
Total tax Expenses (VIII)		572.61	797.88
(IX) Profit for the period from continuing operations (VII-VIII)		1447.46	1712.32
(X) Profit/(Loss) from discontinued operations		-	-
(XI) Tax expenses of discontinued operations		-	-
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII) Profit for the Period (IX+XII+XIII)		1,447.46	1,712.32

CONSOLIDATED STATEMENT OF PROFIT & LOSS

For The Year Ended 31st March, 2021 (Contd..)

	Note No.	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(XIV) Other Comprehensive Income	37		
A			
(i) Items that will not be reclassified to profit or loss		(262.32)	(470.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss		66.02	118.53
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		(196.30)	(352.43)
(XVI) Total Comprehensive Income for the period (XIV+XV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		1,251.16	1,359.89
Profit attributable to:			
Owners of the company		1,445.56	1,719.16
Non-controlling interest		1.90	(6.84)
		1447.46	1712.32
Other Comprehensive Income attributable to:			
Owners of the company		(196.30)	(352.43)
Non-controlling interest		-	-
		(196.30)	(352.43)
Total Comprehensive Income attributable to:			
Owners of the company		1249.26	1366.73
Non-controlling interest		1.90	(6.84)
		1251.16	1359.89
(XVII) Earnings per equity share (for continuing operation):			
(1) Basic		2,163.83	2,573.38
(2) Diluted		2,163.83	2,573.38
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic & Diluted		-	-
(XIX) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		2,163.83	2,573.38
(2) Diluted		2,163.83	2,573.38

Refer. Note-38 for calculation of EPS.

The Accompanying Consolidated Notes No.1 to 38 form an integral part of Consolidated Financial Statements.

On behalf of the Board

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Date: 28-05-2021

Place: Bilaspur

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2021

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance As at 01.04.19	Changes in during the Year/ Period	Balance as at 31.03.20	Balance As at 01.04.20	Changes in During The Period / Year #	Balance as at 31.03.2021
66,80,561 (66,80,561) Equity Shares of ₹1000 each	668.06	-	668.06	668.06	-	668.06

During the year 2018-19 company bought back its 4,90,039 numbers of Fully paid up Equity Shares of face value of ₹1,000 each through tender offer.

During the year 2017-18, the company has issued 41,82,850 Bonus Equity Shares to existing Equity Share Holders in the ratio of 7:5 (7 Bonus Shares to existing 5 Shares).

B. OTHER EQUITY

Particulars	Equity Portion of Preference Share Capital	Capital Reserve	Capital Redemption reserve	General Reserve	Retained Earnings		Total of Other Equity attributable to Equity holders
					Profit after tax	Other Comprehensive Income	
Balance as at 01-04-2019	-	49.00	-	1,930.33	698.82	284.82	2,962.97
Addition during the Year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,719.16	-	1,719.16
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	(352.43)	(352.43)
Appropriations:	-	-	-	-	-	-	-
Transfer to/from Retained Earnings	-	-	-	86.75	(86.75)	-	-
Interim Dividends	-	-	-	-	(1617.52)	-	(1617.52)
Corporate Dividend tax	-	-	-	-	(332.49)	-	(332.49)
Balance as at 31-03-2020	-	49.00	-	2,017.08	381.22	(67.61)	2,379.69
Addition during the Year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,445.56	-	1,445.56
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	(196.30)	(196.30)
Appropriations:	-	-	-	-	-	-	-
Transfer from /to Retained Earnings	-	-	-	72.00	(72.00)	-	-
Interim Dividends	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-
Balance as at 31.03.2021	-	49.00	-	2,089.08	1,754.78	(263.91)	3628.95

On behalf of the Board

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)For The Year Ended 31st March, 2021

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	2020.07	2510.20
Adjustment for:		
Depreciation, amortisation and impairment expense	808.42	761.04
Interest and Dividend Income	(202.40)	(546.38)
Finance cost	108.75	102.96
(Profit)/Loss of sale of assets	(0.32)	(3.54)
Liability Written Back during the period / year	(368.44)	(228.18)
Allowance for Trade Receivables	738.86	92.89
Other Provisions	(0.24)	(4.02)
Stripping Activity Adjustment	1227.23	1636.66
Operating profit before Current / Non Current Assets and Liabilities	4331.93	4321.63
Adjustments for :		
Trade Receivables	(199.80)	(1359.02)
Inventories	(360.76)	(317.19)
Loans and Advances and Other financial Assets	(844.05)	(1149.61)
Financial and Other Liabilities	274.25	904.94
Trade Payables	(82.24)	217.70
Cash generated from operations	3119.33	2618.45
Income Tax paid / refund	(1038.91)	(1897.56)
Net Cash Flow from Operating Activities (A)	2080.42	720.89
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(3066.97)	(1296.95)
Sale proceeds from Property, Plant and Equipment	1.97	7.39
Addition in Exploration and Evaluation Asset	(257.52)	(267.49)
Proceeds/(Investment) in Bank Deposit	2720.44	576.24
Proceeds/(Investment) in Mutual Fund, Shares etc.	(1.35)	(0.09)
Deffered Grant for Fixed Assets	0.92	(0.06)
Interest pertaining to Investments	-	-
Interest/ Dividend from Mutual Fund	325.45	599.53
Net cash flow from Investing Activities (B)	(277.06)	(381.43)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment / (Increase) in Borrowings	702.98	510.76
Interest & Finance cost pertaining to Financing Activities	(28.08)	(2.54)
Buy Back of Shares (including taxes)	-	0.00
Receipts from Non Controlling Interest	45.01	0.00
Dividend paid	-	(1617.52)
Dividend Tax paid	-	(332.49)
Net cash used in Financing Activities (C)	719.91	(1441.79)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Net increase/ decrease in Cash & Bank Balances (A+B+C)	2523.27	(1102.33)
Cash and cash equivalent at as beginning of the year (ref. Note 14 for components of Cash & Cash Equivalent)	(1673.33)	(571.00)
Cash and cash equivalent (Closing Balance)	849.94	(1673.33)
(All figures in bracket represent outflow)		
Reconciliation of Cash and Cash Equivalents (Closing Balance) :		
Cash and Cash equivalent as per Note-14	849.94	51.60
Bank Overdraft as per (Note-18)	0.00	(1724.93)
Cash and Cash equivalent (Net)	849.94	(1673.33)

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

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 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 at 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 Company (Group) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

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);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.21).

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.

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.

NOTES TO FINANCIAL STATEMENTS (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, is 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, is 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.

NOTES TO FINANCIAL STATEMENTS (Contd.)**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 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 Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;

NOTES TO FINANCIAL STATEMENTS (Contd.)

- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.4 Revenue recognition**Revenue from contracts with customers**

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

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

Step 1 : Identifying the contract:

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

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

Combination of contracts

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

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

Contract modification

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

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Step 2 : Identifying performance obligations:

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

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

Step 3: Determining the transaction price

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

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

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

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

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

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

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

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the

NOTES TO FINANCIAL STATEMENTS (Contd.)

amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

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

Step 4 : Allocating the transaction price:

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

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

Step 5: Recognizing revenue:

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

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

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

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

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

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

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is

NOTES TO FINANCIAL STATEMENTS (Contd.)

accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

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

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

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

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

Contract assets:

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

Trade receivables:

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

Contract liabilities:

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

Interest

Interest income is recognised using the Effective Interest Method.

Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

NOTES TO FINANCIAL STATEMENTS (Contd.)**Other Claims**

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.5 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution should be recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.6 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.6.1 Company as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

Subsequently, right-of-use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of the asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

2.6.2 Company as a lessor

All leases as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset

NOTES TO FINANCIAL STATEMENTS (Contd.)

Operating leases- lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Finance leases- assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

2.7 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.

2.8 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.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land

(incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building	: 3-60 years
Roads	: 3-10 years
Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 5-30 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Value of "Other Land" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.9 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:

- acquisition of rights to explore
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;

NOTES TO FINANCIAL STATEMENTS (Contd.)

- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.11 Development Expenditure

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

Commercial Operation

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

- 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
- 2 years of touching of coal, or
- 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

NOTES TO FINANCIAL STATEMENTS (Contd.)

related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

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

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

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

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

Research and Development is recognised as an expenditure as and when incurred.

2.13 Impairment of Assets (other than financial assets)

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

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

2.14 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.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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 Company commits to purchase or sell the asset.

2.15.2 Subsequent measurement

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

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

2.15.2.1 Debt instruments at amortised cost

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

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

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

2.15.2.2 Debt instrument at FVTOCI

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

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

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

2.15.2.3 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 Company may elect to designate a debt instrument, which otherwise meets amortized cost

NOTES TO FINANCIAL STATEMENTS (Contd.)

or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

2.15.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.15.2.5 Other Equity Investment

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

For all other equity instruments, the 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.

2.15.2.6 Derecognition

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

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

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

NOTES TO FINANCIAL STATEMENTS (Contd.)**2.15.2.7 Impairment of financial assets (other than fair value)**

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

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

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. 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 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.

2.15.3.2 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 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 and loss. The Company has not designated any financial liability as at fair value through profit and loss.

NOTES TO FINANCIAL STATEMENTS (Contd.)**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 Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous 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.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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.

2.15.6 Cash & Cash equivalents

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

2.16. Borrowing Costs

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

2.17 Taxation

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

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

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into

NOTES TO FINANCIAL STATEMENTS (Contd.)

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).

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

2.21 Inventories

2.21.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the Weighted Average method. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.21.2 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 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.

2.21.3 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 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.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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 Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.24.1.1 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 Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a

NOTES TO FINANCIAL STATEMENTS (Contd.)

similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.24.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of items are material in the financial statements. Materiality is judged by reference to the nature or magnitude or both of the item. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the Company may also be required to present separately immaterial items when required by law.

W.e.f 01.04.2019 Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total revenue from Operation (net of statutory levies) as per the last audited financial statement of the company.

2.24.1.3 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.

2.24.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.24.2.1 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. 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

NOTES TO FINANCIAL STATEMENTS (Contd.)

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.

2.24.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.24.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input / considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.24.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.24.2.6 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 Company estimates provision using the DCF method considering life of the project/mine based on

- Estimated cost per hectare as specified in guidelines issued by Ministry of Coal, Government of India
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.25 Abbreviation used:

a.	CGU	Cash generating unit	l.	ECL	Eastern Coalfields Limited
b.	DCF	Discounted Cash Flow	m.	BCCL	Bharat Coking Coal Limited
c.	FVTOCI	Fair value through Other Comprehensive Income	n.	CCL	Central Coalfields Limited
d.	FVTPL	Fair value through Profit & Loss	o.	SECL	South Eastern Coalfields Limited
e.	GAAP	Generally accepted accounting principles	p.	MCL	Mahanadi Coalfields Limited
f.	Ind AS	Indian Accounting Standards	q.	NCL	Northern Coalfields Limited
g.	OCI	Other Comprehensive Income	r.	WCL	Western Coalfields Limited
h.	P&L	Profit and Loss	s.	CMPDIL	Central Mine Planning & Design Institute Limited
i.	PPE	Property, Plant and Equipment	t.	NEC	North Eastern Coalfields
j.	SPPI	Solely Payment of Principal and Interest	u.	IICM	Indian Institute of Coal Management
k.	EIR	Effective Interest Rate	v.	CIL	Coal India Limited

Consolidated Notes to Financial Statements

NOTE - 03 Property Plant and Equipment

PARTICULARS	Free-hold Land	Other Land	Land Reclamation / Site restoration Costs	Rail Corridor	Buildings	Plant and Equipments	Tele communication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Other Mining Infrastructure	Surveyed Off Assets	Others	Total	(₹ in Crore)
Gross Carrying Amount:																
Balance as at 01.04.2019	11.22	2,069.93	471.65	0.00	757.41	4,879.70	44.72	119.52	18.23	66.07	27.56	472.83	25.17	-	8,964.01	
Additions	4.77	202.27	0.00	583.33	11.95	381.90	0.34	45.56	2.29	9.88	24.45	61.40	8.94	-	1,337.08	
Diposals / Retirements \ Adjustments	(2.81)	1.33	-	-	0.19	(7.75)	2.11	0.00	(2.10)	1.29	(3.66)	(2.20)	(3.85)	-	(17.45)	
Balance as at 31.03.2020	13.18	2,273.53	471.65	583.33	769.55	5,253.85	47.17	165.08	18.42	77.24	48.35	532.03	30.26	-	10,283.64	
Balance As on 01.04.2020	13.18	2,273.53	471.65	583.33	769.55	5,253.85	47.17	165.08	18.42	77.24	48.35	532.03	30.26	-	10,283.64	
Additions	0.57	209.13	-	108.60	6.57	1,685.94	0.38	1.29	3.88	20.56	3.79	49.18	8.80	-	2,098.69	
Diposals / Retirements \ Adjustments	0.00	0.00	-	-	0.05	(7.98)	(1.28)	-	(0.18)	0.01	(0.13)	(1.62)	(1.65)	-	(12.78)	
Balance as at 31.03.2021	13.75	2,482.66	471.65	691.93	776.17	6,931.81	46.27	166.37	22.12	97.81	52.01	579.59	37.41	-	12,369.55	
Accumulated Depreciation and Impairment																
Balance as at 01.04.2019	-	414.26	133.92	0.00	144.13	1,985.84	26.65	26.58	8.15	45.18	8.44	121.76	-	-	2,914.91	
Charge for the year	-	110.36	39.36	0.18	68.06	474.62	5.72	13.96	1.58	11.35	3.42	35.79	-	-	764.40	
Impairment	-	-	-	-	-	-	-	-	-	-	-	0.33	-	-	0.33	
Diposals / Retirements \ Adjustments	-	(0.02)	-	-	0.21	1.00	(0.29)	-	0.01	0.16	(0.30)	(0.71)	-	-	0.06	
Balance as at 31.03.2020	-	524.60	173.28	0.18	212.40	2,461.46	32.08	40.54	9.74	56.69	11.56	157.17	-	-	3,679.70	
Balance As on 01.04.2020	-	524.60	173.28	0.18	212.40	2,461.46	32.08	40.54	9.74	56.69	11.56	157.17	-	-	3,679.70	
Charge for the year	-	113.41	35.75	0.65	28.72	562.74	2.87	10.24	1.75	12.44	5.31	37.35	-	-	811.23	
Impairment	-	-	-	-	-	-	-	-	-	-	-	0.25	-	-	0.25	
Diposals / Retirements \ Adjustments	-	(0.01)	-	-	0.00	0.00	-	-	-	0.01	-	(1.70)	-	-	(1.73)	
Balance as at 31.03.2021	-	638.00	209.03	0.83	241.12	3,024.20	34.95	50.78	11.48	69.12	16.87	193.07	-	-	4,489.45	
Net Carrying Amount																
Balance as at 31.03.2021	13.75	1,844.66	262.62	691.10	535.05	3,907.61	11.32	115.59	10.64	28.69	35.14	386.52	37.41	-	7,880.10	
Balance as at 31.03.2020	13.18	1,748.93	298.37	583.15	557.15	2,792.39	15.09	124.54	8.68	20.55	36.79	374.86	30.26	-	6,603.94	
Balance as at 01.04.2019	11.22	1,655.67	337.73	0.00	613.28	2,893.86	18.07	92.94	10.08	20.89	19.12	351.07	25.17	-	6,049.10	

Note:

3.1 Land :

- a) Land acquired in pursuance to Coal Mines (Nationalisation) Act 1973, does not require title deeds separately for corresponding land. All other title deeds for land acquired are in possession and are mutated in favour of company. 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.
- b) Other Lands includes Land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957 and Land Acquisition Act, 1984.
- 3.2 Depreciation has been provided based on useful life as per Schedule II of the Companies Act, 2013 or as mentioned under Note-2. However, pending completion of technical assessment to segregate the value of certain assets embedded within a different class of asset, depreciation has been provided on these assets on the basis of useful life of the un-segregated class of assets.
- 3.3 Land Reclamation / Site Restoration cost comprises of estimated cost to be incurred at the stage of mine closure duly escalated for inflation (5% p.a.) and then discounted at 8 % discount rate that reflects current market rate of fair value and the risk.
- 3.4 Building includes cost of lease hold land acquired for construction of Building jointly shared by CERL and CEWRL on 'Equal Cost Sharing Basis'.
- 3.4 In compliance of decision of CIL Board in its 415th meeting held on 24.12.2020, CIL and its subsidiaries capitalised GST on capital goods w.e.f 01st April, 2020. Such capitalisation results in reduction of GST receivable by ₹333.08 Crore and consequent increase in PPE by same amount.

Consolidated Notes to Financial Statements

NOTE - 04 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 01.04.2019	11.04	355.19	124.10	314.50	928.25	1,080.37	2,813.45
Additions	25.05	246.85	73.53	234.26	149.18	537.11	1,265.98
Capitalisation / Deletion / Adjustment	(12.55)	(257.70)	(41.94)	(300.17)	(98.38)	(589.79)	(1,300.53)
Balance as at 31.03.2020	23.54	344.34	155.69	248.59	979.05	1,027.69	2,778.90
Balance As on 01.04.2020							
Additions	102.22	199.54	258.76	318.69	390.86	276.41	1,546.48
Capitalisation / Deletion / Adjustment	(6.05)	(128.98)	(0.28)	(142.97)	(81.04)	(73.52)	(432.84)
Balance as at 31.03.2021	119.71	414.90	414.17	424.31	1,288.87	1,230.58	3,892.54
Provision Accumulated Depreciation and Impairment							
Balance as at 01.04.2019	-	14.35	-	2.60	-	-	16.95
Charge for the Year	-	1.19	-	-	-	-	1.19
Impairment during the Year	-	-	-	-	-	-	-
Capitalisation / Deletion / Adjustment	-	(6.24)	-	-	-	-	(6.24)
Balance as at 31.03.2020	-	9.30	-	2.60	-	-	11.90
Balance As on 01.04.2020							
Charge for the Year	-	1.17	-	-	-	-	1.17
Impairment during the Year	-	-	-	-	-	-	-
Capitalisation / Deletion / Adjustment	-	- 1.74	-	- 0.02	-	-	- 1.76
Balance as at 31.03.2021	-	8.73	-	2.58	-	-	11.31
Net Carrying Amount							
Balance as at 31.03.2021	119.71	406.17	414.17	421.73	1,288.87	1,230.58	3,881.23
Balance as at 31.03.2020	23.54	335.04	155.69	245.99	979.05	1,027.69	2,767.00
Balance as at 01.04.2019	11.04	340.84	124.10	311.90	928.25	1,080.37	2,796.50

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'

Consolidated Notes to Financial Statements

NOTE - 05 Exploration & Evaluation Asset

(₹ in Crore)

PARTICULARS	Exploration & Evaluation Costs
Gross Carrying Amount:	
Balance as at 01.04.2019	1174.29
Additions	267.49
Capitalisation	-
Other Adjustments	15.48
Balance as at 31.03.2020	1457.26
Balance As on 01.04.2020	1457.26
Additions	257.52
Capitalisation	(81.29)
Other Adjustments	(48.04)
Balance as at 31.03.2021	1585.45
Provision and Impairment	
Balance as at 01.04.2019	-
Provided during the year	-
Reversed during the year	-
Other Adjustments	-
Balance as at 31.03.2020	-
Balance As on 01.04.2020	-
Provided during the year	-
Impairment during The Year	-
Diposals/ Retirements	-
Other Adjustments	-
Balance as at 31.03.2021	-
Net Carrying Amount	
Balance as at 31.03.2021	1585.45
Balance as at 31.03.2020	1457.26
Balance as at 01.04.2019	1174.29

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.

Consolidated Notes to Financial Statements

NOTE - 06 Intangible Asset

(₹ in Crore)

PARTICULARS	Computer Software	Coal Block meant for Sale	Others	Total
Gross Carrying Amount:				
Balance as at 01.04.2019	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2020	-	10.27	-	10.27
Balance As on 01.04.2020	-	10.27	-	10.27
Additions	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2021	-	10.27	-	10.27
Amortisation and Impairment				
Balance as at 01.04.2019	-	-	-	-
Charge for the year	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2020	-	-	-	-
Balance As on 01.04.2020	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Impairment during the year	-	-	-	-
Disposals/Retirement/Adjustment	-	-	-	-
Balance as at 31.03.2021	-	-	-	-
Net Carrying Amount				
Balance as at 31.03.2021	-	10.27	-	10.27
Balance as at 31.03.2020	-	10.27	-	10.27
Balance as at 01.04.2019	-	10.27	-	10.27

6.1 The Prospecting and Boring and development expenditure of ₹10.27 Crores (₹10.27 Crores) incurred on Datima (Bisrampur Area), Behraband (Hasdeo Area) and Baisi Block (Raigarh Area) and intended for sale to outside parties are shown under Intangible Assets. Rajgamar dip side (South of Phulkadih Nala) and Kesla North Block are also allotted to others. The sale proceeds of the same are expected to be more than the cost.

Consolidated Notes to Financial Statements

NOTE - 7 : Investments

(₹ in Crore)

Non Current	(%) hold-ing	Number of Bonds/shares current year/ (previous year)	Face value per Bonds/share current year/ (previous year)	As at 31-03-2021	As at 31-03-2020
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 ₹) current year/ (previous year)	As at 31-03-2021	As at 31-03-2020
Mutual Fund Investment				
SBI Mutual Fund	4891.209 (1308.531)	3351.7386 (1003.2500)	1.64	0.13
UTI Mutual Fund	0.00 (1550.969)	1019.4457 (1019.4457)	-	0.16
Grand Total :			1.64	0.29
Aggregate of Unquoted investments:			-	-
Aggregate of Quoted investments:			1.64	0.29
Market value of Quoted investments:			1.64	0.29

Consolidated Notes to Financial Statements

NOTE - 8 : LOANS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
Non-Current				
Loans to body corporate and employees				
- Secured considered good ^{8.1}	4.52		4.68	
- Unsecured considered good	-		-	
- Credit impaired	0.07		0.07	
	4.59		4.75	
Less : Allowance for Doubtful Loans	0.07	4.52	0.07	4.68
TOTAL		4.52		4.68
Current				
Loans to body corporate and employees				
- Secured considered good	0.30		0.89	
- Unsecured considered good	-		-	
- Credit impaired	-		-	
	0.30		0.89	
Less : Allowance for Doubtful Loans	-	0.30	-	0.89
TOTAL		0.30		0.89

8.1 Other Loans includes House Building Loan, and Car Loan provided by Company to Employees.

Consolidated Notes to Financial Statements

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
Non Current				
Bank deposits		-		-
Deposits and receivables for Site Restoration :				
Deposit with bank under Mine Closure Plan ^{9.1}		1,624.15		1,511.92
Security Deposit for utilities ^{9.2}	189.21		186.58	
Less: Allowances for doubtful deposits	-	189.21	-	186.58
Other Deposit and Receivables	7.01		7.40	
Less: Allowances for doubtful deposits	7.01	-	6.42	0.98
TOTAL		1,813.36		1,699.48
Current				
Surplus Fund with CIL ^{9.3}		-		1.16
Current Account with Subsidiaries of SECL		-		-
Interest accrued		36.81		159.86
Claims & Other Receivables ^{9.4}	760.64		708.09	
Less : Allowances for doubtful claims	1.62	759.02	1.60	706.49
TOTAL		795.83		867.51

9.1 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 93 Mines. Refer Note 21.2 for Balance of Escrow Account.

9.2 Other Deposits includes ₹189.21 Crore (₹186.58 Crore) deposited for Utilities i.e. P&T, Electricity etc.

9.3 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.

9.4 Further, Claims & other receivables includes ₹0.17 Crore (₹0.17 Crore) of CERL given to IRCON International Ltd. for execution of works related to the Rail Corridor project.

Consolidated Notes to Financial Statements

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
(i) Capital Advances^{10.1}	290.21		176.51	
Less: Allowances for doubtful Advances	0.45	289.76	0.45	176.06
(ii) Advances other than capital advances				
(a) Security Deposit for utilities	-		-	
Less : Allowances for Doubtful Deposits	-	-	-	-
(b) Other Deposits and Advances	0.74		0.77	
Less : Provision doubtful debts	0.74	-	0.77	-
(c) Progressive Mine Closure Expenses incurred ^{10.2}		279.62		74.97
TOTAL		569.38		251.03

10.1 Capital Advance ₹290.21 Crore (₹176.51 Crore) includes non interest bearing refundable advance valued at amortised cost ₹33.58 Crore (₹29.60 Crore) of CERL and ₹22.88 Crore (₹22.16 Crore) of CEWRL given to South East Central Railway (SECR) for acquisition of Land .

As per Ind AS-109, Capital Advance of ₹399.07 Crore(₹380.42 Crore) of CERL and ₹530.17 Crore (₹346.54 Crore) of CEWRL has been valued at amortised cost considering the provision for deferred fair value loss ₹365.49 Crore (₹350.82 Crore) and ₹507.29 Crore (₹324.38 Crore) for CERL and CEWRL respectively.

Further, Advance given to IRCON for Deposit works by CERL ₹44.87 Crore (₹84.13 Crore) and by CEWRL ₹ 56.97 Crore (₹29.49 Crore).

10.2 Receivable for Mine Closure Expenses for mines in operation are identified for mine closure activities. Subject to certification/ Acceptance by CMPDIL / CCO 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.

NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
(a) Advance for Revenue (goods & services)	38.18		34.09	
Less : Provision for doubtful advances	-	38.18	-	34.09
(b) Advance payment of statutory dues	-		-	
Less : Provision for doubtful advances	-	-	-	-
(c) Other Advances and Deposits ^{11.1}	247.63		238.43	
Less : Provision for doubtful advances	-	247.63	-	238.43
(d) Progressive Mine Closure Expenses incurred ^{11.2}		248.46		203.79
(e) Input Tax Credit Receivable		1,658.35		1,355.11
TOTAL		2,192.62		1,831.42

11.1 Other Deposits includes ₹229.53 Crore (₹220.15 Crore) deposited under protest with tax authorities and others.

11.2 Progressive Mine Closure Expense incurred are due to be received from ESCROW account maintained for the purpose. An amount of ₹248.46 Crore (₹203.79 Crore) has been audited by CMPDIL and under process at CCO, Kolkata.

Consolidated Notes to Financial Statements

NOTE - 12 : INVENTORIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
(a) Stock of Coal ^{12.1 & 12.2}	1,255.82	796.35
Coal under development	-	10.35
Stock of Coal (Net)	1,255.82	806.70
(b) Stock of Stores & Spares (at cost) ^{12.3}	225.13	278.61
Stores in Transit	3.02	3.04
Net Stock of Stores & Spares (at cost)	228.15	281.65
(C) Stock of Medicine at Central Hospital	1.43	1.13
(d) Net Stock of Workshop Jobs		
Work-in-progress and Finished Goods	128.40	163.56
	1,613.80	1,253.04

- 12.1 Inventories have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- 12.2 Refer Annexure to Note-12 for Quantative details of Stock of Coal, Refer Note No.2 for Significant Accounting Policies on "Inventories" for Method of Valuation and Note-38 for change in policy.
- 12.3 The Closing Stock of Stores (Net of Provision) at Central and Regional Stores has been considered in the Accounts as per balances appearing in Financial Ledger on progressive monthly weighted average method.

Annexure to Note - 12 For The Year Ended 31-03-2021

Table : A

Reconciliation of closing stock of Coal adopted in Account with Book stock :

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	178.66	801.43		0.23	10.24		178.89	811.67		92.56	464.28		0.22	9.89		92.78	474.17		
(B) Adjustment in Opening Stock																			
Total	178.66	801.43		0.23	10.24		178.89	811.67		92.56	464.28		0.22	9.89		92.78	474.17		
2 Production*	1,506.05									1,505.46									
Sub-Total (1+2)	1,684.71									1,598.02									
3 Off- Take:																			
(A) Outside Despatch**	1,387.69	16,643.55			11.49	1,387.69	16,655.04			1,419.03	16,838.93			11.15	1,419.03	16,850.08			
(B) Outside Despatch Development Mine	-									0.23									
(C) Own Consumption 1	0.09	3.76				0.09	3.76			0.10	3.56				0.10	3.56			
Sub-Total (3)	1,387.78	16,647.31			11.49	1,387.78	16,658.80			1,419.36	16,842.49			11.15	1,419.13	16,853.64			
4 Derived Stock#	296.93	1,259.55		0.02	0.68	296.95	1,260.23			178.66	801.43		0.23	10.24	178.89	811.67			
5 Measured Stock##	288.64	1,224.53		0.02	0.68	288.66	1,225.21			174.96	784.13		0.22	10.12	175.18	794.25			
Difference (4-5)	8.29	35.02				8.29	35.02			3.70	17.30		0.01	0.12	3.71	17.42			
6 Break-up of Difference:																			
(A) Shortage within 5%	7.67	31.45				7.67	31.45			3.01	13.25		0.01	0.12	3.02	13.37			
(B) Excess within 5%	0.17	0.84				0.17	0.84			0.10	0.92			- 0.00	0.10	0.92			
(C) Shortage beyond 5%##	0.79	4.41				0.79	4.41			0.79	4.97				0.79	4.97			
(D) Excess beyond 5%	-	-				-	-			-	-				-	-			
7 Closing stock in A/c (5+6A-6B)	296.14	1255.14		0.02	0.68	296.16	1255.82			177.87	796.46		0.23	10.24	178.10	806.70			

* Production includes 32.01 Lakh Tonne from Gare Palma IV/2&3 OC and 0.00 lakh tonne from Gare Palma IV/1.

** Outside despatch includes ₹296.09 Crore (₹338.35 Crore) sale of 32.41 Lakh Te (28.88 lakh) coal related to Gare Palma IV/2&3 Mine and ₹1.06 Crore (₹70.45 Crore) sale of 0.00 lakh Te (8.21 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.

Stock includes 1.18 Lakh tonne Coal amounting to ₹4.12 Crore is lying at Gare Palma IV/2 & 3 and 0.00 lakh tonne Coal amounting to ₹0.00 Crore is lying at Gare Palma IV/1 for which Coal India has been appointed as a designated custodian. Further, Closing Stock includes fire effected Stock of Coal 0.29 Lakh tonne amounting to ₹0.00 Crore related to Jampali OC of Raigarh Area.

Shortage of Measured Stock over Derived Stock beyond 5%, consist 0.10 Lte amounting to ₹0.00 Crores of Angaon OC (Bishrampur Area) & 0.69 Lte amounting to ₹4.41 Crores of Jampali OC (Raigarh Area).

Notes to Consolidated Financial Statements

Annexure to Note - 12 For The Year Ended 31-03-2021 (Contd.)

Table: B

Summary of Closing Stock of Coal

(Qty. in Lakh tonnes) (Value in ₹ Crores)

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	178.66	801.43	0.23	10.24	178.89	811.67	92.56	464.28	0.22	9.89	92.78	474.17
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	-	-	-	-	-	-	-	-	-	-
Production	1506.05						1505.46					
Offtake												
(A) Outside Despatch	1387.69	16643.55		11.49	1387.69	16655.04	1419.03	16838.93		11.15	1419.03	16850.08
(B) Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-	-	-
(B) Own Consumption ¹	0.09	3.76			0.09	3.76	0.10	3.56			0.10	3.56
TOTAL	1387.78	16647.31		11.49	1387.78	16658.80	1419.13	16842.49		11.15	1419.13	16853.64
Closing Stock *	296.93	1259.55	0.02	0.68	296.95	1260.23	178.66	801.43	0.23	10.24	178.89	811.67
Less: Shortage	0.79	4.41	-	-	0.79	4.41	0.79	4.97	-	-	0.79	4.97
Closing Stock *	296.14	1255.14	0.02	0.68	296.16	1255.82	177.87	796.46	0.23	10.24	178.10	806.70

* Non-vendable Stock - Nil

Consolidated Notes to Financial Statements

NOTE - 13 : TRADE RECEIVABLES [Refer Note 38 for ageing]

(₹ in Crore)

	As at 31-03-2021		As at 31-03-2020	
Current				
(i) Trade Receivables				
- Secured considered good ^{13.2}	44.67		44.67	
- Unsecured considered good ^{13.1 & 13.3}	1,070.07		1,609.13	
- Credit Impaired	1,124.65		385.79	
	2,239.39		2,039.59	
Less : Allowance for bad & doubtful debts	1,124.65	1,114.74	385.79	1,653.80
Total		1,114.74		1,653.80

- 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.
- 13.3 No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person and no any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or member.
- 13.4 Trade Receivables above is net of Provision for Coal Quality Variance of ₹226.30 Crore (₹100.67 Crore).

Consolidated Notes to Financial Statements

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
(a) Balances with Banks ^{14.1 & 14.2}		
- In Deposit Accounts	-	-
- In Current Accounts		
a. Interest bearing (CLTD Accounts etc)*	849.94	49.23
b. Non Interest bearing	-	2.37
- In Cash Credit Accounts	-	-
(b) Cheques, Drafts and Stamps in hand	-	-
(c) Cash on hand	-	-
(d) Remittance in transit	-	-
(e) Others	-	-
Total	849.94	51.60

* Current Account (Interest bearing) comprises of CLTD, Sweep Account, RLTD etc.

- 14.1 Cash and cash equivalents comprises cash in hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less
- 14.2 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.

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Balances with Banks		
Deposit accounts ^{15.1, 15.2}	847.07	3,596.15
Deposit accounts(For specific purposes) ^{15.3}	548.12	519.48
CSR Fund for Ongoing Projects	-	-
Unpaid dividend accounts	-	-
Total	1,395.19	4,115.63

- 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 Balance in Deposit Accounts includes Fixed Deposits ₹ 0.00 Crore (₹3443.39 Crore) pledged for availing Overdraft facility from Banks which are adjustable against such Fixed Deposits pledged. Outstanding Balance of Overdraft was ₹0.00 Crore (₹1724.93 Crore) as on Balance sheet date.
- 15.3 Deposit accounts with Banks includes ₹548.12 Crore (₹519.48 Crores) 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.

Consolidated Notes to Financial Statements

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Authorised		
(i) 1,00,00,000 (1,00,00,000) Equity Shares of ₹1000/- each	1000.00	1000.00
	1000.00	1000.00
Issued, Subscribed and Paid-up		
66,80,561 (66,80,561) Equity Shares of ₹1000/- each	668.06	668.06
	668.06	668.06

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)
Coal India Limited "Holding Company" and its Nominee	
As at 31-03-2021	6680561
As at 31-03-2020	6680561

16.2 Pursuant to letter of offer dated 28.01.2019 the company bought back its 4,90,039 numbers of Equity Shares of face value of ₹1,000 each fully paid up through tender offer and extinguished these shares in the year 2018-19 (on 09.02.19). Post such buy-back the number of fully paid equity shares as on 31-03-2019 stands as 66,80,561.

16.3 During the year 2017-18, the company has issued 41,82,850 Bonus Equity Shares to existing Equity Share Holders in the ratio of 7:5 (7 Bonus Shares to existing 5 Shares), date of allotment was 21.03.2018.

16.4 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 in the year 2016-17 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.

16.5 The Company has only one class of equity shares having a face value ₹1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

Consolidated Notes to Financial Statements

NOTE 17 : OTHER EQUITY

(₹ in Crore)

	Pref. share Capital	Capital Redemp. reserve	Capital reserve	General Reserve	Retained Earnings		Total
					Profit after tax	Other Comprehensive Income	
Balance as at 01.04.2019	-	49.00	-	1,930.33	698.82	284.82	2,962.97
Addition during the Year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,719.16	-	1,719.16
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	(352.43)	(352.43)
Appropriations	-	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	86.75	(86.75)	-	-
Interim Dividend	-	-	-	-	(1617.52)	-	(1617.52)
Corporate Dividend tax	-	-	-	-	(332.49)	-	(332.49)
Balance as at 31.03.2020	-	49.00	-	2,017.08	381.22	(67.61)	2,379.69
Addition during the Year	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1445.56	-	1,445.56
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	(196.30)	(196.30)
Appropriations	-	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	72.00	(72.00)	-	-
Interim Dividend	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-
Balance as at 31.03.2021	-	49.00	-	2,089.08	1,754.78	(263.91)	3,628.95

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

Consolidated Notes to Financial Statements

NOTE 18: BORROWINGS

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Non-Current		
Term loan		
From Banks ^{18.1}	2,517.02	1,760.04
Other Loans ^{18.2}	12.96	63.04
Total	2,529.98	1,823.08
CLASSIFICATION 1		
Secured	2,529.98	1,823.08
Unsecured	-	-
Current		
Loans repayable on demand		
From Banks		
- Bank Overdrafts ^{18.3}	-	1,724.93
- Other Loans from Banks	-	-
From Others	-	-
Total	-	1,724.93
CLASSIFICATION 1		
Secured	-	1,724.93
Unsecured	-	-

18.1 Term Loan from Banks

Name of subsidiary company	As at 31-03-2021	As at 31-03-2020
Chhattisgarh East Railway Limited(CERL)	2,019.16	1,760.04
Chhattisgarh East West Railway Limited(CEWRL)	497.86	-
Total	2,517.02	1760.04

CERL has entered into Term Loan Financing with a Consortium of Banks led by Indian Bank on 24.11.2017 for availing Rupee Term Loan (RTL) of ₹ 2443.00 Crore at Interest rate of Indian Bank 1 year MCLR +75 BPS. The repayment period of Loan shall be: (i) Principal amount over a period of 14 years in structured quarterly installments, after a moratorium period of 2 years from CoD; (ii) Interest amount would be paid on monthly basis. Term loan is secured by First mortgage on all assets of the company and undertaking (including freehold and lease hold) of the Project, both present and future, save and except the Project Assets; (b) A first ranking pari passu charge by way of hypothecation on all tangible movables in relation to the Project, both present and future, save and except the Project Assets ;(c) A first ranking pari passu charge by way of hypothecation on all the rights, interest and obligation in relation to the Project including assignment of Insurance Contracts, to the extent covered by the Concession Agreement; (d) A first ranking pari passu charge over all accounts and current assets of CERL in relation to the Project and first charge on the receivables; (e) A first ranking pari passu charge by way hypothecation on all intangible assets of CERL in relation to the Project subject to the extent permissible as per the priority specified in the Concession Agreement and Escrow Agreement; (f) Non Disposal Undertaking for 51% of the aggregate shareholding of the CERL, with a condition that 24% of the aggregate shareholding shall be pledged in favour of Security Trustee upon occurrence of event of default; (g) Project Assets shall not form part of the Security.

Consolidated Notes to Financial Statements

CEWRL has entered into Term Loan Financing with a Consortium of Banks led by State Bank of India on 04.09.2020 for availing Rupee Term Loan (RTL) of ₹3976.00 Crore at Interest rate of State Bank of India 1 year MCLR +125 BPS. The repayment period of Loan shall be: (i) Principal amount over a period of 14 years in structured quarterly installments, after a moratorium period of 2 years from SCoD; (ii) Interest amount would be paid on monthly basis. Term loan is secured by (a) a first charge over all immovable properties of the Borrower, both present and future, save and except the Project Assets; (b) a first charge on all tangible moveable assets of the Borrower, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets; (c) a first charge over all receivables, current assets and accounts of the Borrower, including the Escrow Account and its sub-accounts (or any account in substitution thereof) that may be opened in accordance with this Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents or contracts in relation to the Project, and all funds deposited therein, from time to time, and all receivables and Permitted Investments or other securities; (d) a first charge on all the intangible assets of the Borrower, including, but not limited to, goodwill, rights, undertakings of the Borrower, and uncalled capital both present and future, except the Project Assets, provided that, all receivables arising therefrom shall be deposited into the Escrow Account and charge on the same shall be subject to the extent permissible as per the priority specified in the Article 25 of the Concession Agreement and Clause 4 of the Escrow Agreement. Further, a charge on uncalled capital, shall be subject to the provisions of the Concession Agreement; (e) all the rights, title, interest, obligations, benefits, claims and demands, whatsoever, of the Borrower in relation to the Project or in favour of the Security Trustee as nominee, all the rights, title and interest of the Borrower in, to or under all such approvals as are required to be sought from any Governmental Authority, all the rights, title, interest, benefits, claims and demands, whatsoever, of the Borrower in any letter of credit, guarantee, including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; and all of the right, title, interest, benefits, claims and demands, whatsoever, of the Borrower in, to or under all Insurance Contracts. Project Assets shall not form part of the Security.

18.2 Other Loans

Name of Lenders	As at 31-03-2021		As at 31-03-2020	
	Principle	Interest	Principle	Interest
IRCON International Limited	-	9.35	39.00	6.52
CSIDCL	-	3.61	15.00	2.52
Total	-	12.96	54.00	9.04

Loan from IRCON International Ltd.

Loan from IRCON International Ltd. consist ₹13.00 Crore (₹39.00 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 would be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Rate of interest are @8.65% per annum upto 07.09.2020 and 8.25% per annum w.e.f. 08.09.2020 with compounding at quarterly rests, as per the terms of the common loan agreement entered into by CEWRL with the consortium of Banks lead by State Bank of India

Loan from CSIDCL

Loan from CSIDCL consist ₹5.00 Crore (₹15.00 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 would be of 5 years excluding moratorium period not exceeding five years from the date of signing of Loan Agreement. Rate of interest are @8.65% per annum upto 07.09.2020 and 8.25% per annum w.e.f. 08.09.2020 with compounding at quarterly rests, as per the terms of the common loan agreement entered into by CEWRL with the consortium of Banks lead by State Bank of India

- 18.3 Balance in Loan from Banks is related to Overdraft facility availed pledging Fixed Deposits ₹0.00 Crore (₹ 3443.39 Crore) and which are adjustable against Fixed Deposits pledged.

Consolidated Notes to Financial Statements

NOTE - 19 :TRADE PAYABLES

(₹ in Crore)

Current	As at 31-03-2021	As at 31-03-2020
Micro, Small and Medium Enterprises ^{19.1}	11.73	3.08
Other than Micro, Small and Medium Enterprises	1,484.96	1,575.85
TOTAL	1,496.69	1,578.93

- 19.1 Trade Payables ₹11.73 Crore (₹ 3.08 Crore) of Micro, Small and Medium Enterprises includes :
- Principal amount ₹ 11.73 Crore (₹ 3.08 Crore) & Interest remaining unpaid but not due as at year end ₹ 0.00.
 - Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year is ₹0.00 Crore (₹0.00 Crore)
 - Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 0.00 Crore (₹ 0.00 Crore)
 - Interest accrued and remaining unpaid as at year end is ₹0.00 Crore (₹ 0.00 Crore)
 - Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise is ₹0.00 Crore (₹ 0.00 Crore).
- 19.2 Others includes liabilities related to contractual works, other expenses etc.

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Non Current		
Security Deposits	369.31	252.34
Earnest Money Deposit	-	-
Others	25.49	6.22
	394.80	258.56
Current		
Current Account With Subsidiaries	-	-
Current Account with Coal India Ltd.	9.99	-
Current Maturities of Long Term debt	-	-
Unpaid dividends	-	-
Security Deposits	314.86	347.83
Earnest money	46.08	35.09
Payable for Capital Expenditure	520.60	245.14
Liability for Salary Wages & Allowances	443.42	441.35
Others ^{20.1, 20.2 & 20.3}	1023.65	892.17
TOTAL	2358.60	1961.58

- 20.1 ₹1023.65 Crore (₹892.17 Crore) includes ₹634.64 Crore (₹587.62 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 Payables to PF / Pension Authorities and liability provided on account of claims by consumers for underloading & quality etc.
- 20.3 Further, ₹1023.65 Crore (₹892.17 Crore) also includes ₹41.09 Crore (₹.00 Crore) relating to amount Unspent CSR Other than Ongoing Project and Ongoing Project .

Consolidated Notes to Financial Statements

NOTE - 21 : PROVISIONS

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Non Current		
Employee Benefits		
- Gratuity	-	-
- Leave Encashment	267.60	373.25
- Other Employee Benefits	600.39	475.77
Site Restoration/ Mine Closure ^{21.1}	1284.72	1283.71
Stripping Activity Adjustments ^{21.2}	12916.12	11688.89
Others	-	-
TOTAL	15068.83	13821.62
Current		
For Employee Benefits		
- Gratuity	137.99	295.34
- Leave Encashment	85.35	76.15
- Ex- Gratia	330.11	357.59
- Performance Related Pay	134.05	218.55
- Other Employee Benefits ^{21.3}	80.06	94.03
TOTAL	767.56	1041.66

21.1 Provision for Mine Closure :

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 estimate of 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 (@8%) 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 value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses. In reference to above guidelines for preparation of mine closure plan, an escrow account has been opened. (Refer Note - 9)

Reconciliation of Reclamation of Land/ Site restoration /Mine Closure :	As at 31-03-2021	As at 31-03-2020
Gross value of site restoration Asset as on closing date	782.74	782.74
Add: Unwinding of Provision charged (incl. Capitalised) up to Previous year	649.13	568.65
Add: Unwinding of Provision charged (incl. Capitalised) For Current Year	80.67	80.48
Withdrawal from Escrow Account adjusted upto Closing Date	(227.82)	(148.16)
Mine Closure Provision	1284.72	1283.71

Escrow Account Balance	As at 31-03-2021	As at 31-03-2020
Balance in Escrow Account (Current/ Non Current) on opening date	1511.92	1331.59
Add: Balance Deposited during Current Year	123.23	119.20
Add: Interest Credited during the year	68.66	71.27
Less: Amount Withdrawn during Current Year	(79.66)	(10.14)
Balance in Escrow Account (Current/ Non Current) on Closing date	1624.15	1511.92

21.2 Stripping Activity Adjustments consists of Deferred Stripping Activity expenses and Other Stripping Activity Adjustment.

21.3 Provision for Other Employee Benefits includes ₹7.50 Crore (₹25.22 Crore) related to Superannuation benefits @ 6.99% which is unfunded till Balance Sheet date.

Consolidated Notes to Financial Statements

NOTE - 22 : OTHER NON CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Shifting & Rehabilitation Fund	-	-
Deffered Income	1.32	0.40
	1.32	0.40

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31-03-2021	As at 31-03-2020
Statutory Dues	1157.36	1204.59
Advance from customers / others ^{23.1}	4561.30	4544.41
Others liabilities ^{23.2}	-	-
TOTAL	5,718.66	5,749.00

23.1 Advance & Deposit from Customers & Others includes ₹15.48 Crores 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.

Consolidated Notes to Financial Statements

NOTE - 24 : REVENUE FROM CONTRACT WITH CUSTOMERS

(₹ in Crore)

	For The Year Ended 31-03-2021		For the Year Ended 31-03-2020	
A. Sale of Coal /Services		26639.62		27086.06
Less : Statutory Levies		9984.58		10235.98
Sale of Coal (Net) (after adjustment of Coal Quality Variance) (A)24.1, 24.2 & 24.3		16,655.04		16,850.08
B. Other Operating Revenue				
Subsidy for Sand Stowing & Protective Works		7.87		0.76
Loading and additional transportation charges	856.69		777.83	
Less : Levies	39.74	816.95	37.05	740.78
Evacuation Facilitating Charges	599.04		617.18	
Less : Levies	30.24	568.80	29.40	587.78
Freight Income from Rail Operation		33.77		13.95
Other Operating Revenue (B)		1427.39		1343.27
Revenue From Operations (A+B)		18082.43		18193.35

- 24.1 Net Sales (Net of levies) includes ₹296.09 Crore (₹338.35 Crore) sale of 32.41 Lakh Te (28.88 lakh) coal related to Gare Palma IV/2&3 Mine and ₹1.06 Crore (₹70.45 Crore) sale of 0.00 lakh Te (8.21 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 Disaggregated revenue information- Refer Annexure to Note-24 on next page
- 24.3 Sale of Coal above has been increased/ (decreased) by estimated Coal Quality variance (Net of Reversal) amounting to ₹ -125.63 Crore (PY ₹912.53 Crore).

Consolidated Notes to Financial Statements

ANNEXURE TO NOTE - 24

Disaggregated revenue information:

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Types of goods or service		
- Coal	16643.55	16838.93
- Others	11.49	11.15
Total revenue from contracts with customers	16655.04	16850.08
Types of customers		
- Power sector	9,425.80	10,769.60
- Non-Power Sector	7,343.38	5,156.80
- Others (including provision for Coal Quality variace)	(114.14)	923.68
Total revenue from contracts with customers	16,655.04	16,850.08
Types of contract		
- FSA	13,807.73	14,836.89
- E Auction	2,961.45	1,089.51
- Others (including provision for Coal Quality variace)	(114.14)	923.68
Total revenue from contracts with customers	16,655.04	16,850.08
Timing of goods or service		
- Goods transferred at a point in time	16655.04	16850.08
- Goods transferred over time	-	-
- Services transferred at a point in time	-	-
- Services transferred over time	-	-
Total revenue from contracts with customers	16655.04	16850.08

NOTE 25 : OTHER INCOME

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Interest Income	200.32	525.11
Dividend from Mutual Fund	2.08	21.27
Other non-operating Income		
Profit on Sale of Assets	0.44	3.72
Lease Rent	14.04	19.20
Liability/ Provision Written Back	368.44	228.18
Miscellaneous Income	93.26	44.03
Total	678.58	841.51

Consolidated Notes to Financial Statements

NOTE 26 : Cost of Materials Consumed

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Explosives	354.26	298.52
Timber	2.30	4.96
Oil & Lubricants	730.05	539.31
HEMM Spares	227.31	211.57
Other Consumable Stores & Spares	352.26	429.49
Total	1666.18	1483.85

NOTE 27 : Changes In Inventory Of Finished Goods, Work In Progress

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
A Coal		
Opening Stock	796.35	469.67
Add: Opening Stock brought to Revenue ^{27.1}	10.35	-
Opening Stock	806.70	469.67
Closing Stock	1255.82	796.35
Change in Inventory of Coal (A)	(449.12)	(326.68)
B Workshop made finished goods and WIP		
Opening Stock	163.56	171.84
Closing Stock	128.40	163.56
Change in Inventory of workshop (B)	35.16	8.28
Change in Inventory of Stock in trade (A+B) { Decretion / (Accretion) }	(413.96)	(318.40)

Consolidated Notes to Financial Statements

NOTE 28 : Employee Benefit Expenses

	(₹ in Crore)	
	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Salary, Wages, Allowances ,Bonus etc.	5522.17	5776.54
Contribution to P.F. & Other Funds	1479.18	1650.35
Staff Welfare Expenses	705.06	756.71
Total	7706.41	8183.60

NOTE 29 : Corporate Social Responsibility Expenses

	(₹ in Crore)	
	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
CSR Expenses	79.42	84.65
Total	79.42	84.65

A. Activity wise break-up of CSR Expenses :	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Eradicating hunger, poverty and malnutrition	29.58	71.58
Promoting education, including special education and employment enhancing vocation skills	5.69	1.73
Gender equality and measures for reducing inequalities faced by socially and economically backward groups	0.05	1.94
Environmental sustainability	0.11	5.62
Protection of national heritage, art and culture	0.40	1.74
Benefit of armed forces veterans, war widows and their dependents	0.18	0.07
Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	-	-
Contribution to fund set up by the Central government for socio economic development	-	-
Contribution to incubators or research and development projects	-	-
Contributions to Universities and Research Institutes	-	-
Rural development projects	2.24	1.94
Slum area development	-	-
Disaster management, including relief, rehabilitation and reconstruction activities	-	-
Administrative Expenses	0.08	0.04
Total	38.33	84.65

Consolidated Notes to Financial Statements

NOTE 29 : Corporate Social Responsibility Expenses(contd.)

(₹ in Crore)

B. CSR Expenditure Break-up	Current Year	Previous Year
(a) Amount Required to be spent during the year	79.42	83.85
(b) Amount approved by the Board to be spent during the year	79.42	83.85
(c) Amount spent during the year on:	38.33	84.65
(i) Construction/Acquisition of any asset	36.21	74.3
(ii) on purposes other than (i) above	2.12	10.35

C. Unspent amount	Current Year	Previous Year
a) Opening Balance as on 01.04.2020	-	-
b) Amount deposited in Specified Fund of Sch. VII	-	-
c) Amount required to be spent during the year	79.42	83.85
d) Amount spent during the year	38.33	84.65
e) Closing Balance	41.09	-

D. Excess amount spent	Current Year	Previous Year
a) Opening Balance	-	-
b) Amount required to be spent during the year	79.42	83.85
c) Amount spent during the year	38.33	84.65
d) Closing Balance	-	-

E. Ongoing Project (to be given year-wise)	Current Year	Previous Year
a) Opening Balance with Company	79.42	83.85
b) Opening Balance In Separate CSR Unspent A/c	-	-
c) Amount spent during the year From Company's bank A/c	38.33	84.65
d) Amount spent during the year From Separate CSR Unspent A/c	-	-
e) Closing Balance With Company	41.09	-
f) Closing Balance in Separate CSR Unspent A/c	-	-

Consolidated Notes to Financial Statements

NOTE 30 : Repairs

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Building	30.10	22.41
Plant & Machinery	223.54	153.04
Others ^{30.1}	4.10	3.28
Total	257.74	178.73

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 31-03-2021	For the Year Ended 31-03-2020
Transportation Charges	904.76	924.47
Wagon Loading	34.75	27.29
Hiring of Plant and Equipments	873.99	650.62
Other Contractual Work	1018.21	1008.68
Total	2831.71	2611.06

NOTE 32 : Finance Cost

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Interest Expenses		
Unwinding of Interest	80.67	80.47
Other Borrowing Costs	78.26	60.99
Total (A)	158.93	141.46

Consolidated Notes to Financial Statements

NOTE 33 : Provisions (Net of Reversal)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(A) Allowances / Provision made For		
Doubtful debts	738.86	92.89
Doubtful Advances & Claims	0.58	-
Stores & Spares	-	-
Others	22.17	10.14
Total (A-B)	761.61	103.03

NOTE 34 : Write Off (Net of past provisions)

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Doubtful debts	-	-
Less :- Provided earlier	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
Others	-	0.40
Less :- Provided earlier	-	-
Total	-	0.40

Consolidated Notes to Financial Statements

NOTE 35 : Other Expenses

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Travelling Expenses	17.53	32.02
Training Expenses	8.40	12.73
Telephone & Postage	14.54	15.35
Advertisement & Publicity	4.46	11.52
Freight Charges	0.11	0.27
Demurrage	17.22	48.32
Security Expenses	111.87	109.93
Service Charges of CIL ^{35.1}	150.61	150.55
Hire Charges	68.42	61.12
CMPDIL Charges ^{35.2}	66.32	57.25
Legal Expenses	2.31	2.26
Consultancy Charges	5.87	9.61
Under Loading Charges	98.00	84.08
Loss on Sale/Discard/Surveyed of Assets	0.12	0.18
Auditor's Remuneration & Expenses		
- For Audit Fees	0.75	0.62
- For Taxation Matters	0.25	0.06
- For Other Services	0.00	0.64
- For Reimbursement of Exps.	0.05	0.29
Internal & Other Audit Expenses	3.02	2.85
Rehabilitation Charges ^{35.3}	83.26	85.16
Rent ^{35.4}	2.69	2.74
Rates & Taxes	17.87	13.48
Insurance	0.64	0.18
Loss on Exchange Rate Variance	-	-
Rescue/Safety Expenses	17.75	17.96
Dead Rent/Surface Rent	0.85	0.90
Siding Maintenance Charges	7.93	7.58
R & D expenses	-	0.00
Environmental & Tree Plantation Expenses	70.14	73.84
Donation/Subscription	1.04	0.06
Miscellaneous expenses	80.19	79.16
Total	852.21	880.71

35.1 Service Charges of CIL related to revenue nature services provided by CIL.

35.2 CMPDIL Charges are related to revenue nature works by CMPDIL.

35.3 As per the decision of Ministry of Coal, an amount of ₹83.26 Crores (₹85.16 Crores) 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.

35.4 Lease Rent includes ₹1.35 Crore plus taxes , Rent paid to CIL for Dankuni Coal Complex.

Consolidated Notes to Financial Statements

NOTE 36 : Tax Expense

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
Current Year	768.46	615.15
Deferred tax	(146.40)	249.81
Earlier Years	(49.45)	(67.08)
Total	572.61	797.88
Reconciliation of tax Expenses and the accounting profit multiplied by India's domestic Tax rate		
Profit/(Loss) before tax	2020.07	2510.20
At India's statutory income tax rate of 25.168% (31 March 2020: 25.168%)	508.41	631.77
Less: Income exempt form Tax	-	(5.35)
Add: Non-deductible expenses for tax purposes	40.95	48.62
Add/ (Less) : Adjustment in respect of current income tax of previous year	23.25	122.84
Add/ (Less): Adjustment for tax under Mat provisions	-	
Income Tax Expenses reported in statement of Profit & Loss	572.61	797.88
Effective income tax rate :	28.346%	31.785%
Deferred tax liability relates to following:		
Deffered Tax Liability		
Related to Property, Plant and Equipment	195.10	167.91
Others		
Total Deferred Tax Liability (A)	195.10	167.91
Deferred Tax Asset		
Related to Receivables / Advances	401.08	186.41
Employee Benefits	47.33	186.05
Others	187.36	89.72
Total Deferred Tax Asset (B)	635.77	462.18
Net Deffered Tax Asset/(Liabilities) (B-A)	440.67	294.27

NOTE 37 : Other Comprehensive Income

(₹ in Crore)

	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
(A) (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(262.32)	(470.96)
	(262.32)	(470.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(66.02)	(118.53)
	(66.02)	(118.53)
Total (A+B)	(196.30)	(352.43)

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

1. Principles of Consolidation and Financial Reporting of Interest in Jointly Controlled Entities and Subsidiaries

- i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Parent Company, i.e. for the year /period ended 31-03-2021.
- ii) The consolidated financial statements relate to South Eastern Coalfields Limited, its subsidiary companies, namely, Chhattisgarh East Railway Limited, and Chhattisgarh East-West Railway Limited.
- iii) 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.
- iv) The position of investment and other current account as at 31-03-2021 is as under:

Name of Subsidiary	Stake in Subsidiary	Date of Incorporation	Address	Non-Controlling Interest as per Consolidated Accounts as on 31-03-2021
M/s Chhattisgarh East Railway Limited ("CERL")	72.56%	12.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹179.24 Crores
M/s. Chhattisgarh East-West Railway Limited ("CEWRL")	64.06%	25.03.2013	Mahadeo Ghat Road, Raipura Chowk, Raipur-492013	₹180.84 Crores
				₹360.08 Crore

- v) Additional information relating to Subsidiaries/ Joint Ventures (As per schedule III of Companies Act, 2013)

(₹ in Crore)

Name of the Entity in the Group	Net Assets		Net Profit		Other Comprehensive Income		Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent- SECL*	92.27	4308.00	100	1439.95	100	(196.30)	100	1243.65
Share in Subsidiaries :								
CERL**	-	(10.39)	-	5.77	-	-	-	5.77
CEWRL**	-	(0.60)	-	(0.16)	-	-	-	(0.16)
Non-Controlling Interest Subsidiaries :								
CERL	3.85	179.24	-	1.99	-	-	-	1.99
CEWRL	3.88	180.84	-	(0.09)	-	-	-	(0.09)
		4657.09	1447.46		(196.30)		1251.16	

* As per Standalone Financial Statements of Parent Company

** Share in Subsidiaries Net Assets is after adjustment of Mutual Assets & liabilities of Parent and Subsidiary.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**2. Fair Value measurement****(a) Financial Instruments by Category**

(₹ in Crore)

	Note No.	As at 31-03-2021			As at 31-03-2020		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost
Financial Assets- Non Current							
Investments : Equity Shares Subsidiary Companies	7	-	-	-	-	-	-
Loans	8	-	-	4.52	-	-	4.68
Other Financial Assets	9	-	-	1813.36	-	-	1699.48
Financial Liabilities- Non Current							
Borrowings	18	-	-	2529.98	-	-	1823.08
Trade payables	19	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	369.31	-	-	252.34
Other Liabilities	20	-	-	25.49	-	-	6.22

(₹ in Crore)

	Note	As at 31-03-2021			As at 31-03-2020		
		FVT PL	FVT OCI	Amortised cost	FVT PL	FVT OCI	Amortised cost
Financial Assets- Current							
Investments : Mutual Fund	7	1.64	-	-	0.29	-	-
Trade receivables	13	-	-	1114.74	-	-	1653.80
Cash & cash equivalents	14	-	-	849.94	-	-	51.60
Other Bank Balances	15	-	-	1395.19	-	-	4115.63
Loans	8	-	-	0.30	-	-	0.89
Other Financial Assets	9	-	-	795.83	-	-	867.51
Financial Liabilities- Current							
Borrowings	18	-	-	0.00	-	-	1724.93
Trade payables	19	-	-	1496.69	-	-	1578.93
Security Deposit and Earnest money	20	-	-	360.94	-	-	382.92
Other Liabilities	20	-	-	1997.66	-	-	1578.66

(b) Fair value hierarchy

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Financial assets and liabilities measured at fair value – recurring fair value measurement	Note No.	As at 31-03-2021			As at 31-03-2020		
		Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL							
Investments :							
Mutual Fund	7	1.64	-	-	0.29	-	-
Financial Liabilities							
If any item							

(₹ in Crore)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Note No.	As at 31-03-2021			As at 31-03-2020		
		Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets- Non Current							
Investments : Equity Shares Subsidiary Companies	7	-	-	-	-	-	-
Loans	8	-	-	4.52	-	-	4.68
Deposits & receivable	9	-	-	1813.36	-	-	1699.48
Financial Liabilities- Non Current							
Borrowings	18	-	-	2529.98	-	-	1823.08
Trade payables	19	-	-	0.00	-	-	0.00
Security Deposit and Earnest money	20	-	-	369.31	-	-	252.34
Other Liabilities	20	-	-	25.49	-	-	6.22
Financial Assets- Current							
Trade receivables	13	-	-	1114.74	-	-	1653.80
Cash & cash equivalents	14	-	-	849.94	-	-	51.60
Other Bank Balances	15	-	-	1395.19	-	-	4115.63
Loans	8	-	-	0.30	-	-	0.89
Other Financial Assets	9	-	-	795.83	-	-	867.51
Financial Liabilities- Current							
Borrowings	18	-	-	0.00	-	-	1724.93
Trade payables	19	-	-	1496.69	-	-	1578.93
Security Deposit and Earnest money	20	-	-	360.94	-	-	382.92
Other Liabilities	20	-	-	1997.66	-	-	1578.66

A brief of each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments, security deposits and other liabilities taken included in level 3.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- The Company considers that the Security Deposits does not include a significant financing component. The security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

Provision for Expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit losses for trade receivables under simplified approach.

As on 31-03-2021 (₹ in Crore)

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	314.39	491.17	72.27	355.56	107.65	1124.65	2465.69
Expected loss rate		-	-	-	-	-	100.00%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	1124.65	1124.65

As on 31-03-2020 (₹ in Crore)

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	432.63	199.47	297.49	224.11	600.77	385.79	2140.26
Expected loss rate		-	-	-	-	-	100.00%	
Expected credit losses (Loss allowance provision)		-	-	-	-	-	385.79	385.79

Reconciliation of loss allowance provision – Trade receivables

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Provisions	Note no.	Amount
Loss allowance on 01-04-20	13	385.79
Changes in loss allowance		738.86
Loss allowance on 31-03-21	13	1124.65

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

A. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company.

B. Market risk**a) Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the company is as follows:

(₹ in Crore)

	31-03-2021	31-03-2020
Equity Share capital	668.06	668.06
Long term debt	-	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**3. Employee Benefits: Recognition and Measurement Refer Note-28 (Ind AS-19)****Defined Benefit Plans :****a) Gratuity**

The Company provides for gratuity, a post-employment defined benefit plan (“the Gratuity Scheme”) covering the eligible employees. The Gratuity Scheme is fully funded through trust maintained with Life Insurance Corporation of India, wherein employer contribution is 2.01% of basic salary and Dearness allowances. Every employee who has rendered continuous service of more than 5 years or more is entitled to receive gratuity amount equal to 15 days salary for each completed years of service computed as (15 days/26 days in a month* last drawn salary and dearness allowance* completed years of service) subject to maximum of Rs 0.20 crores at the time of separation from the company considering the provisions of the Payment of Gratuity Act 1972 as amended. The liability or asset recognised in the balance sheet in respect of the Gratuity Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income (OCI).

b) Post-Retirement Medical Benefit – Executive (CPRMSE)

Company has post-retirement medical benefit scheme known as Contributory Post Retirement Medicare Scheme for Executive of CIL and its Subsidiaries (CPRMSE), to provide medical care to the executives and their spouses in Company hospital/empaneled hospitals or outpatient/Domiciliary only in India subject to ceiling limit, on account of retirement on attaining the age of superannuation or are separated by the Company on medical ground or retirement under Voluntary Retirement Scheme under common coal cadre or Voluntary Retirement Scheme formulated and made applicable from time to time. Membership is not extended to the executives who resigns from the services of the CIL and its subsidiaries. The maximum amount reimbursable during the entire life for the retired executives and spouse taken together jointly or severally is Rs 25 lakhs except for specified diseases with no upper limit. The Scheme is funded through trust maintained by the CIL at group level solely for this purpose, wherein employer contribution is 2% of basic salary and Dearness Allowance per month. The liability for the scheme is recognised based on actuarial valuation done at each reporting date.

Defined Contribution Plans:**a) Provident Fund and Pension:**

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates based on a fixed percentage of the eligible employee’s salary i.e. 12% and 7% of Basic salary and Dearness Allowance towards Provident Fund and Pension Fund respectively to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund for the Period/ year ended 31-03-2021 is ₹ 911.28 Crore (₹ 885.18 Crore for the Period/year ended 31-03-2020) has been recognized in the Statement of Profit & Loss (Note 28).

b) Post-Retirement Medical Benefit – Non- Executive (CPRMSE-NE)

As a part of social security scheme under wage agreement, Company is providing Contributory Post-Retirement Medicare Scheme for non-executives (CPRMSE-NE), wherein fixed amount is being contributed by the company and charged to statement of profit and loss.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**c) CIL Executive Defined Contribution Pension Scheme (NPS)**

The company provides a post-employment contributory pension scheme to the executives of the Company known as “CIL Executive Defined Contribution Pension Scheme -2007” (referred as New Pension Scheme “NPS”). NPS is being administered through separate trust at group level solely formed for the purpose. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer’s contribution towards provident fund, gratuity, post-retirement medical benefits -Executive i.e. CPRMSE or any other retirement benefits. The employer contribution of 6.99% of basic and Dearness Allowance is being charged to statement of profit and loss.

Other Long Term Employee Benefits**a) Leave encashment**

The company provides benefit of total Earned Leave (EL) of 30 days and Half Paid Leave (HPL) of 20 days to the executives of the company, accrued and credited proportionately on half yearly basis on the first day of January and July of every year. During the service, 75% EL credited balance is one time encashable in each calendar year subject to ceiling of maximum 60 days EL encashment. Accumulated HPL is not permitted for encashment during the period of service. On superannuation, EL and HPL together is considered for encashment subject to the overall limit of 300 days without commutation of HPL. In case of non-executives, leave encashment is governed by the National Coal Wage Agreement (NCWA) and at present the workmen are entitled to get encashment of earned leave at the rate of 15 days per year and on discontinuation of service due to death, retirement, superannuation and VRS, the balance leave or 150 days whichever is less, is allowed for encashment. Therefore, the liabilities for earned leave are expected to be settled during the service as well as after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The Scheme is fully funded through trust maintained with Life Insurance Corporation of India.

b) Life Cover Scheme (LCS)

As a part of social security scheme under wage agreement, the Company has Life Cover Scheme under Deposit Linked Insurance Scheme, 1976 notified by the Ministry of Labour, Government of India, known as “Life Cover Scheme of Coal India Limited” (LCS). An amount of Rs 1,25,000 is paid under the scheme w.e.f 01.10.2017. The liability under the scheme is borne by the Company as per actuarial valuation at each Balance Sheet date.

c) Settlement Allowances

As a part of wage agreement, a lump sum amount of Rs 12000/- is paid to all the non-executive cadre employees governed under NCWA on their superannuation on or after 31.10.2010 as settling-in allowance. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

d) Group Personal Accident Insurance (GPAIS)

Company has taken group insurance scheme from United India Insurance Company Limited to cover the executives of the company against personal accident known as “Coal India Executives Group Personal Accident Insurance Scheme” (GPAIS). GPAIS covers all types of accident on 24 hour basis worldwide. Premium for the scheme is borne by the Company. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**e) Leave Travel Concession (LTC)**

As a part of wage agreement, Non-executive employees are entitled to travel assistance for visiting their home town and for “Bharat Bhraman” once in a block of 4 years. A lump sum amount of Rs 8000/- and Rs 12000/- is paid for visiting Home town and “Bharat Bhraman”, respectively. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

f) Compensation to Dependent on Mine Accident Benefits

As a part of social security scheme under wage agreement, the company provides the benefits admissible under The Employee’s Compensation Act, 1923. An amount of Rs 15 lakhs is paid to the next of kin of an employee in case of a fatal mine accident w.e.f 07.11.2019. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

Funding status of defined benefit plans, defined contribution plans and other long term employee benefits plans, which are valued on actuarial basis, are as under:

i) Funded-

- Gratuity
- Leave Encashment
- Medical Benefits
- Provident Fund
- Pension Schemes

ii) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31-03-2021 based on valuation made by the Actuary, details of which are mentioned below is ₹5800.02 Crore (₹5738.67 Crore).

Head	As at 31-03-2020	Incremental Liability	As at 31-03-2021
Gratuity	4543.42	(44.21)	4499.21
Earned Leave	647.61	26.30	673.91
Half Pay Leave	127.92	2.32	130.24
Leave Travel Concession - Executive	-	-	-
Leave Travel Concession - Non-Executive	42.14	(0.19)	41.95
Settlement Allowance Executives	12.96	1.63	14.59
Settlement Allowance Non-Executives	29.44	(2.04)	27.40
Life Cover Scheme- Executives	0.82	(0.06)	0.76
Life Cover Scheme- Non-Executives	14.52	(1.28)	13.24

(₹ In Crores)

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Head	As at 31-03-2020	Incremental Liability	As at 31-03-2021
Group Personal Accident Insurance Scheme	0.21	(0.01)	0.20
Post-Retirement Medical Benefits-Executives	209.60	24.85	234.45
Post-Retirement Medical Benefits- Non Executives	65.30	49.08	114.38
Compensation to dependents in case of mine accidental death	44.73	4.96	49.69
TOTAL	5738.67	61.35	5800.02

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 31-03-2021

DISCLOSURE AS PER IND AS 19 (2015)

(₹ in Crores)

Table 1: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Present Value of Obligation as at				
Present value of obligation as on last valuation	4,543.42	4,361.42	775.52	607.38
Current Service Cost	198.52	191.79	172.66	162.22
Interest Cost	284.09	262.61	46.31	33.91
Participant Contribution	-	-	-	-
Plan Amendments: Vested portion at end of period(Past Service)	-	-	-	-
Actuarial gain/loss on obligations due to Change in Financial Assumption	(68.16)	240.56	(14.98)	50.11
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	333.60	252.08	23.44	109.21
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
The effect of change in Foreign exchange rates	-	-	-	-
Benefits Paid	792.26	765.04	198.80	187.31
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	4,499.21	4,543.42	804.15	775.52

(₹ in Crores)

Table 2: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Fair Value of Plan Assets as at				
Fair value of Plan Assets at Beginning of period/year	4,248.08	4,227.60	331.63	201.48
Interest Income	290.99	279.02	22.72	13.30
Employer Contributions	611.34	484.82	298.80	301.65
Participant Contributions	-	-	-	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 2: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Changes in Fair Value of Plan Assets as at				
Acquisition/Business Combination	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	792.26	765.04	198.80	187.31
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	3.07	21.68	2.52	2.51
Fair value of Plan Assets at End of measurement period	4,361.22	4,248.08	456.87	331.63

(₹ in Crores)

Table 3: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Table Showing Reconciliation to Balance Sheet				
Funded Status	(137.99)	(295.34)	(347.28)	(443.89)
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	4361.22	4248.08	456.87	331.63
Fund Liability	4499.21	4543.42	804.15	775.52

(₹ in Crores)

Table 4: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Table Showing Plan Assumptions				
Discount Rate	6.85%	6.60%	6.85%	6.60%
Expected Return on Plan Asset	6.85%	6.60%	6.85%	6.60%
Rate of Compensation Increase(Salary Inflation)	9.00%	9.00%	9.00%	9.00%
Executives				
Non Executives	6.25%	6.25%	6.25%	6.25%
Pension Increase Rate	N/A	N/A	N/A	N/A
Average expected future service (Remaining working Life)	10	10	10	10
Average Duration of Liabilities	10	10	10	10
Mortality Table	IALM	IALM 2006-	IALM 2006-	IALM 2006-
	2006-2008	2008 Ultimate	2008 Ultimate	2008 Ultimate
Superannuation at age-Male	60	60	60	60
Superannuation at age-Female	60	60	60	60
Early Retirement & Disablement (All Causes Combined)	0.30%	0.30%	0.30%	0.30%

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crores)

Table 5: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Expense Recognized in statement of Profit/Loss as at				
Current Service Cost	198.52	191.79	172.66	162.22
Past Service Cost(vested)	-	-	-	-
Past Service Cost(Non-Vested)	-	-	-	-
Net Interest Cost	(6.90)	(16.41)	23.59	20.61
Cost(Loss)/(Gain) on settlement	-	-	-	-
Cost(Loss)/(Gain) on curtailment	-	-	-	-
Actuarial Gain loss Applicable only for last year	-	-	5.94	156.81
Employee Expected Contribution	-	-	-	-
Net Effect of changes in Foreign Exchange Rates	-	-	-	-
Benefit Cost(Expense Recognized in Statement of Profit/loss)	191.62	175.38	202.19	339.64

Table 6: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Other Comprehensive Income				
Actuarial gain/loss on obligations due to Change in Financial Assumption	(68.18)	240.56	-	-
Actuarial gain/loss on obligations due to Change in Demographic assumption	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	333.58	252.08	-	-
Actuarial gain/loss on obligations due to Other reason	-	-	-	-
Total Actuarial (gain)/losses	265.40	492.64	-	-
Return on Plan Asset, Excluding Interest Income	3.08	21.68	-	-
The effect of asset ceiling	-	0.00	-	-
Balance at the end of the Period	262.32	470.96	-	-
Net(Income)/Expense for the Period Recognized in OCI	262.32	470.96	-	-

Table 7: Disclosure Item	Gratuity		Leave Encashment	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Allocation of Plan Asset at end Measurement Period				
Cash & Cash Equivalents	-	-	-	-
Investment Funds	-	-	-	-
Derivatives	-	-	-	-
Asset-Backed Securities	-	-	-	-
Structured Debt	-	-	-	-
Real Estates	-	-	-	-
Special Deposit Scheme	-	-	-	-
State Government Securities	-	-	-	-
Government of India Assets	-	-	-	-
Corporate Bonds	-	-	-	-
Debt Securities	-	-	-	-
Annuity Contracts/Insurance Fund	-	-	-	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 7: Disclosure Item	Gratuity		Leave Encashment	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Allocation of Plan Asset at end Measurement Period				
Other	-	-	-	-
Total	-	-	-	-

Table 8: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Total Allocation in % of Plan Asset at end Measurement Period				
Cash & Cash Equivalents	-	-	-	-
Investment Funds	-	-	-	-
Derivatives	-	-	-	-
Asset-Backed Securities	-	-	-	-
Structured Debt	-	-	-	-
Real Estates	-	-	-	-
Special Deposit Scheme	-	-	-	-
State Government Securities	-	-	-	-
Government of India Assets	-	-	-	-
Corporate Bonds	-	-	-	-
Debt Securities	-	-	-	-
Annuity Contracts/Insurance Fund	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Table 9: Disclosure Item

Mortality Table

Age	Mortality (Per Annum)
25	0.000931
30	0.000977
35	0.001202
40	0.000168
45	0.002579
50	0.004436
55	0.007513
60	0.011162
65	0.015320
70	0.024058

Table 10: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21		31-03-21	
Sensitivity Analysis	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	4,368.64	4,637.52	775.40	835.03
%Change Compared to base due to sensitivity	-2.902%	3.074%	-3.575%	3.840%

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Table 10: Disclosure Item	Gratuity		Leave Encashment	
	31-03-21		31-03-21	
Salary Growth (-/+ 0.5%)	4,559.19	4,434.24	834.60	775.52
%Change Compared to base due to sensitivity	1.333%	-1.444%	3.786%	-3.560%
Attrition Rate (-/+ 0.5%)	4,499.44	4,498.99	804.10	804.20
%Change Compared to base due to sensitivity	0.005%	-0.005%	-0.006%	0.006%
Mortality Rate (-/+ 10%)	4,500.88	4497.55	803.94	804.36
%Change Compared to base due to sensitivity	0.037%	-0.037%	-0.026%	0.026%

Table 11 : Statement Showing Cash Flow Information	Gratuity
Next Year Total (Expected)	4251.51
Minimum Funding Requirements	292.23
Company's Discretion	

(₹ in Crore)

Table 12 : Benefit Information Estimated Future payments(Past Service)	Gratuity	Leave Encashment
Year		
1	677.85	88.22
2	628.62	87.97
3	570.07	90.76
4	569.40	96.69
5	497.77	86.09
6 to 10	2109.58	381.24
More than 10 years	2436.43	713.03
Total Undiscounted Payments Past and Future Service		
Total Undiscounted Payments related to Past Service	7489.74	1544.00
Less Discount for Interest	2990.52	739.85
Projected Benefit Obligation	4499.21	804.15

Table 13: Statement Showing Outlook Next Year Components of Net Periodic benefit Cost	Gratuity	Leave Encashment
Current service Cost (Employer portion Only) Next period	192.36	-
Interest Cost next period	284.98	-
Expected Return on Plan Asset	308.19	-
Unrecognized past service Cost	-	-
Unrecognized actuarial/gain loss at the end of the period	-	-
Settlement Cost	-	-
Curtailment Cost	-	-
other(Actuarial Gain/loss)	-	-
Benefit Cost	169.15	-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Table 14: Bifurcation of Net Liability	Gratuity		Leave Encashment	
	31-03-21	31-03-20	31-03-21	31-03-20
Current Liability	655.76	684.54	85.35	76.14
Non-Current Liability	3843.45	3858.88	718.80	699.38
Net Liability	4499.21	4543.42	804.15	775.52

4. Unrecognized items:

A. Contingent Liabilities (Ind AS-37)

i) Claims against the group not acknowledged as debt

(₹ in Crores)

S. No.	Particulars	Central Government	State Government and other localities	Central Public Sector Enterprises	Others	Total
1	Opening as on 01.04.2020	12277.59	10958.31	49.03	612.83	23897.76
2	Addition/ Adjustment during the year	84.32	(34.10)	-	39.58	89.80
3	Claims settled during the year	-	-	-	-	-
	a. From opening balance	115.92	11.62	0.00	27.66	155.20
	b. Out of addition during the year	0.00	0.00	0.00	0.76	0.76
	c. Total claims settled during the year (a + b)	115.92	11.62	0.00	28.42	155.96
4	Balance as on 31-03-21	12245.99	10912.59	49.03	623.99	23831.60

Detailed information of contingent liabilities are as under:

(₹ in Crores)

Sl. No.	Particulars	As at 31-03-21	As at 31-03-20
1	Central Government		
	Income Tax	11521.22	11550.19
	Central Excise	438.66	438.69
	Clean Energy Cess	0.02	-
	Central Sales Tax	63.71	-
	Service Tax	222.38	288.71
	Others(Please Specify)	-	-
	Sub-Total	12245.99	12277.59
2	State Government and Local Authorities		
	Royalty	242.89	242.89
	Environment Clearance	10182.64	10182.63
	Sales Tax/VAT	171.11	232.74
	Entry Tax	310.41	298.94
	Electricity Duty	-	-
	MADA	-	-
	Others(Property tax etc)	5.54	1.10
	Sub-Total	10912.59	10958.30

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Sl. No.	Particulars	As at 31-03-21	As at 31-03-20
3	Central Public Sector Enterprises		
	Arbitration Proceedings	-	-
	Suit against the company under litigation	-	-
	Others(Claims by Debtors)	49.03	49.03
	Sub-Total	49.03	49.03
4	Others: (If any)		
	Miscellaneous – Suit Against the company not acknowledged as Debts	623.99	612.84
	Sub-Total	623.99	612.84
	Grand Total	23831.60	23897.76

The management of the company believes that the outcome of the above will not have any material adverse effect on the company.

- Collector –Raigarh & Korba and Koriya have issued show cause / demand notices demanding ₹10182.64 Crore for excess production beyond the limit of Environment clearance, Mining plans and Section 21(5) of the MMDR Act etc. Replies /Appeal to some notices has been submitted to respective collectors and some replies are under process for legal vetting.

ii) **Guarantee / Sponsor Support Agreement:**

- The Company has given Bank Guarantees of ₹58.51 Crore (₹24.42 Crore) for which there is a floating charge on Current Assets of the Company.
- The Company has executed a Sponsor Support Agreement as promotor of M/s Chhattisgarh East West Railway Ltd, in favour of the Lenders Agent ‘State Bank of India against the Rupee Term Loan (RTL) Facility up to Rs.2544.64 Crore (64% of Rs.3976.00 Crore Term Loan sanctioned through Consortium of Banks led by State Bank of India).

iii) **Letter of Credit**

Outstanding letters of Credits as on Balance Sheet date amounted to ₹ 81.86 Crore (₹7409.07 Crore).

B. Commitments:

- (i) The amount remaining to be executed on capital account not provided for is ₹2814.37 Crore (₹1012.44 Crore).
- (ii) The amount remaining to be executed on revenue account not provided for is ₹5197.75 Crores (₹4387.71 Crore).

4. Other Information

a) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31-03-2021 are given below:

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in Crore)

Provisions	Note No.	Opening Balance	Addition during the year	Write back/ Adj. during the year	Unwinding of dis-counts	Closing Balance
Property, Plant and Equipment:	3					
Provision for Depreciation & impairment of Assets		3,679.70	811.48	(1.73)		4,489.45
Capital Work in Progress :	4					
Against CWIP :		11.90	1.17	(1.76)		11.31
Exploration And Evaluation Assets :	5					
Provision and Impairment:		-	-	-		-
Other Intangible Assets :	6					
Provision and Impairment:		-	-	-		-
Loans :	8					
Provision for Doubtful Loan		0.07	-	-		0.07
Other Non-Current Financial Assets:	9					
Deposits		-	-	-		-
Claims Receivables		6.42	0.59	-		7.01
Other Current Financial Assets:	9					
Claims Receivables		-	-	-		-
Other Receivables		1.60	0.02	-		1.62
Other Non-Current Assets :	10					
Capital Advance		0.45	-	-		0.45
Advance for revenue		0.77	-	-0.03		0.74
Other Current Assets :	10					
Advances for Revenue		-	-	-		-
Other Receivables		-	-	-		-
Inventories :	12					
Stock of Coal		-	-	-		-
Stock of Stores & Spares		51.88	-	(4.90)		46.98
Trade Receivables :	13					
Provision for bad & doubtful debts		385.79	738.86	-		1,124.65
Non-Current Provision :	21					
Employee Benefits						
- Gratuity		-	-	-		-
- Leave Encashment		373.25	-	(105.65)		267.60
- Other Employee Benefits		475.77	124.62	-		600.39
Site Restoration/ Mine Closure		1,283.71	80.67	(79.66)		1,284.72
Stripping Activity Adjustments		11,688.89	1,227.23	-		12,916.12
Others		-	-	-		-
Current Provision :	21					

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Provisions	Note No.	Opening Balance	Addition during the year	Write back/ Adj. during the year	Unwinding of dis-counts	Closing Balance
- Gratuity		295.34	167.27	(324.62)	-	137.99
- Leave Encashment		76.15	9.20	-	-	85.35
- Ex- Gratia		357.59	-	(27.48)	-	330.11
- Performance Related Pay		218.55	-	(84.50)	-	134.05
- Other Employee Benefits		94.03	-	(13.97)	-	80.06

b) Segment Reporting

The Company is primarily engaged in a single segment business of production and sale of Coal. The income from interest and other income is less than 10% of the total revenue; hence no separate segment is recognized for the same.

c) Earnings per share in terms of :**Net Profit**

Sl. No.	Particulars	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Net profit after tax attributable to Equity Share Holders	1445.56	1719.16
ii)	Weighted Average no. of Equity Shares Outstanding	6680561	6680561
iii)	Basic and Diluted Earnings per Share in Rupees (Face value Rs.1000/- per share)	2163.83	2573.38

d) Related Party Disclosures➤ **Post-Employment Benefit Fund:**

- 1) Group Gratuity Cash Accumulation Plan with LIC.
- 2) New Group Gratuity Cash Accumulation Plan with LIC (for employees joining after 01.04.2014).
- 3) New Group Leave Encashment Scheme with LIC.
- 4) Coal Mines Provident Fund (CMPF).
- 5) Contributory Post-Retirement Medical Scheme for Executive Trust
- 6) CIL Executive Defined Contribution Pension Scheme-2007

➤ **Coal India Ltd & it's following Subsidiary Companies**

- 1) Eastern Coalfields Limited (ECL)
- 2) Bharat Coking Coal Limited (BCCL)
- 3) Central Coalfields Limited (CCL)
- 4) Western Coalfields Limited (WCL)
- 5) Northern Coalfields Limited (NCL)
- 6) Mahanadi Coalfields Limited (MCL)
- 7) Central Mine Planning and Design Institute Limited (CMPDIL)

➤ **Subsidiary Companies**

- 1) Chhattisgarh East Railway Limited
- 2) Chhattisgarh East West Railway Limited

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**KEY MANAGERIAL PERSONNEL DURING YEAR 2020-21****FUNCTIONAL DIRECTORS:**

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	A.P. PANDA	Chairman-Cum-Managing Director	28.12.2018	CONT—
2	M.K. PRASAD	Director (Technical) Operations	01.11.2020	CONT—
		Director (Technical) Projects & Planning	18.06.2019	14.12.2020
3	S.M. CHOUDHARY	Director (Finance)	12.10.2019	CONT—
		Director (Personnel)	01.02.2021	CONT—
		Additional Charge		
4	S.K. PAL	Director (Technical) Projects & Planning	15.12.2020	CONT—
5	R.S. JHA	Director (Personnel)	29.09.2014	31.01.2021
6	R.K. NIGAM	Director (Technical) Operations	01.05.2019	31.10.2020

PART TIME OFFICIAL/ GOVT. NOMINEE DIRECTORS:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	MS. VISMITA TEJ IRS, JS (MoC)	Govt. Nominee Director	30.12.2020	CONT—
2	S.B. NEGI IPS, JS (MoC)	Govt. Nominee Director	28.10.2020	30.12.2020
3	R.K. SINHA IAS, EX-JS (MoC)	Govt. Nominee Director	29.11.2019	10.07.2020
4	SANJIV SONI D(F), CIL	Govt. Nominee Director	29.10.2019	CONT—

PART TIME NON-OFFICIAL/ INDEPENDENT DIRECTORS:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	CA S.K. DESHPANDE	Independent Director	25.07.2019	CONT—

COMPANY SECRETARY:

SN.	NAME (SHRI)	DESIGNATION	W.E.F.	UPTO
1	SYED MOHAMMED YUNUS	COMPANY SECRETARY	17.08.2010	CONT—

Other KMPs of Subsidiaries:

1. Mr. R.K. Nigam, Chairman (upto 31.10.2020)
2. Mr. M.K. Prasad, Chairman (w.e.f 08.01.2021)
3. Dr. R.S. Jha, Director(upto 31.01.2021)
4. Dr. S.M. Choudhary, Director (w.e.f.08.01.2021)
5. Mr. M.K. Singh, Director
6. Mr. S.L. Gupta, Director
7. Mr. Arun Prasad Palanisamy, Director
8. Mr. Abhijit Narendra, Director
9. Mr. Jagata Nand Jha, CEO
10. Mr. Rajneesh Narain, CFO (upto 29.06.2020)
11. Mr. Vineet Kumar Singh, CFO
12. Mr. Anand A. Joseph, Company Secretary

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

13. Mr. Anup Agarwal, Company Secretary
14. Mrs. Priyanka Kirit Tanna (w.e.f.29.06.2020)

Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Remuneration to CMD, Whole Time Directors and Company Secretary	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Short Term Employee Benefits (STB)		
	Gross Salary	2.96	2.99
	Medical Benefits	-	-
	Perquisites and other benefits	1.00	0.51
	Encashment of Leave	0.17	0.38
	Provision of Gratuity & Leave (Actuarial)	-	0.06
ii)	Post-Employment Benefits		
	Contribution to P.F. & other fund	0.52	0.78
iii)	Termination Benefits	-	-
	TOTAL	4.65	4.72

Note:

- (i) 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.

Payment to Independent Directors

(₹ in Crore)

Sl. No.	Payment to Independent Directors	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Sitting Fees	0.07	0.11

Balances Outstanding with Key Managerial Personnel as on 31-03-21

Sl. No.	Particulars	For the Year ended 31-03-21	For the Year ended 31-03-20
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

➤ Related Party Transactions within Group

SECL has entered into transactions with its subsidiaries (CERL & CEWRL) and Coal India Ltd (Group) which include Apex charges, Rehabilitation charges, Lease rent, Interest on Funds parked by subsidiaries, IICM charges and other expenditure incurred by or on behalf of CIL (Group) through current account with CIL and by or on behalf of CERL & CEWRL through their current account and transaction of various services received from CMDPIL.

As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions. (₹ in Crore)

Name of Related Parties	Apex Charges	Rehabilitation Charges	Dividend Paid	Lease Rent	Interest on Funds parked with CIL	Current Account Balances	
						Receivable	Payable
Coal India Ltd.	150.61 (150.55)	83.26 (85.16)	0.00 (0.00)	1.80 (1.80)	-	0.00 (1.16)	9.99 (0.00)
CMPDIL (CMPDIL Exp.)	-	-	-	-	-	-	155.80

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Name of Joint venture Subsidiaries	Equity contribution	Loans	Current Account Balances	
			Receivable	Payable
Chhattisgarh East Railway Limited (CERL)	64.00 (0.00)	0.00 (0.00)	0.64 (0.44)	0.00 (0.00)
Chhattisgarh East West Railway Limited (CERWL)	0.00 (0.00)	(96.00) (0.00)	0.65 (0.44)	0.00 (0.00)
Total	64.00 (0.00)	(96.00) (0.00)	1.29 (0.88)	0.00 (0.00)

i) Lease from CIL:

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.

➤ Entities under the control of the same government:

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 following transactions have been entered at arm's length price with entities under the control of the same Government.

(₹ in Crore)

Name of the entity	Transaction	Year ended 31-03-21	Year ended 31-03-20
NTPC	Sale of Coal (including levies)	5903.04	5110.28

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 Periods 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 Crores 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 Periods 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 period ended on Balance Sheet date accounted for is ₹1.56 Crore (₹1.56 Crores) 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 ₹11.92 Crore (₹11.36 Crore), the depreciation recognized in the Statement of Profit & Loss for the period ended is ₹0.56 Crore (₹0.56 Crore).

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The future minimum lease rental receivable in the aggregate as at 31-03-2021 is ₹15.57 Crore (₹17.13 Crore) for each of the following period is as under:

Sl. No.		₹ in Crore)	
		As at 31-03-21	As at 31-03-20
(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	7.78	9.34

No contingent rents are recognized as income in the Profit and Loss Account.

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 ₹1.99 Crores (₹1.81Crores) received / receivable for the current period/ year.
- (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 ₹2.02 Crores (₹1.84 Crores) received / receivable for the current period / year. Renewal of Lease Agreement is under process.
- (c) 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 Dipka Area 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 ₹2.30 Crores (₹2.09 Crores) received/ receivable for current period / year.
- (d) Leased out Assets (Line No-2) to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washery Limited) ₹19.21 Crores and accumulated depreciation as on Balance Sheet date is ₹14.33 Crores (₹13.54 crores).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹114.04 Crores (₹117.24 Crores) for each of the following periods is as under:

Period	₹ in Crores)				
	As at 31-03-21				As at 31-03-20
	Junadih Sdg -3 (a)	Junadih Sdg -4 (b)	Line No 2 (d)	Total	
Not later than one year	4.19	2.02	2.53	8.74	7.22
Later than one year and not later than five year	11.20	-	12.90	24.10	21.91
Later than five years and till the period of lease	0.50	-	80.70	81.20	88.11
	15.89	2.02	96.13	114.04	117.24

No contingent rents are recognized as income in the Profit and Loss Account.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)**iii) LAND:**

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 land for construction & operation of Railway siding Junadih line no 5 at Gevra area for a period of 20 years with effect from 17.10.2005. Lease Rent ₹1.22 Crores (₹1.11 Crores) has been received for the current period / year.

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 01.11.1996. Lease Rent ₹3.53 Crore (₹3.21 Crore) received/receivable during current period/ year.

Leased out Assets to M/s Spectrum Coal and Power Limited (Formerly known as STCLI Coal Washer Limited) valued ₹ 0.86 Crore (₹ 0.82 Crore) for Land and accumulated depreciation as on Balance Sheet date is ₹0.54 Crore (₹ 0.46 Crore).

The future minimum lease rental receivable in the aggregate at the end of the year is ₹35.14 Crores (₹38.68 Crores) for each of the following periods is as under:

Period	As at 31-03-21			As at 31-03-20
	Land for Junadih Sdg -5 (a)	Land for Washery & Siding (b)	Total (a+b)	
Not later than one year	2.57	3.89	6.46	4.76
Later than one year and not later than five year	5.98	19.85	25.83	24.31
Later than five years and till the period of lease	0.00	2.85	2.85	9.61
	8.55	26.59	35.14	38.68

No contingent rents are recognized as income in the Profit and Loss Account.

iv) DANKUNI COAL COMPLEX

Vide Notification of Ministry of Corporate Affairs dated 30th March 2019 Indian Accounting Standard (Ind AS) 116, Leases has become effective for the company from 01.04.2019 replacing Ind AS 17, Leases. The accounting policy on leases has been changed as per Ind AS 116. The principal change of Ind AS 116, Leases is change in the accounting treatment by lessees of leases currently classified as operating leases. Lease agreements has given rise to the recognition of a right-of-use asset and a lease liability for future lease payments in case of company being lessee.

Coal India Ltd. (Holding Company) has given plant and machinery and other structures of Dankuni Coal Complex at Kolkata initially for 5 years from 01.04.1995, with absolute right to manufacture, sell its products including gas and by-products. The revised lease rent payable from 01.04.2016 onward to Coal India Ltd. is ₹1.80 Crore per annum.

In view of the para 5 (read with para B3 to B9 of Appendix B) of Ind AS 116, the company has performed an assessment of whether an underlying asset of Dankuni Coal Complex are of low value on an absolute basis and concluded that assets of Dankuni Coal Complex has completed its depreciable life and carried at salvage value @5% of Original Cost which are not material by the size, nature or circumstances of the lessee and qualify as low value assets.

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Hence, The Company elected not to apply the requirements in paragraphs 22-49 of this standard for low value assets of Dankuni Coal Complex and adjustment to the opening balance of retained earnings is NIL.

f) Taxation (Ind AS- 12)

Current tax Assets (Net) ₹8903.05 Crore (₹8458.57 Crore) is detailed below :

Particular	As at 31-03-2021	As at 31-03-2020
Advance Income tax / Tax deducted at Source [including Tax Deposited Under Protest ₹ 7140.42 Crore (₹6067.83 Crore)]	8458.57	6990.60
Add : Demand of earlier years adjusted against Interest on Refund of A.Y. 97-98 to 03-04	-	166.05
Add : Demand of A.Y.2018-19	-	530.10
Less: Adjustment for earlier years	49.45	-
Less: Refund for earlier years	-	67.08
Total [including Tax Deposited Under Protest ₹7116.11 Crore (₹7140.42 Crore)]	8508.02	7,753.83
Add : Advance tax / TDS -Current year	1038.91	1201.41
Less : Provision Income tax-Current year	(702.44)	(496.67)
TOTAL (Net)	8844.49	8458.57

g) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

h) 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.

i) 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.

j) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

k) Balance Confirmations

Balance confirmation/reconciliation is carried out periodically for trade receivables, cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

l) Misappropriation, Fraud, Excess payment, theft etc. cases:

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-

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

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, case was forwarded to CBI, Bhilai. Punishment has been awarded from special court for trial of CBI Cases, Raipur.

- 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 being investigated by CBI, Jabalpur and is under trial, prosecution evidence stage at CBI Trial Court, Jabalpur.
- iii) Excess payment is reported to be made to a security agency at Bishrampur Area amounting to ₹1.21 Crore. The cases is being dealt by CBI, Raipur and is under trial stage.
- iv) Excess payment is reported to be made to a security agency at Korba Area amounting to ₹0.32 Crore. The cases is being dealt by CBI, Raipur and is in trial stage.
- v) Excess payment is reported to be made to security agency at Jamuna Kotma Area amounting to ₹1.40 Crore. The case is being dealt by CBI Jabalpur and is under trial, prosecution evidence stage.
- vi) Excess payment is reported to be made to a security agency at Johilla Area amounting to ₹1.10 Crore. The case is being dealt by CBI, Jabalpur and is under trail pre charge Stage.
- vii) Irregularities in deployment of OB Contractor at Amera OC of Bisrampur Area and payment involving ₹0.28 Crores. The case will be filed by CBI before the Hon'ble court, Spl. judge for CBI cases, Raipur.

m) Balance Confirmations

Balance confirmation/reconciliation is carried out periodically for debtors, cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

n) 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.

o) Significant accounting policy

Pursuant to the notification No. G.S.R.463(E) dated 24.07.2020 the definition of Materiality has been substituted in Ind AS 1, Presentation of financial statements. Accordingly, The Policy on Materiality in significant Accounting policy has been modified. There is no financial impact of the aforesaid change.

p) Impact of COVID-19

The continuing COVID-19 pandemic has impacted the business of the group adversely. For the year ended 31-03-2021, Company's offtake was 980.11 Lte against the last year same year offtake of 1013.73 Lte i.e. a reduction of 33.62 Lte. This was mainly due to less demand from power sector as well as closure of industries in the non-regulated sector due to Covid-19, even though the company had an opening stock of 178.66 Lte as on April 1, 2020.

The company is however taking continuous measures to combat adverse impact of COVID-19 and has

NOTE-38 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS (Contd.)

implemented manifold measures for ease of doing business. The group has considered the possible effects that may arise due to pandemic in the preparation of the current Period results including the recoverability of carrying amounts of financial and non-financial assets as at Balance sheet date. The company will continue to closely monitor any material changes arising out of future economic conditions and the resultant impact on its business.

q) Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendment revised Division I, II & III of Schedule III and are applicable from April 1, 2021. The group is evaluating the effect of the amendments on its financial statements.

r) Others

- a) Previous year/period's figures have been restated, regrouped and rearranged wherever considered necessary.
- b) Previous Year/period's figures in Note No. 3 to 38 are in brackets.
- c) Note - 1 and 2 represents corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet and 24 to 37 form part of Statement of Profit & Loss for the period / year ended on balance sheet date. Note - 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

Date: 28-05-2021

Place: Bilaspur

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A" : Subsidiaries

(₹ in Crore)

SI No.	Particulars	Name of the subsidiary Companies	
		Chhattisgarh East Railway Limited	Chhattisgarh East-West Railway Limited
1	Reporting Period	01-04-2020 to 31-03-2021	01-04-2020 to 31-03-2021
2	Reporting Currency	Rupees	Rupees
3	Share Capital	671.47	504.06
4	Reserves & Surplus	(15.43)	(0.96)
5	Total Assets	2726.38	1034.15
6	Total Liabilities	2726.38	1034.15
7	Investments	0.00	0.00
8	Turnover	33.77	0.00
9	Profit before Taxation	(24.17)	(0.26)
10	Provision for Taxation	(31.94)	0.00
11	Profit after Taxation	7.77	(0.26)
12	Proposed Dividend	0.00	0.00
13	% of Share holding as on 31-03-2021	72.56	64.06

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

Date: 28-05-2021

Place: Bilaspur

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

**Statement of Consolidated Unaudited/ Audited Results for the
Quarter ended 31-03-2021, Quarter ended 31-12-2020, Quarter Ended 31-03-2020,
Year ended 31-03-2020, Year ended 31-03-2020**

PART - I

(₹ in Crore)

Particulars	For The Quarter Ended 31-03-2021	For the Quarter Ended 31-12-2020	For the Quarter Ended 31-03-2020	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Income From operations					
Gross Sales	7976.85	7014.67	7791.71	26639.62	27086.06
Less : levies	2889.76	2658.13	2858.68	9984.58	10235.98
(a) Net Sales / Income from Operations	5087.09	4356.54	4933.03	16655.04	16850.08
(b) Other Operating Income	410.67	377.58	377.69	1427.39	1343.27
Total income from operations (net)	5497.76	4734.12	5310.72	18082.43	18193.35
2 Expenses					
(a) Cost of Material Consumed	598.66	436.06	488.38	1666.18	1483.85
(b) Purchase of Stock in trade	-	-	-	-	-
(c) Changes in Inventories of Finished Goods Work-in-progress and stock-in-trade	(685.88)	35.16	(593.57)	(413.96)	(318.40)
(d) Excise Duty	-	-	-	-	-
(e) Employees Benefit Expenses	2066.80	1903.70	2213.39	7706.41	8183.60
(f) Depreciation & Impairment	248.38	194.34	194.78	808.42	761.04
(g) Power & Fuel	197.43	209.51	200.48	805.04	777.87
(h) Corporate Social Responsibility Expenses	54.45	10.98	80.28	79.42	84.65
(i) Repairs	79.32	56.80	58.33	257.74	178.73
(j) Contractual Expenses	852.57	763.57	789.74	2831.71	2611.06
(k) Other Expenditures	275.78	225.90	284.42	852.21	880.71
(l) Provisions/Write off (net)	14.80	418.21	102.12	761.61	103.43
(m) Deferred Stripping Activity Expenses	746.71	427.22	727.66	1227.23	1636.66
(n) Other Stripping Activity Expenses	-	-	-	-	-
Total Expenses (a to m)	4449.02	4681.45	4546.01	16582.01	16383.20
3 Profit (Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	1048.74	52.67	764.71	1500.42	1810.15
4 Other Income	116.13	94.62	288.08	678.58	841.51
5 Profit / (Loss) from ordinary activities before finance costs and Exceptional Items(3+4)	1164.87	147.29	1052.79	2179.00	2651.66
6 Finance Costs	29.23	34.32	36.47	158.93	141.46
7 Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	1135.64	112.97	1016.32	2020.07	2510.20
8 Exceptional items	-	-	-	-	-
9 Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	1135.64	112.97	1016.32	2020.07	2510.20

PART - I Contd...

Particulars	For The Quarter Ended 31-03-2021	For the Quarter Ended 31-12-2020	For the Quarter Ended 31-03-2020	For The Year Ended 31-03-2021	For the Year Ended 31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
10 Tax Expenses	335.23	23.02	278.47	572.61	797.88
11 Net Profit (+) / Loss (-) for the period (11+12)	800.41	89.95	737.85	1447.46	1712.32
12 Share of Profit /(Loss) of Jointly controlled entities and associates					
13 Non Controlling Interest	2.24	(1.02)	(4.17)	1.90	(6.84)
14 Net Profit/(Loss) after taxes after minority interest and share of jointly controlled entities and associates [A]	798.17	90.97	742.02	1445.56	1719.16
15 Other Comprehensive Income /(Loss) [B]	(140.68)	46.50	(160.12)	(196.30)	(352.43)
16 Share of Profit /(Loss) of Jointly controlled entities and associates	-	-	-	-	-
17 Non Controlling Interest	-	-	-	-	-
18 Other Comprehensive Income after minority interest and share of jointly controlled entities and associates [B]	(140.68)	46.50	(160.12)	(196.30)	(352.43)
19 Total Comprehensive Income /(Loss) [A+B]	657.49	137.47	581.90	1249.26	1366.73
20 Paid-up equity share capital [66,80,561(71,70,600) Equity shares of face value of ₹1000 per share fully paid up]	668.06	668.06	668.06	668.06	668.06
21. Earning Per Share (EPS)					
i (before extraordinary items) (of ₹____/- each not annualised)					
(a) Basic	1194.76	136.17	1110.72	2163.83	2573.38
(b) Diluted EPS	1194.76	136.17	1110.72	2163.83	2573.38
ii (after extraordinary items) (of ₹____/- each not annualised)					
(a) Basic	1194.76	136.17	1110.72	2163.83	2573.38
(b) Diluted EPS	1194.76	136.17	1110.72	2163.83	2573.38

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

Date: 28-05-2021

Place: Bilaspur

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

ANNEXURE - IX TO REGULATION 33

2. Statement of Consolidated Assets and Liabilities

(₹ in Crore)

PARTICULARS	As at 31-03-2021	As at 31-03-2020
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	7,880.10	6,603.94
(b) Capital Work-in-Progress	3,881.23	2,767.00
(c) Exploration and Evaluation Assets	1,585.45	1,457.26
(d) Intangible assets	10.27	10.27
(e) Intangible assets under development	-	-
(f) Investment Property	-	-
(g) Financial Assets	-	-
(i) Investments	-	-
(ii) Loans	4.52	4.68
(iii) Other Financial Assets	1,813.36	1,699.48
(h) Deferred tax assets (net) ^(Refer Note-38)	440.67	294.27
(i) Other non-current assets	569.38	251.03
Total Non-Current Assets (A)	16,184.98	13,087.93
Current Assets		
(a) Inventories	1,613.80	1,253.04
(b) Financial Assets	-	-
(i) Investments	1.64	0.29
(ii) Trade Receivables	1,114.74	1,653.80
(iii) Cash & Cash equivalents	849.94	51.60
(iv) Other Bank balances	1,395.19	4,115.63
(v) Loans	0.30	0.89
(vi) Other Financial Assets	795.83	867.51
(c) Current Tax Assets (Net) ^(Refer Note- 38)	8,844.49	8,458.57
(d) Other Current Assets	2,192.62	1,831.42
Total Current Asset (B)	16,808.55	18,232.75
	-	-
Total Assets	32,993.53	31,320.68

2. Statement of Consolidated Assets and Liabilities Cont....

(₹ in Crore)

PARTICULARS	As at 31-03-2021	As at 31-03-2020
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	668.06	668.06
(b) Other Equity	3,628.95	2,379.69
Equity Attributable to Equity Shareholders of The Company	4,297.01	3,047.75
Non-Controlling Interest	360.08	313.17
Total Equity (A)	4,657.09	3,360.92
Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,529.98	1,823.08
(ii) Trade payables	-	-
(iii) Other financial liabilities	394.80	258.56
(b) Provisions	15,068.83	13,821.62
(c) Deferred Tax liabilities (net)	-	-
(d) Other non-current liabilities	1.32	0.40
Total Non-Current Liabilities (B)	17,994.93	15,903.66
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	1,724.93
(ii) Trade payables	-	-
Total Outstanding dues of creditors of MSME	11.73	3.08
Total Outstanding dues of Creditors other than MSME	1,484.96	1,575.85
(iii) Other Financial Liabilities	2,358.60	1,961.58
(b) Other Current liabilities	5,718.66	5,749.00
(c) Provisions	767.56	1,041.66
(d) Current Tax liabilities (Net)	-	-
Total Current Liabilities (C)	10,341.51	12,056.10
	-	-
Total Equity and Liabilities (A+B+C)	32,993.53	31,320.68

Sd/-
(CS S.M Yunus)
Company Secretary

Sd/-
(CMA Mantu Taral)
General Manager (F)

Sd/-
(CA S.M. Choudhary)
Director (Finance)
DIN: 07478302

Sd/-
(A.P. Panda)
Chairman-cum-Managing Director
DIN- 06664375

Date: 28-05-2021

Place: Bilaspur

As per our report annexed
FOR O P TOTLA & CO
CHARTERED ACCOUNTANTS
Firm Regn. No. 000734C

Sd/-
(CA S.K. ACHARYA)
PARTNER
Membership No. 078371

CEO AND CFO CERTIFICATION

To,

The Board of Directors,
South Eastern Coalfields Limited.

I, A.P. Panda, Chairman-cum-Managing Director and S.M. Choudhary, Director (Finance), responsible for the finance function certify that:

- a. We have reviewed the Financial Statements of the Company for the quarter/ period/ year ended 31st March 2021 together with Accounting Policies and Additional Notes thereon as well as Financial Results for the quarter/ period/ year ended 31st March 2021 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 quarter/period/ year ended 31st March 2021 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, 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/-
(CA S.M. Choudhary)
Director (Finance)

Sd/-
(A. P. Panda)
Chairman-cum- Managing Director

Place: Bilaspur

Date : 28-05-2021

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting of the members of SOUTH EASTERN COALFIELDS LIMITED (“the Company”) will be held on Thursday, August 12, 2021 at 10:30 AM IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) for the year 2020-21 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 declare a Final dividend of 64.70% (₹647.00 per share) as recommended by the Board of Directors for the Financial Year 2020-21, and payment to eligible shareholders of the company, as Final dividend for the FY 2020-21.
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 M. K. Prasad (DIN: 08489359), 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 remuneration of Cost Auditors appointed for conducting Cost Audit of the Company for the year 2020-21, 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 remuneration of Lead Cost Auditors and Branch Cost Auditors for conducting Cost Audit of respective areas of SECL for the Financial Years 2020-21 & 2021-22, as recommended by the Audit Committee at its 117th Meeting held on 17.09.2020 (Item No. 117.3) and approved by the Board of Directors of SECL at its 303rd Meeting held on 18.09.2020 (Item No. 303:4:12), be and is 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)-495006
Date: 10th August, 2021

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA'), Government of India, and Securities Exchange Board of India ('SEBI'), permitted conduct of Annual General Meeting ('AGM') through video conferencing (VC) or other audio visual means (OAVM) and dispensed personal presence of the members at the meeting vide their circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as 'Circulars').
2. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the Company is providing an option to its members to attend the AGM through VC/ OAVM. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. 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.
4. Relevant Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto as **ANNEXURE-A**. Details of Directors liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and seeking re-appointment, is also annexed hereto as **ANNEXURE-B**.
5. Corporate Member(s) are requested to send to the Registered Office of the Company, a duly certified 'Authorization Letter', pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
6. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.secl-cil.in.
7. The Company will provide VC / OAVM facility to its Members for participating at the AGM. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
8. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
9. 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, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to compsecy.secl@coalindia.in.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday, August 12, 2021 through email on compsecy.secl@coalindia.in. The same will be replied by the Company suitably.

Distribution:

(With a request to make it convenient to attend the meeting through VC / OAVM):

1. M/s. Coal India Limited, Kolkata. (Member)
2. Shri Pramod Agrawal, Chairman, CIL, Kolkata. (Member)
3. Shri Binay Dayal, Director (Technical), CIL, Kolkata & Govt. Nominee Director. (Member)
4. Shri A. P. Panda, CMD & CEO, SECL. (Member)
5. Ms. Vismita Tej, IRS, Jt. Secy, MoC & Govt. Nominee Director, SECL Board.
6. CA (Shri) S. K. Deshpande, Independent Director & Chairman, Audit Committee, SECL Board.
7. Shri M. K. Prasad, Director (Technical) Operations, SECL.
8. Shri S. M. Choudhary, Director (Finance) & CFO/ Director (Personnel), Addl. Charge, SECL.
9. Shri S. K. Pal, Director (Technical) (Projects & Planning), SECL.
10. M/s. O. P. Totla & Co., CA, Principal Statutory Auditors.
11. M/s. Chakraborty Kapoor & Co., LLP, Lead Cost Auditors.
12. M/s. D. Hanumanta Raju & Co., Secretarial Auditors.

ANNEXURE-A

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO.5 RELATING TO RATIFICATION OF THE REMUNERATION OF COST AUDITORS

The SECL Board at its 303rd meeting held on 18.09.2020 (Item No. 303:4:12) had approved the recommendations of the Audit Committee given at its 117th Meeting held on 17.09.2020 (Item No. 117.3) to appoint the Cost Audit Firms as Lead Cost Auditors and Branch Cost Auditors, together with their Audit Fee, OPE & applicable taxes, for conducting Cost Audit of the company for the FY 2020-21 and 2021-22.

Section 148(3) of the Companies Act, 2013 provides that “the audit under Section 148 sub-section (2) shall be conducted by a Cost Accountant 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, 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 Financial Years 2020-21 & 2021-22, as recommended by the Audit Committee at its 117th Meeting held on 17.09.2020 (Item No. 117.3) 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 remuneration of Lead Cost Auditors and Branch Cost Auditors for conducting Cost Audit of respective areas of SECL for the Financial Years 2020-21 & 2021-22, as recommended by the Audit Committee at its 117th Meeting held on 17.09.2020 (Item No. 117.3) and approved by the Board of Directors of SECL at its 303rd Meeting held on 18.09.2020 (Item No. 303:4:12), be and is 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: 10th August, 2021

ANNEXURE-B

DETAILS OF DIRECTORS LIABLE TO RETIRE BY ROTATION IN TERMS OF SECTION 152(6) OF THE COMPANIES ACT, 2013 AND SEEKING RE-APPOINTMENT

1. SHRI A. P. PANDA (DIN: 06664375)

Brief Resume:

Shri A. P. Panda (DIN: 06664375), (53 years), assumed the post of Chairman-cum Managing Director of SECL on 28.12.2018. Prior to this assignment, he had worked as Director (Finance) since August 2013 and held additional charge of CMD, SECL since July 2018 due to resultant vacancy. He was also Chairman of two Subsidiary Companies of SECL viz. Chhattisgarh East Railway Limited (CERL) and Chhattisgarh East-West Railway Limited (CEWRL) from August 2013 to January 2019, during which period both the subsidiaries were developed from nascent stage to achievement of financial closure for East Rail Corridor (Phase-I) Project by CERL and substantial progress in case of East-West Rail corridor by CEWRL. Shri Panda is a Fellow member of the Institute of Cost Accountants of India and holds Masters in Business Administration.

Nature of expertise in specific functional areas: Financial Management and Control, Accounts & Audit, Costing & Budgeting, Treasury and Forex Management, Commercial and Tax matters, etc.

Shareholding in Company: Holds 01 (One) Equity share of the company as Nominee Shareholder of Coal India Limited.

His directorships/committee positions are as under:

Major directorships:

1. South Eastern Coalfields Limited (on Board of Directors of SECL w.e.f. 01.08.2013 and has attended 13 Board Meetings out of total 13 No. of meetings held during the year 2020-21)

Committee chairmanships:

1. Empowered Committee of Directors (ECoD), SECL
2. Committee of Functional Directors (CoFD), SECL

Committee memberships:

NIL

Terms & Conditions of Appointment and details of Remuneration: The Terms and Conditions of Appointment along with the remuneration payable, is decided by Govt. of India.

Relationship with other Directors, Manager and other KMP of the Company: NIL

2. SHRI M. K. PRASAD (DIN: 08489359):

Brief Resume:

Shri M. K. Prasad (DIN: 08489359), (58 years), had joined as Director (Technical) (Projects & Planning) in South Eastern Coalfields Limited on 18th June, 2019 and assumed the charge of Director (Technical) (Operations), SECL w.e.f. 01.11.2020 consequent upon superannuation of Shri R. K. Nigam, Ex-Director (Technical) (Operations), SECL. Shri Prasad held Additional Charge of Director (Technical) (Projects & Planning) up to 14.12.2020. Shri Prasad 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) w.e.f. 08.01.2021. Both Joint Venture (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. 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. w.e.f. 01.04.2021.

Nature of expertise in specific functional areas: Underground & Opencast Mining, Project management, Production management, etc.

Shareholding in Company: NIL

His directorships/ committee positions are as under:

Major directorships:

1. South Eastern Coalfields Limited (on Board of Directors of SECL w.e.f. 18.06.2019 and has attended 12 Board Meetings out of total 13 No. of meetings held during the year 2020-21)
2. Chhattisgarh East Railway Limited
3. Chhattisgarh East-West Railway Limited
4. Andhra Pradesh Heavy Machinery & Engineering Limited

Committee chairmanships:

NIL

Committee memberships:

1. Audit Committee of SECL Board
2. Risk Management Committee of SECL Board
3. Project Sub-Committee of SECL Board
4. Empowered Committee of Directors (ECoD) of SECL Board
5. Committee of Functional Directors (CoFD), SECL

Terms & Conditions of Appointment and details of Remuneration: The Terms and Conditions of Appointment along with the remuneration payable, is decided by Govt. of India.

Relationship with other Directors, Manager and other KMP of the Company: NIL

NOTES

A series of horizontal dotted lines for writing notes.





Scan me :



Follow SECL on:



@southeasterncoalfields



@secl_cil



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