



WESTERN COALFIELDS LIMITED
(A Miniratna Company)

ANNUAL REPORT & ACCOUNTS
2016-17

Registered Office

COAL ESTATE, CIVIL LINES, NAGPUR - 440001



[Top] : Shri Sushil Kumar, Secretary, Ministry of Coal, Government of India inaugurated coal production at Dinesh Open Cast Mine, Umrer Area on 26th Feb, 2017.

[Bottom] : Agreement between WCL and Maharashtra Tourism Development Corporation was signed for Mines Tourism in the august presence of Shri Devendra Fadnavis, Hon'ble Chief Minister, Maharashtra.



[Top] : MOU between WCL and Nagpur Improvement Trust (NIT) was signed for supply of sand from overburden removed from Bhanegaon Opencast Mine at a cheaper rate in the august presence of Shri Nitin Gadkari, Hon'ble Minister of Road Transport and Highways, Govt of India and Shri Devendra Fadnavis, Hon'ble Chief Minister, Maharashtra.

[Bottom] : The 6th EPC World Award was conferred to WCL for Innovative Contribution in Mining Sector for starting 1st Eco Mine Tourism in India.



[Top] : Smt. Poonam Kumar (wife of Secretary, MOC, Govt. of India) alongwith Smt. Anita Mishra, President, Jhankar Mahila Mandal, WCL handing over Computer Printers and other material to the students of Deaf and Dumb School, Sonegaon, Nagpur.

[Bottom] : Beneficiaries of Artificial Limbs distributed by WCL in a camp organized by Nagpur Area.



Western Coalfields Limited (WCL) was conferred with SKOCH Award (Gold) by Gurgaon based SKOCH group, working for independent socio-economic matters, for converting Mine Discharged Water into Potable and supplying to villages for drinking purpose.

CONTENTS

COMPANY OVERVIEW

- 1 Corporate Information
- 3 Board of Directors
- 8 Notice - AGM
- 10 Chairman's Statement
- 15 Key Trends
- 16 Operational Statistics

STATUTORY REPORTS

- 27 Directors' Report
- 56 Annexure to Directors' Report
- 70 Addendum to Directors' Report

FINANCIAL STATEMENTS

- 93 Balance Sheet
- 95 Statement of Profit & Loss Report
- 97 Statement of Changes in Equity
- 98 Cash Flow Statement
- 99 Notes to Financial Statement

Western Coalfields Limited
Annual Report & Accounts 2016-17

view this annual report
www.westerncoal.in



**CORPORATE INFORMATION****REGISTERED OFFICE**

COAL ESTATE,
CIVIL LINES,
NAGPUR – 440001

STATUTORY AUDITORS

M/s V.K. Surana & Co.,
Chartered Accountants,
Nagpur

BRANCH AUDITORS

M/s Rodi Dabir & Co.
Chartered Accountants,
Nagpur

M/s Shah Baheti Chandak & Co.,
Chartered Accountants,
Nagpur

M/S V.K. Ladha & Associates
Chartered Accountants,
Ujjain

BANKERS

STATE BANK OF INDIA.
UCO BANK
BANK OF MAHARASHTRA
STATE BANK OF HYDERABAD
DENA BANK

BANK OF INDIA
HDFC BANK
PUNJAB NATIONAL BANK
CENTRAL BANK OF INDIA
AXIS BANK

UNION BANK OF INDIA
ALLAHABAD BANK
ORIENTAL BANK OF COMMERCE
INDIAN BANK
ICICI BANK

LOCATION OF UNITS

The mines of your Company are located in Maharashtra and South-West Ma dhya Pradesh. For effective administrative control and operations, the mines have been grouped in 10 (Ten) Areas as follows:

Areas	District	State	Mines as on 31/03/2017		
			Underground	Opencast	Mixed
Nagpur and Umrer	Nagpur, Chandrapur	Maharashtra	10	09	-
Chandrapur, Ballarpur, Majri, Wani and Wani North	Chandrapur & Yavatmal	Maharashtra	10	27	-
Pench and Kanhan	Chhindwada	Madhya Pradesh	10	07	02
Pathakhera	Betul	Madhya Pradesh	06	-	-
Total No. of Mines - 81			36	43	02

BOARD OF DIRECTORS



Shri Rajiv R. Mishra
Chairman-cum-Managing Director



Shri Animesh Bharti



Shri B.K. Mishra



Dr. Sanjay Kumar



Shri S.M. Choudhary



Shri T.N. Jha



Shri Kirit N. Shelat



Shri N. Ramarao



Shri Indra Ghosh



Shri Mahendrakumar Bhatt



Shri A.K. Jain



Board of Directors
(As on 10th July, 2017)

Chairman-cum-Managing Director

Shri Rajiv R. Mishra

Functional Directors

Shri B.K. Mishra	-	Technical
Dr. Sanjay Kumar	-	Personnel
Shri S.M. Choudhary	-	Finance
Shri T.N. Jha	-	Technical

Government Directors (Part time)

Shri Animesh Bharti	-	Economic Advisor Ministry of Coal , New Delhi
---------------------	---	--

Non Official Directors (Part-time)

Shri Kirit N. Shelat
Shri N. Ramarao
Shri Indra Ghosh
Shri Mahendrakumar Bhatt

Permanent Invitee(s)

Shri A.K. Jain	-	Chief Operations Manager Central Railway, Mumbai
----------------	---	---

Company Secretary

Shri Rameher



Board of Directors
(During the year 2016-17)

Chairman-cum-Managing Director

Shri Rajiv R. Mishra - From 11.10.2014

Functional Directors

Shri S.S. Malhi - Technical (upto 31.07.2016)

Shri B.K. Mishra - Technical (w.e.f. 23.05.2015)

Dr. Sanjay Kumar - Personnel (w.e.f.23.07.2015)

Shri S.M. Choudhary - Finance (w.e.f.02.03.2016)

Shri T.N. Jha - Technical (w.e.f.01.08.2016)

Government Directors (Part time)

Shri Animesh Bharti - Economic Advisor, Ministry of Coal,
New Delhi (w.e.f. 15.07.2015)

Shri R. Mohan Das - Director (Personnel & IR),
Coal India Limited, Kolkata (upto 30.03.2017)

Non Official Directors (Part-time)

Shri Kirit N. Shelat - (w.e.f. 17.11.2015)

Shri N. Ramarao - (w.e.f. 17.11.2015)

Shri Indra Ghosh - (w.e.f. 17.11.2015)

Shri Mahendrakumar Bhatt - (w.e.f. 17.11.2015)

Permanent Invitee(s)

Shri Vishal Agarwal - Chief Operations Manager,
Central Railway, Mumbai
(w.e.f.06.06.2016 to 22.12.2016)

Shri R.D. Sharma - Chief Operations Manager,
Central Railway, Mumbai
(w.e.f.23.01.2017)

Company Secretary

Shri Rameher - (w.e.f. 01.02.2008)



Brief profile of Directors

Shri Rajiv Ranjan Mishra (56) is Chairman-cum-Managing Director of our company. He holds Master Degree in Geology and Post Graduate Diploma in Personnel Management and Industrial Relations. Shri Mishra began his career over three decades with CMPDIL. During this long journey, Shri Mishra served Northern Coalfields Limited, Coal India Limited, Eastern Coalfields Limited at various capacities in the field of Personnel, Human Resources Development etc.

Shri Mishra is known for his team building capabilities and strategic management acumen. Shri Mishra is credited with various initiatives towards team building for acquisition and physical possession of land, opening of new projects, employment to PAPs, rehabilitation of land affected families, trust building measures, skill development, mines water management, Eco tourism etc.

Shri Mishra has various excellent awards to his credit in the fields of Human Resources Management, Administration, Governance etc.

Prior to this, he was Director (Personnel) of Central Coalfields Limited. He holds a Directorship at 'The Singareni Collieries Company Limited' and Permanent Invitee on the Board of Coal India Limited. Shri Mishra is associated with several professional bodies at various capacities. Shri Mishra also held Additional charge of CMD, Eastern Coalfields Limited from 23/11/2016 to 14/06/2017. He is also holding the Additional charge of Director (P&IR), Coal India Limited w.e.f. 19/06/2017.

Shri Binoy Kumar Mishra (58) is the Director (Technical) of our company since 23rd May, 2015. An alumni of Indian School of Mines (ISM), Dhanbad, Shri Mishra is an experienced Mining Engineer and Administrator. He completed his B. Tech in Mining Engineering with distinction and M. Tech in Industrial Engineering from ISM, Dhanbad with distinction. He also completed PGDM specialization in 'Zero' base budgeting and First Class Certificate of Competency under The Indian Mines Act. He has been serving Coal Industry for more than three decades. Prior to elevation as Director (Technical) he has worked in various capacities in Bharat Cooking Coal Limited and South Eastern Coalfields Limited. He has in his credit the experience of Managing three highest coal producing mines in Coal India namely Gevra, Dipika and Kusmunda. Shri Mishra is associated with several professional bodies.

Dr. Sanjay Kumar (54) is Director (Personnel) of our company since 23rd July, 2015. Dr. Kumar holds a Bachelor's Degree in Science from University of Rajasthan. He completed his MBA in Human Resources from Lucknow University. A Doctorate in Management from University of Rajasthan, Dr. Kumar joined WCL at a time when Western Coalfields Limited began scripting an unprecedented turnaround. With his versatile approach Dr. Kumar pioneered in this remarkable transformation of WCL. As Director (Personnel), Dr. Kumar is responsible for formulating policy initiatives for welfare of employees and PAPs, Industrial Relations, Corporate Social Responsibility, Security apart from other fields. He deeply involve with his team for creating an environment of learning and innovation which not only drives value for the employees but also to other stake holders of the company. Prior to elevation as Director (Personnel), Dr. Kumar was looking after policy implementation issues relating to employees Relations, Performance Management and Career Progressions. Prior to joining Coal India he has worked at various capacities in ONGC, GAIL and REC.



Shri S.M. Choudhary (55) is Director (Finance) of our company since 3rd March, 2016. Shri Choudhary is a qualified Chartered Accountant, Cost and Management Accountant and Company Secretary. He has also completed certified course on IFRS and Indirect Tax from the Institute of Chartered Accountants of India. He started his career in Mining Industry from Central Coalfields Limited and worked there in various capacities. He has been serving Coal Industry for more than three decades. Shri Choudhary has been conferred with Special Achievement Award by CIL for formalities of Unique Financial Scheme related to Mine Closure Plan. Prior to this, he was General Manager (Finance) in-charge at Coal India Limited. He is associated with various professional bodies at various capacities.

Shri T.N. Jha (58) is Director (Technical) of your Company since 1st August, 2016. An alumni of Indian School of Mines (ISM), Dhanbad, Shri Jha is a distinguished Mining Engineer having an experience of over three decades in Mining Industry. Shri Jha completed his B.Tech. in Mining and M.Tech in Industrial Engineering & Management in distinction from ISM, Dhanbad. He has also completed his PGDISM (Industrial Engineering & Management) from ISM, Dhanbad with distinction. He is a First Class Certificate of Competency under the Mines Act. He is a visionary and strategist having consistent record of delivering extraordinary results in difficult mining conditions for which he has been awarded by professional bodies. After joining BCCL in 1983, Shri Jha has worked at different capacities in BCCL & WCL prior to elevation as Director (Technical), WCL. Shri Jha is associated with several professional bodies.

Shri Animesh Bharti (51) Economic Advisor, Ministry of Coal is a Government Nominee Director on the Board of Western Coalfields Limited with effect from 15th July, 2015. Shri Bharti joined India Economic Service in the year 1993. He has held Senior Managerial positions in different Ministries and Department of the Central Government such as Department of Industrial Policy & Promotion, Ministry of Commerce, Ministry of Home Affairs, Ministry of Labour, Small and Medium Industries, National Building Organisation under Ministry of Housing & Poverty alleviation.

Dr. Kirit N. Shelat (71) is an Independent Director on the Board of our company. A doctorate in Public Administration, Dr. Shelat joined Indian Administrative Services in 1967 from Gujarat Cadre. During his long distinguished career he held various positions. He worked as Commissioner, Rural Development, Industries, Employment and Training, Disabled Persons and Secretary, Department of Energy. He was also Chairman of Gujarat Agro Industries Corporation. He worked at micro level to settle rural projects and production plan modules for farmers in agricultural sectors apart from developing scientific soil healthy moisture analysis for giving soil health card to farmers. He also worked as Land Settlement Advisor to the Government of Afghanistan. He is an Executive Chairman of National Council for Climate Change, Sustainable Development and Public Leadership. He has various books in his credit on Rural Development, Agriculture, Leadership, Applied Bio-diversity for Sustainable Agriculture.

Shri N. Ramarao (70) is an Independent Director on the Board of our company. He joined Indian Administrative Services in 1972 from Maharashtra Cadre. During his long distinguished career he handled various important assignments. He worked as Joint Secretary, Agriculture, Managing Director-Cotton Federation, Government of Maharashtra. He also worked as Chief Executive Officer (CEO), Maharashtra Maritime Board, Principal Secretary, Housing Department and Managing Director – CIDCO. He also worked as Managing Director – Maha Tamil Collieries Ltd., Nagpur. Shri Ramarao is Director in Royale Manor Hotels and Industries Limited.

Shri Indra Ghosh (64) is an Independent Director of our company. He holds a Bachelor's Degree in Science and Master's Degree in History. Shri Ghosh joined Indian Railway Traffic Services and in the course of his career he held various significant assignments such as Executive Director-Freight Marketing, Railway Board, Divisional Railway Manager, Waltair Division, Advisor-Routes, Railway Board. He also held the post of Chief Operations Manager, Northern Railway and General Manager, East Coast Railway. He provides guidance for upgrading/ improving existing railway sidings and modifying shunting/ operations practice in siding and improving their layouts.

Shri Mahendrakumar Bhatt (65) is an Independent Director of our company. Shri Bhatt holds a bachelor degree in Science. He also did LLB. During his long and distinguished carrier in the state of Gujarat he held various positions. In the year 2002 he was appointed as Member of Gujarat Public Service Commission (PSC) and in the year 2009 he took charge of chairman GPSC till he retired in 2014. He is associated with various NGOs and Trusts such as 'Swadhyaya Mandal' and 'Shri Bhahmarshi Ashram' for promoting Sanskrit language. He has also trained more than 2000 teachers for 'One Teacher School' in the country. He is also a trustee of 'Shri Mahavir Divya Mandir Trust'.

Shri Ajit Kumar Jain () is Chief Operations Manager, Central Railway, Mumbai is the Permanent Invitee on the board of our company. Shri Jain belongs to the 1982 batch of Indian Railway Traffic Service (IRTS). Having a Master Degree in Science and M.Phil., Shri Jain has worked as Chief Operation Manager, West-Central Railway, Jabalpur. Shri Jain has varied administrative experience as General Manager/CRIS and has handled different responsibilities in operations, vigilance, General Administration etc.



WESTERN COALFIELDS LIMITED

CIN : U10100MH1975GOI018626

Registered Office : Coal Estate, Civil Lines, NAGPUR - 440 001

Telephone Number : 0712-25112016 Fax : 0712-2511216

email : ramehar@westerncoal.gov.in website : westerncoal.nic.in

Ref:WCL/SECY/BD/AGM-42/2017/575

Date :05/07/2017

NOTICE

FORTY SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd Annual General Meeting of the Members of Western Coalfields Limited will be held at 10.30 A.M. on Monday, the 10th July, 2017 at the Registered Office of the Company at Coal Estate, Civil Lines, Nagpur to transact the following business :

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017 including the Audited Balance Sheet as at March 31, 2017 and Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.
2. To appoint a Director in place of Shri Animesh Bharti (DIN: 07260983), who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Sanjay Kumar (DIN: 07267800), who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offers himself for re-appointment.

II. SPECIAL BUSINESS:

ITEM NO.1

Subject : Ratification of remuneration of Cost Auditors for the financial years 2016-17

ORDINARY RESOLUTION :

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

“RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other provisions of the Act, the following cost audit firms appointed as Cost Auditors be paid audit fees as per the following details for conducting cost audit for 2016-17 in respect of Western Coalfields Limited :



SL. No	Name of the Firm & Address	Regn. No.	Zone Allotted	AUDIT FEE *
1	M/S Dhananjay V. Joshi & Associates, CMA Pride, Ground Floor, Plot No. 6, S.No.16/6, Erandawana Co.Op.Hsg.Soc., Erandawana, Pune 411004.	000030	Zone I : Consisting of WCL Hqrs & Nagpur Areas	Rs.3,45,043/-
2	M/S R.Nanabhoy & Co, Jer Mansion, 70, 1 st Floor, August Kranti Marg, Mumbai-400036.	000010	Zone II Consisting of Wani, Majri, Wani North Areas and CWS, Tadali	Rs.1,84,570/-
3	M/S Niran & Co., Cost Accountants, LIG-7, Shankar Nagar, Sector-2, in front of Radhakrishna Mandir, Raipur (CG) 492001	000113	Zone III Consisting of Pench, Kanhan, Nandan Washery and Patherkhera Areas.	Rs.1,84,570/-
4	M/S N.D.Birla & Co., Cost Accountants, A/3, Nirant Apartment, Near Karnavati Hospital, Ellis Bridge, Ahmedabad, 380006.	000028	Zone: IV Consisting of Umrer, Chandrapur and Ballarpur Areas.	Rs.1,43,555/-

*(a) In addition to fees, traveling and out of pocket expenses restricted to 50% of the audit fees will be paid subject to production of documentary evidence.

(b) Service Tax etc. will be paid extra as applicable on furnishing the registration number with the appropriate authority.

“Resolved further that COIA/Company Secretary be and are hereby authorised to take further necessary action in the matter.”

By order of Board of Directors
FOR WESTERN COALFIELDS LIMITED

Sd/-
(Rameher)
Company Secretary

NOTE :

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy or proxies to attend and vote instead of himself/herself and such proxy need not be a member of the Company. In order to be effective, the Proxy form duly completed should be deposited at the registered office of the Company not less than forty-eight hours before the scheduled time of the Annual General Meeting. A proxy form is enclosed.

2. Members are also requested to accord their consent for convening the meeting at a shorter Notice under section 101(1) of the Companies Act, 2013.

To

Coal India Limited (Through Chairman, CIL), Kolkata
Shri Sutirtha Bhattacharya, Chairman, CIL, Kolkata
Shri C.K. Dey, Director (Finance), CIL, Kolkata
Shri Rajiv R. Mishra, CMD, WCL, Nagpur
M/s. V.K. Surana, Statutory Auditors, WCL
Shri Ramanuj Asawa, Secretarial Auditor, WCL
Dr. Kirit N. Shelat, Chairman, Audit Committee, WCL.

Chairman's Statement

Friends,

On behalf of the Board of Directors of Western Coalfields Limited, I welcome you in the 42nd Annual General Meeting of the Company. Your Company had maintained its performance with strong top line, that is, revenues of Rs. 10,733.77 crores during the financial year 2016-17 and achieved ever-highest volume of composite production.

I am happy to share that we are well positioned among the coal producers in the country on the strength of our sturdy performance year after year, despite the stiff challenges posed by adverse geomining conditions, paucity of reserves amenable to mega projects, highest stripping ratio among all the subsidiaries of CIL, strata control problems due to adverse geo-tectonic parameters and high susceptibility of coal to spontaneous heating/fire in underground mines and unviable ongoing/future projects.



Vision

Energy is the prime mover for the growth of the nation and coal is the primary source of energy in India. Coal meets about three-fifths of India's energy needs. Coal will remain India's main energy source for the next three decades although its share in the energy mix will gradually shrink to 42-48 % by 2047, as the country is pushing for renewable energy in line with the commitments of Paris agreement.

Indian Coal Industry needs to augment the coal production at an unprecedented rate to reach the planned level of 1.5 Billion Tonnes by the year 2020, including CIL's share of 1 Billion Tonnes. Your company has also revisited its earlier long-term projection and has set its goal to enhance output to 60.00 Million Tonnes and beyond by the year 2020.

Accordingly, the Company has set its vision to emerge as a key player in the primary energy sector committed to provide energy security to the country by attaining environmentally and socially sustainable growth through best practices from mine to market.

Performance 2016-17

Financial Year 2016-17 had been a year full of challenges but with the concerted efforts of the Team, Company achieved coal production of 45.632 Million Tonnes against last year's 44.815 million tonnes, registering growth of 1.82%.

Coal off-take during the year had a major setback on account of decline in coal demand from Power Utilities till Oct.'2016 and dearth of customers for cost plus coal resulting in less Offtake of 39.497 Million Tonnes against last year's actual of 42.310 Million tonnes, which also had an adverse impact on bottom line.

The sales realization during the fiscal was ₹10522.12 Crores which is 0.79% more than the last year's realization of ₹ 10439.33 Crores. Additional revenue of ₹ 119.77 Crores generated through e-auction during 2016-17.

Your Company achieved ever-highest overall productivity of 3.50 tonnes per man-shift during the year 2016-17, which is 112.9% of the target of 3.10 tonnes per man shift and registered appreciable growth of 4.79% over last year's actual of 3.34 tonnes per man shift.



Company continued to maintain high utilization of HEMM, which has been more than CIL's average for shovels, dumpers, dozers and drills during the year 2016-17. WCL ranked second in utilization of Shovels, Dozers & Drills amongst all subsidiaries of CIL. During the year, Company purchased 62 new equipment comprising of 60T Dumpers, Hydraulic Excavators, Dozers, Drills, Cranes and Tyre Handlers against surveyed off equipment.

Financial Performance

Company achieved turnover of ₹ 10413.39 Crores & incurred a loss of ₹ 1075.26 crores before tax during the year 2016-17 as against ₹ 394.20 crores profit before tax in the previous year 2015-16. Net worth of the company stood at ₹2557.13 Crores. Present financial position of the company does not permit for declaration of dividend for the year 2016-17.

Creation of Assets

Company has invested ₹ 1048.06 Crores during FY 2016-17 on development of new mines and infrastructure along with replacement of old assets, entirely from internal resources against budget of ₹1435 Crores.

Planning Preparedness

Your company is operating 40 Ongoing Projects/Schemes with a sanctioned capacity of 61.555 MTY and sanctioned capital of ₹ 8738.27 Crores. Out of these, 22 projects have contributed 24.06 million tonnes of coal production during the year 2016-17.

Opening of New Projects

Initiatives that were taken to address the issues of unviable projects enabled the Company in opening 18 projects in last three years, i.e. 3 projects in FY 2014-15, 11 projects during the year 2015-16 and 4 projects during 2016-17, which is a unique achievement anywhere in the coal industry.

Exploration and addition in Reserves

Exploratory drilling to the tune of 81,160.91 meters was carried out during the fiscal by CMPDIL in WCL command area, which includes 72,459.41 meters in CIL Blocks and 8,701.50 meters in Non-CIL Blocks. Reserves of 1,034.13 MT have been established in CIL Blocks during the year, which includes proved reserves of 840.41 MT and indicated reserves of 193.72 MT.

Technology infusion in Underground Mines

For sustaining the current production levels and to achieve the targeted growth in the coming years, production from UG mines needs to be augmented. Initiatives have been taken for adoption of mass production and continuous mining technology in UG mines for augmenting production and productivity.

Continuous Miner

It is planned to deploy Continuous Miner in UG mines of Pench and Pathakhera Area.

Introduction of Man Riding

In order to eliminate long arduous travel, fatigue and to improve the efficiency of workmen in UG mines, 11 Man Riding Systems have been installed in 10 UG mines, including 1 installed in Nehariya UG mine during 2016-17.



Introduction of Universal Drilling Machines (UDMs)

Your company has played a leading role in mechanizing the drilling for coal face as well as roof support. 7 UDMs were added during 2016-17, in addition to the 48 UDMs already in operation. This resulted in significant improvement in blasting efficiency leading to increased availability of coal and improvement in Green Zone support with added safety.

Acquisition and Possession of Land

With the help of various initiatives for resolving contentious issues and trust building measures, your company has made remarkable achievement in physical possession of 1628.385 Ha of land for mining and allied activities during the FY 2016-17.

During the fiscal, total 108 Project Affected Families were resettled by providing resettlement grant as opted by land oustees within the provisions of R&R Policy of CIL. Administrative approval was accorded by Company Board for Employment of 1566 land oustees & monetary compensation in lieu of employment to 293 land oustees.

Corporate Social Responsibility

With a view to bring meaningful change in the lives of our most important stake holders that is, populace residing in our command area in particular and the society at large, your company undertook massive CSR initiatives during the year 2016-17 and spent about ₹10.81 Crores, which is 1.85 Crores more than the stipulated requirement of ₹ 8.96 Crores under provisions of Companies Act, 2013.

The activities undertaken broadly covers; Infrastructure Support, Education, Drinking Water, Health-care, Environment, Sustainable Development and Social Empowerment, Skill Development, etc.

Your company has taken pioneering initiative for gainful use of mine water discharge for Drinking, Irrigation and recharging of ground water so as to mitigate the hardships faced due to shortage of water by local populace residing near mines and 3 schemes were successfully implemented during 2016-17 in addition to 11 schemes implemented in 2015-16.

During the fiscal 6,515 unemployed rural youth & PAPs were provided with different Skill Development training through reputed training providers and employment to 3,691 trainees was offered by various industries.

Welfare

During the year the company incurred an expenditure of ₹103.51 Crores for improving the quality of life, medical & health care services and educational facilities for its employees and their wards.

Safety

Safety is always our top priority and we are continuously thriving for achieving superior standards through adoption of best practices. Thrust is given to boost safety awareness at the grass root level so as to prevent repetitive nature of accidents. Training and retraining of workforce to follow the safe practices at the workplace was one of the main thrust areas during 2016-17. Special safety awareness drives on various aspects of mining operations in both opencast and underground mines to improve the safety standards, practices and safety awareness were organized by Internal Safety Organization (ISO).



Further, Safety Management Plans and Safe Operating Procedures (SOPs) for all the mines were reviewed & updated. Safety Audit of all producing mines was conducted by inter-subsidary, multi-disciplinary teams.

Rock Mass Rating (RMR) of 23 Underground production districts were determined by in-house Rock Mechanics Laboratory. In order to meet the shortage of Statutory Supervisors, 377 Mining Sirdars and 52 Surveyors (Mining) were recruited during the year 2016-17.

During the fiscal 2016-17, fatal accidents as well as fatalities were reduced by 3 numbers and serious injuries were reduced by 2 numbers in comparison to previous year.

Energy Efficiency Initiatives:

Accepting the fact that there is scope to save energy by rationalization of operations, your Company has undertaken various initiatives.

Power consumption during the year has been reduced over previous year by 4.21% (24.76 Million kWh) despite increase in load for new mines and 40 newly installed secondary crushers, on account of implementation of various energy conservation measures.

Material Management

All the procurement cases of material were finalized through e-tendering with e-price bid in the company. Total e-tenders of ₹651.56 Crores value were finalized during the year 2016-17. Your company reduced the inventory by 7.4% i.e. 0.75 month's consumption during 2016-17 as compared to 0.81 month's consumption during 2015-16.

Environment Management

Coal mining is environmentally sensitive activity and mitigation of its adverse impacts is imperative for sustainable development. Your company is aware of its responsibility and has taken initiatives for environmental protection and pollution mitigation measures in all the operating mines.

Your Company is committed to restore the degraded land through reclamation, afforestation and green belt development. In this pursuit, your company has undertaken plantation of 1,25,900 saplings during 2016-17 over an area of 50.55 ha. Till 31.03.2017, total 183.95 lakh saplings have been planted progressively covering an area of 6671.75 Ha. in its command area in the state of Maharashtra and Madhya Pradesh. Progress of afforestation in 10 major Open Cast Projects, producing more than 5 million cubic meter (Coal+OB), is monitored every year through Satellite Imagery.

The company has received Environmental Clearance for 5 projects/mines during the year 2016-17 from Ministry of Environment, Forests & Climate Change, Govt, of India.

Under Mission 'Nirmal-Nirguda', River Nirguda was de-silted, New pond at Punwat Village was developed and pond at Sukne village was de-silted and deepened during the year. Four numbers of Rooftop Rainwater Harvesting System were commissioned in Pench and Kanhan Areas.

Industrial Relations

Industrial Relations during the fiscal 2015-16 has been peaceful, cordial and harmonious in the company. However, there was an All India General Strike including Coal India Ltd., called by various Central Trade Unions on 2nd September, 2016 for one day.



Awards and Accolades

I feel pleasure to share with you that your company was bestowed with following awards during the year 2016-17 –

- “SKOCH BLUE ECONOMY AWARD 2016” in Gold Category for K2K (Kamptee to Kanhan), a project for utilizing mine water discharge of Kamptee OC after due filtration for supply to Kanhan and Pipri villages, at New Delhi on 16.12.2016.
- 6th EPC World Award for Eco-Tourism by EPC World in New Delhi on 18.01.2017.

Your company stood First in Body Building, Weight & Power Lifting, Kabaddi, Carrom, and Second position in Table Tennis, Badminton, Hockey & Volleyball in CIL Inter-Company Tournaments. Company Rescue Team bagged overall First position & secured awards for Recovery Drill, Theory Test and Best Member during All India Mines Rescue Competition held at Mines Rescue Station, Nagpur, from 14th December to 17th December 2016.

I am also happy to inform you that as the CEO of your Company, I have been awarded with “Rajbhasha Sri Samman” by Bhartiya Raajbhasha Vikas Sansthan, Dehradun on 26/12/2016, Leadership Award from 3rd Elets PSU Summit 2017 Delhi on 31/01/2017 & “Fellow of the World Academy of Productivity Science” on 03/06/2017

Corporate Governance

Company has complied with the conditions (except a few which are under progress) of Corporate Governance as stipulated in the Guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India. As required under the said guidelines, a separate section on corporate governance has been added to the Director's Report and a certificate regarding compliance of conditions of Corporate Governance obtained from the practicing Company Secretary.

“Excellent” rating was accorded by DPE in the field of Corporate Governance to your Company for the year FY 2015-16. For FY 2016-17 also, as per self-evaluation, your company's Corporate Governance compliance stood at 96.34% (Excellent Rating).

Last But Not The Least

We are committed to achieve the targets and aim growth despite stiff challenges while ensuring highest priority to Corporate Governance, Environment and Corporate Social Responsibility.

We firmly believe that we will continue to maximize the returns of Company's key stake holders - its shareholders, customers, employees and local populace.

I call upon WCL family to rise and move towards attaining the goal of coal production and offtake during FY 2017-18. Thus, we will be fulfilling our bounden duty to energize India and in turn contributing to the progress of the nation.

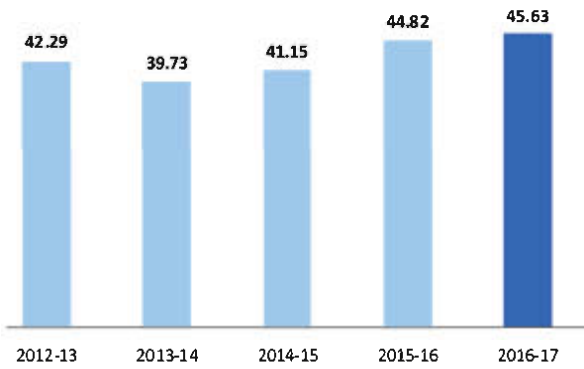
With Best Wishes,

(Rajiv R. Mishra)
Chairman

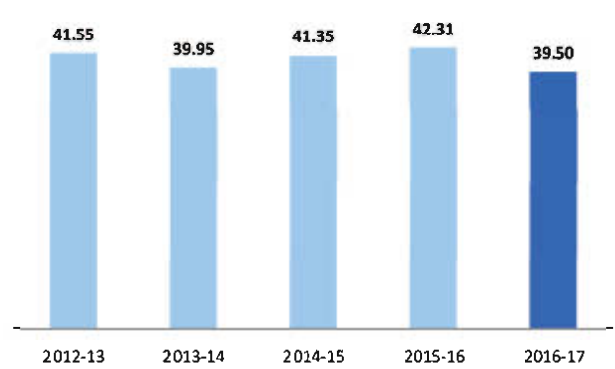


KEY TRENDS

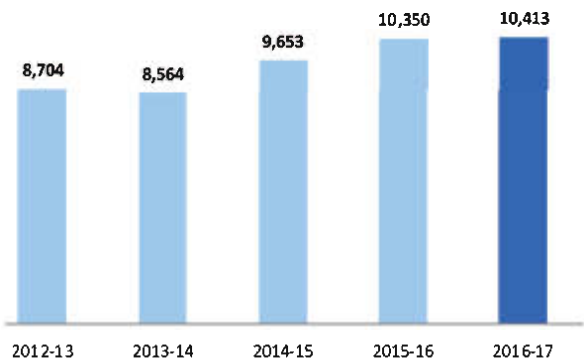
Coal Production
(Million Tonnes)



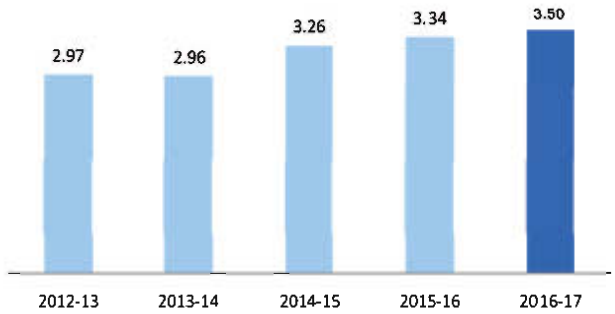
Off Take
(Million Tonnes)



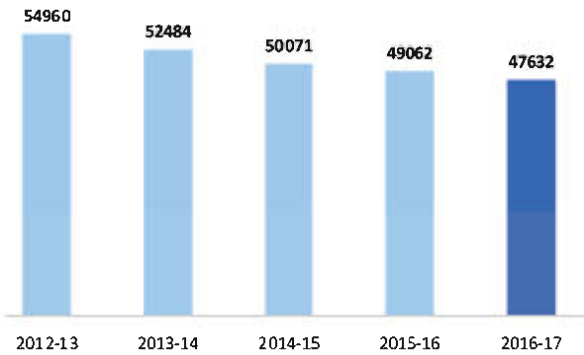
Turnover
(₹ Crores)



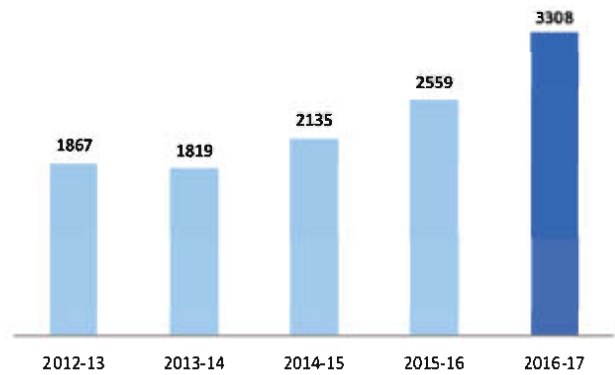
Productivity (OMS)



Number of Employees



Payment to Exchequer
(₹ Crores)





OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED FINANCIAL POSITION

₹ in Crores

As on 31st MARCH	2017	2016
A What is owned		
Non Current Assets		
Property, Plant & Equipment	4,323.92	3,462.46
Less: Depreciation and Impairment	785.33	389.55
Net Carrying Value of Property, plant & Equipments	3,538.59	3,072.91
Capital Work in Progress	376.59	237.40
Exploration & Evaluation Assets	300.41	259.99
Other Intangible Asset	9.99	9.99
Financial Assets		
(i) Loans	3.83	5.18
(ii) Other Financial Assets	1,596.44	1,244.41
Deferred Tax Assets (Net)	806.24	520.88
Other Non-Current Assets	80.03	87.75
1 Total Non-Current Assets	6,712.12	5,438.51
Current Assets		
a. Inventories		
(i) Inventory of Coal	1,681.66	957.52
(ii) Inventory of Stores & Spares	63.67	61.09
(iii) Other Inventories	19.88	16.03
b. Financial Assets		
(i) Investments	0.10	114.36
(ii) Trade Receivables	854.33	832.13
(iii) Cash & Cash Equivalents	57.15	402.06
(iv) Other Bank Balance	870.53	2,262.01
(v) Other Financial Assets	610.88	188.85
c. Current Tax Assets (Net)	926.56	871.90
d. Other Current Assets	215.69	269.14
2 Total Current Assets	5,300.45	5,975.09
Current Liabilities		
a. Current Financial Liabilities		
(i) Trade Payables	584.13	418.89
(ii) Other Financial Liabilities	162.88	144.04
b. Other Current Liabilities	2,254.59	1,648.09
c. Provisions	1,309.26	1,027.12
3 Total Current Liabilities & Provisions	4,310.86	3,238.14
4 Net Current Assets (2-3)	989.59	2,736.95
TOTAL (A=(1+4))	7,701.71	8,175.46
B What is owed		
Share Capital	297.10	297.10
Reserves & Surplus	2,260.03	3,024.50
Shareholder's Funds	2,557.13	3,321.60
Long Term Borrowings		
Other Long Term Liabilities	6.42	6.54
Long Term Provisions	5,138.16	4,847.32
TOTAL (B)	7,701.71	8,175.46



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED
FINANCIAL POSITION (As per Indian GAAP)

₹ in Crores

As on 31st MARCH	2015	2014	2013	2012	2011
A What Is owned					
Gross Fixed Assets (Tangible & Intangible)	4,909.70	4,625.57	4,515.33	4,511.05	4,313.05
Less: Depreciation, Impairment & Provisions	3,188.07	3,017.29	2,956.57	2,989.41	2,871.37
1 Net Carrying Value of Fixed Assets	1,721.63	1,608.28	1,558.76	1,521.64	1,441.68
2 Capital WIP & Intangible Assets under Development	419.11	335.88	293.19	269.50	274.53
3 Non-Current Investments	-	48.14	80.23	96.27	128.36
4 Deferred Tax Assets (Net)	464.13	439.04	578.44	455.72	350.13
5 Long-Term Loans & Advances	88.18	59.90	56.12	59.32	58.21
6 Other Non-current Assets	968.30	684.94	-	-	-
7 Current Assets					
i Current Investments	137.31	312.20	450.14	32.09	32.09
ii (a) Inventory of Coal	668.48	663.47	584.54	488.14	360.37
ii (b) Inventory of Stores & Spares	64.46	58.04	64.76	70.38	65.83
ii (c) Other Inventories	24.17	21.56	18.03	12.08	10.89
iii Trade Receivables	672.92	468.93	471.27	13.97	25.20
iv Cash & Bank Balances	4,170.31	3,941.87	4,243.83	5,503.40	4,063.78
v Short Term Loans & Advances	988.19	991.40	1,104.50	864.83	704.54
vi Other Current Assets	372.24	320.14	427.52	430.60	351.20
Total Current Assets	7,098.08	6,777.61	7,364.59	7,415.49	5,613.90
8 Current Liabilities & Provisions					
i Short Term Borrowings	-	-	-	-	-
ii Trade Payables	106.60	84.14	82.01	91.32	66.60
iii Other Current Liabilities	1,859.86	1,704.19	1,734.51	2,106.58	1,547.32
iv Short Term Provisions	1,295.86	850.92	1,139.88	897.70	737.53
Total Current Liabilities & Provisions	3,262.32	2,639.25	2,956.40	3,095.60	2,351.45
9 Net Current Assets (7-8)	3,835.76	4,138.36	4,408.19	4,319.89	3,262.45
TOTAL (A)	7,497.11	7,314.54	6,974.93	6,722.34	5,515.36
B What is owed					
Share Capital	297.10	297.10	297.10	297.10	297.10
Reserves & Surplus	3,264.19	3,229.39	3,162.92	3,066.29	2,973.48
1 Shareholder's Funds	3,561.29	3,526.49	3,460.02	3,363.39	3,270.58
2 Long Term Borrowings	-	-	68.31	85.91	88.89
3 Other Long Term Liabilities	6.45	4.16	1.70	0.25	0.11
4 Long Term Provisions	3,929.37	3,783.89	3,444.90	3,272.79	2,155.78
TOTAL (B)	7,497.11	7,314.54	6,974.93	6,722.34	5,515.36



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED INCOME AND EXPENDITURE STATEMENT

₹ in Crores

For the Year Ending 31st March		2017	2016
A	Earned From		
1	Sale of Coal (Gross)	10,413.39	10,349.54
	Less: Levies	3,256.10	2,394.56
	Net Sales (including Excise Duty)	7,157.29	7,954.98
2.i	Subsidy for sand stowing and protective works	21.88	24.02
2.ii	Loading and additional transportation charges (Net)	286.07	257.25
2	Other Operating Revenue (Net)	307.95	281.27
3.i	Interest on Deposits & Investments	139.95	295.73
3.ii	Dividend from Mutual Funds	4.24	17.31
3.iii	Other non-operating Income	173.26	193.40
3	Other Income	317.45	506.44
	TOTAL (A)	7,782.69	8,742.69
B	Paid to/ Provided for		
1.i	Salary, Wages, Allowances & Benefits	3,319.12	3,368.67
1.ii	Contribution to P.F. & Other Funds	382.39	392.62
1.iii	Gratuity	141.81	161.38
i.iv	Leave Encashment	168.18	104.05
.v	Others	994.63	556.96
1	Employee Benefit Expenses	5,006.13	4,583.68
2	Cost of Material Consumed	1,020.96	1,056.70
3	Change in inventories of finished goods, work in progress and Stock in trade	(695.84)	(290.89)
4	Excise Duty	519.21	510.44
5	Power & Fuel	303.25	327.85
6	Corporate Social Responsibility	10.81	65.27
7	Repairs & Maintenance	53.74	53.96
8	Contractual Expenses	1,179.75	1,001.83
9	Finance Costs	85.03	76.69
10	Depreciation and Amortization expenses	368.22	371.61
11	Provisions	269.50	18.41
12	Stripping Activity Adjustment	297.93	242.08
13	Other Expenses	439.26	330.86
	TOTAL (B)	8,857.95	8,348.49

**OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED
INCOME AND EXPENDITURE STATEMENT**

₹ in Crores

For the Year Ending 31st March	2017	2016
Profit Before Tax (A-B)	(1,075.26)	394.20
Less: Tax Expenses	(298.24)	96.50
Profit/(Loss) from discontinuing operations	(0.01)	(0.01)
Profit After Tax	(777.03)	297.69
Other Comprehensive Income (Net of Tax)	12.56	72.46
Total Comprehensive Income	(764.47)	370.15
Dividend for the year	-	581.60
Dividend paid during the Year	-	188.06
Corporate Dividend Tax	-	156.69
Transfer to General Reserve	-	1,014.83
Retained Surplus/(Deficit) for the year	(764.47)	(1,571.03)
Cumulative Profit/(Loss) from last year	799.54	2,370.57
Cumulative Profit/(Loss) in Balance Sheet	35.07	799.54



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED INCOME AND EXPENDITURE STATEMENT (As per Indian GAAP)

₹ in Crores

For the Year Ending 31st March	2015	2014	2013	2012	2011
A Earned From					
1 Sale of Coal (Gross)	9,652.74	8,563.64	8,703.97	8,357.48	7,073.44
Less: Levies (Excise Duty & other levies)	2,327.35	1,949.81	1,998.82	1,607.47	1,079.17
Net Sales	7,325.39	6,613.83	6,705.15	6,750.01	5,994.27
2.i Subsidy for sand stowing and protective works	20.48	23.41	24.27	21.59	20.95
2.ii Loading and additional transportation charges (Net)	202.65	136.67	98.58	104.91	107.98
2 Other Operating Revenue (Net)	223.13	160.08	122.85	126.50	128.93
3.i Interest on Deposits & Investments	343.96	365.45	445.14	435.36	228.70
3.ii Dividend from Mutual Funds	32.16	26.57	8.05	-	-
3.iii Other non-operating Income	53.00	81.79	141.74	118.83	107.15
3 Other Income	429.12	473.81	594.93	554.19	335.85
TOTAL (A)	7,977.64	7,247.72	7,422.93	7,430.70	6,459.05
B Paid to/ Provided for					
1.i Salary, Wages, Allowances & Benefits	3,257.63	3,195.35	3,018.11	2,641.32	2,107.16
1.ii Contribution to P.F. & Other Funds	376.27	367.52	338.26	268.18	246.47
1.iii Gratuity	109.90	15.97	209.47	629.01	80.87
i.iv Leave Encashment	112.42	91.69	108.30	130.85	95.61
1.v Others	597.82	570.58	668.24	547.84	419.49
1 Employee Benefit Expenses	4,454.04	4,241.11	4,342.38	4,217.20	2,949.60
2 Cost of Material Consumed	1,149.93	1,143.82	998.24	920.45	863.43
3 Change in inventories of finished goods, work in progress and Stock in trade	(0.63)	(84.15)	(89.31)	(128.96)	(129.60)
4 Power & Fuel	309.72	329.95	330.20	281.94	259.20
5 Corporate Social Responsibility	20.15	23.95	21.31	7.65	7.03
6 Repairs & Maintenance	64.34	51.12	68.05	67.45	68.46
7 Contractual Expenses	708.83	604.97	537.90	497.65	467.51
8 Finance Costs	5.95	2.26	2.87	3.20	3.30
9 Depreciation/Amortization/Impairment	236.07	192.23	188.53	195.65	188.16
10 Provisions & Write off	210.69	116.49	34.15	220.62	110.25
11 Overburden Removal Adjustment	15.97	47.61	279.96	458.95	314.56
12 Other Expenses	257.84	255.80	268.22	257.17	297.01
13 Prior Period Adjustment/Exceptional or Extraordinary items { charges/ (Incomes) }	(0.05)	(3.30)	11.56	(8.77)	(7.84)
TOTAL (B)	7,432.85	6,921.86	6,994.06	6,990.20	5,391.07

**OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED
INCOME AND EXPENDITURE STATEMENT (As per Indian GAAP)**

₹ in Crores

For the Year Ending 31st March	2015	2014	2013	2012	2011
Profit Before Tax (A-B)	544.79	325.86	428.87	440.50	1,067.98
Less: Tax Expenses	(231.64)	(102.27)	(104.56)	(133.78)	(529.66)
Profit/(Loss) from discontinuing operations	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Profit After Tax	313.14	223.58	324.30	306.71	538.31
Dividend for the year	188.06	134.29	194.60	184.04	323.24
Corporate Dividend Tax	37.60	22.82	33.07	29.86	50.94
Transfer to General Reserve	31.31	33.54	48.64	46.01	80.75
Transfer to CSR/Sustainable Development Reserve	-	21.86	22.26	21.83	27.40
Retained Surplus/(Deficit) for the year	56.17	11.07	25.73	24.97	55.98
Cumulative Profit/(Loss) from last year	1,997.89	2,039.50	2,013.77	1,988.80	1,932.82
Cumulative Profit/(Loss) in Balance Sheet	2,054.06	2,050.57	2,039.50	2,013.77	1,988.80



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED IMPORTANT FINANCIAL INFORMATION

₹ in Crores

For the Year Ending 31st March		2017	2016
A	Related to Assets & Liabilities		
1	i) No. of Equity Shares of ' 1000 each	29,71,000	29,71,000
	ii) Shareholder's Funds		
	a) Equity Share Capital	297.10	297.10
	b) General Reserve	2,224.96	2,224.96
	c) Accumulated Profit/(Loss)	35.07	799.54
	Net Worth	2,557.13	3,321.60
2	Net Property, Plant & Equipments	3,538.59	3,072.91
3	i) Current Assets	5,300.45	5,975.09
	ii) Current Liabilities & Provisions	4,310.86	3,238.14
	iii) Net Current Assets/Working Capital	989.59	2,736.95
4	i) Capital Employed (2+3iii)	4,528.18	5,809.86
	ii) Capital Work in Progress	376.59	237.40
	iii) Exploration and Evaluation Assets	300.41	259.99
	iv) Other Intangible Assets	9.99	9.99
	v) Capital Employed including (4ii+4iii+4iv)	5,215.17	6,317.24
5	i) Trade Receivables	854.33	832.13
	ii) Cash & Bank Balance	927.68	2,664.07
6	i) Closing Stock of Coal (Net)	1,681.66	957.52
	ii) Closing Stock of Stors & Spares (Net)	63.67	61.09
B	Related to Profit/Loss		
1	i) Gross Margin (PBDIT)	(622.01)	842.50
	ii) Gross Margin (PBIT)	(990.23)	470.89
	iii) Profit Before Tax (PBT)	(1,075.26)	394.20
	iv) Profit After Tax (PAT)	(777.03)	297.69
	v) Other Comprehensive Income (Net of tax)	12.56	72.46
	vi) Total Comprehensive Income	(764.47)	370.15
2	i) Gross Sales of Coal	10,413.39	10,349.54
	ii) Net Sales (including Excise Duty)	7,157.29	7,954.98
	iii) Value of Production	7,911.66	8,244.02
3	Cost of Goods Sold (Net Sales-PBT)	8,232.55	7,560.78
4	i) Total Expenditure (excl. change in inventories)	9,553.79	8,639.38
	ii) Employee Benefit Expenses	5,006.13	4,583.68
	iii) Cost of Material Consumed	1,020.96	1,056.70
	iv) Power & Fuel	303.25	327.85
5	Average Consumption of Material per month	85.08	88.06
6	Value Added	6,025.90	6,365.44
	i) Value added per employee ('000)	1,265.09	1,297.43



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED
IMPORTANT FINANCIAL INFORMATION (As per Indian GAAP)

₹ in Crores

For the Year Ending 31st March		2015	2014	2013	2012	2011
A	Related to Assets & Liabilities					
1	i) No. of Equity Shares of ' 1000 each	2,971,000	2,971,000	2,971,000	2,971,000	2,971,000
	ii) Shareholder's Funds					
	a) Equity Share Capital	297.10	297.10	297.10	297.10	297.10
	b) General Reserve	1,210.13	1,131.81	1,074.31	1,004.35	950.69
	c) Accumulated Profit/(Loss)	2,054.06	2,050.57	2,039.50	2,013.77	1,988.80
	Net Worth	3,561.29	3,479.48	3,410.91	3,315.22	3,236.59
	d) CSR & Sustainable Development Reserve	-	47.01	49.11	48.17	33.99
	Shareholder's Funds	3,561.29	3,526.49	3,460.02	3,363.39	3,270.58
2	i) Long Term Borrowings incl. Current Maturities	-	-	84.92	101.97	102.56
	ii) Long Term Borrowings excl. Current Maturities	-	-	68.31	85.91	88.89
3	Net Fixed Assets	1,721.63	1,608.28	1,558.76	1,521.64	1,441.68
4	i) Current Assets	7,098.08	6,777.61	7,364.59	7,415.49	5,613.90
	ii) Current Liabilities	3,262.32	2,639.25	2,956.40	3,095.60	2,351.45
	iii) Net Current Assets/Working Capital	3,835.76	4,138.36	4,408.19	4,319.89	3,262.45
5	i) Capital Employed (3+4iii)	5,557.39	5,746.64	5,966.95	5,841.53	4,704.13
	ii) Capital WIP & Intangibles under development	419.11	335.88	293.19	269.50	274.53
	iii) Capital Employed incl. CWIP (5i+5ii)	5,976.50	6,082.52	6,260.14	6,111.03	4,978.66
6	i) Trade Receivables	672.92	468.93	471.27	13.97	25.20
	ii) Cash & Bank Balance	4,170.31	3,941.87	4,243.83	5,503.40	4,063.78
7	i) Closing Stock of Coal (Net)	668.48	663.47	584.54	488.14	360.37
	ii) Closing Stock of Stors & Spares (Net)	64.46	58.04	64.76	70.38	65.83
B	Related to Profit/Loss					
1	i) Gross Margin (PBDIT)	786.81	520.35	620.27	639.35	1,259.44
	ii) Gross Margin (PBIT)	550.74	328.12	431.74	443.70	1,071.28
	iii) Profit Before Tax (PBT)	544.79	325.86	428.87	440.50	1,067.98
	iv) Profit After Tax (PAT)	313.14	223.58	324.30	306.71	538.31
2	i) Gross Sales of Coal	9,652.74	8,563.64	8,703.97	8,357.48	7,073.44
	ii) Net Sales	7,325.39	6,613.83	6,705.15	6,750.01	5,994.27
	iii) Value of Production	7,361.22	6,728.53	7,338.11	7,280.74	6,096.69
3	Cost of Goods Sold (Net Sales-PBT)	6,780.60	6,287.97	6,276.28	6,309.51	4,926.29
4	i) Total Expenditure (excl. change in inventories)	7,433.48	7,006.01	7,083.37	7,119.16	5,520.67
	ii) Employee Benefit Expenses	4,454.04	4,241.11	4,342.38	4,217.20	2,949.60
	iii) Cost of Material Consumed	1,149.93	1,143.82	998.24	920.45	863.43
	iv) Power & Fuel	309.72	329.95	330.20	281.94	259.20
5	Average Consumption of Material per month	95.83	95.32	83.19	76.70	71.95
6	Value Added	5,866.37	5,224.21	5,466.02	5,676.58	4,895.92
	i) Value added per employee ('000)	1,171.61	995.39	994.55	996.08	829.21



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED IMPORTANT FINANCIAL RELATIVE RATIOS

₹ in Crores

For the Year Ending 31st March		2017	2016
A	PROFITABILITY RATIOS		
1	AS % of NET SALES		
	i) Gross Margin (PBDIT)	-8.69	10.59
	ii) Gross Profit (PBIT)	-13.84	5.92
	iii) Profit Before Tax (PBT)	-15.02	4.96
2	AS % of TOTAL EXPENDITURE		
	i) Employee Benefit Expenses	52.40	53.06
	ii) Cost of material consumed	10.69	12.23
	iii) Power & Fuel	3.17	3.79
3	AS % of CAPITAL EMPLOYED		
	i) Gross Margin (PBDIT)	-13.74	14.50
	ii) Gross Profit (PBIT)	-21.87	8.11
	iii) Profit Before Tax (PBT)	-23.75	6.79
4	OPERATING RATIO {(Net Sales-PBT)/Net Sales}	1.15	0.95
B	LIQUIDITY RATIOS		
1	Current Ratio	1.23	1.85
2	Quick Ratio	0.41	1.08
C	TURNOVER RATIO		
1	Capital Turnover Ratio	1.58	1.37
2	Trade Receivables (net) as no of months		
	i) Gross Sales	0.98	0.96
	ii) Net Sales	1.43	1.26
3	As Ratio of Net Sales		
	i) Trade Receivables	0.12	0.10
	ii) Coal Stock	0.23	0.12
4	Stock of Coal		
	i) As no of month's Value of Production	2.55	1.39
	ii) As no of month's of cost of goods sold	2.45	1.52
	iii) As no of month's Net Sales	2.82	1.44
D	STRUCTURAL RATIOS		
1	Net Worth : Equity Capital	8.61	11.18
2	Net Fixed Assets : Net Worth	1.38	0.93
E	SHAREHOLDER'S INTEREST		
1	Dividend per Share (₹)	-	1,957.59



OPERATIONAL STATISTICS - WESTERN COALFIELDS LIMITED
IMPORTANT FINANCIAL RELATIVE RATIOS (As per Indian GAAP)

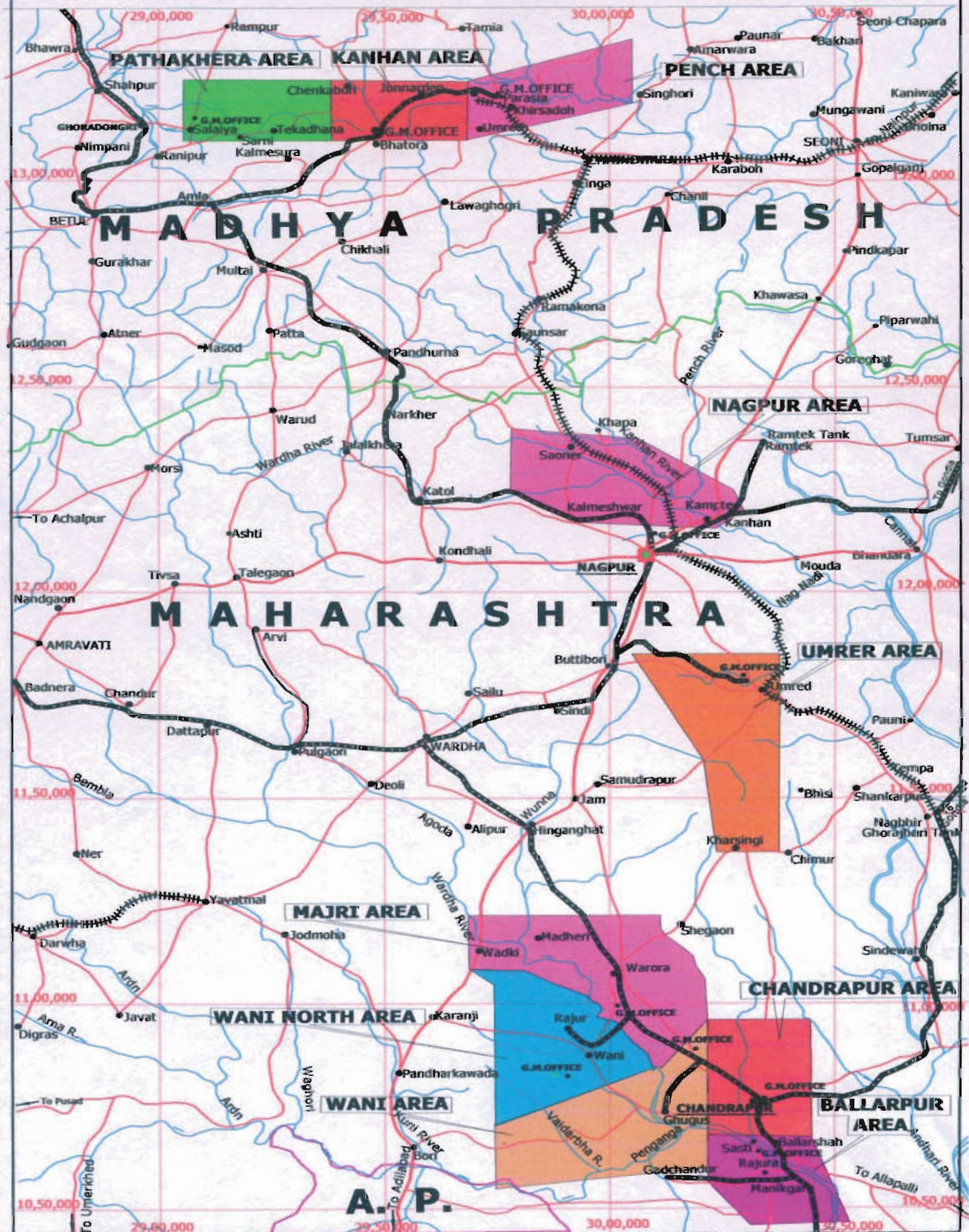
₹ in Crores

For the Year Ending 31st March	2015	2014	2013	2012	2011
A PROFITABILITY RATIOS					
1 AS % of NET SALES					
i) Gross Margin (PBDIT)	10.74	7.87	9.25	9.47	21.01
ii) Gross Profit (PBIT)	7.52	4.96	6.44	6.57	17.87
iii) Profit Before Tax (PBT)	7.44	4.93	6.40	6.53	17.82
2 AS % of TOTAL EXPENDITURE					
i) Employee Benefit Expenses	59.92	60.54	61.30	59.24	53.43
ii) Cost of material consumed	15.47	16.33	14.09	12.93	15.64
iii) Power & Fuel	4.17	4.71	4.66	3.96	4.70
3 AS % of CAPITAL EMPLOYED					
i) Gross Margin (PBDIT)	14.16	9.05	10.40	10.94	26.77
ii) Gross Profit (PBIT)	9.91	5.71	7.24	7.60	22.77
iii) Profit Before Tax (PBT)	9.80	5.67	7.19	7.54	22.70
4 OPERATING RATIO {(Net Sales-PBT)/Net Sales}	0.93	0.95	0.94	0.93	0.82
B LIQUIDITY RATIOS					
1 Current Ratio	2.18	2.57	2.49	2.40	2.39
2 Quick Ratio	1.48	1.67	1.59	1.78	1.74
C TURNOVER RATIO					
1 Capital Turnover Ratio	1.32	1.15	1.12	1.16	1.27
2 Trade Receivables (net) as no of months					
i) Gross Sales	0.84	0.66	0.65	0.02	0.04
ii) Net Sales	1.10	0.85	0.84	0.02	0.05
3 As Ratio of Net Sales					
i) Trade Receivables	0.09	0.07	0.07	0.00	0.00
ii) Coal Stock	0.09	0.10	0.09	0.07	0.06
4 Stock of Coal					
i) As no of month's Value of Production	1.09	1.18	0.96	0.80	0.71
ii) As no of month's of cost of goods sold	1.18	1.27	1.12	0.93	0.88
iii) As no of month's Net Sales	1.10	1.20	1.05	0.87	0.72
D STRUCTURAL RATIOS					
1 Long Term Debt : Equity Share Capital	-	-	0.23	0.29	0.30
2 Long Term Debt : Net Worth	-	-	0.02	0.03	0.03
3 Net Worth : Equity Capital	11.99	11.71	11.48	11.16	10.89
4 Net Fixed Assets : Net Worth	0.48	0.46	0.46	0.46	0.45
E SHAREHOLDER'S INTEREST					
1 Dividend per Share (₹)	632.99	452.00	655.00	619.45	1,087.98

LOCATION PLAN OF W.C.L. AREAS

PLANNING DEPTT., NAGPUR

SCALE:- 0 10Km. 20Km.





DIRECTORS' REPORT

To
The Members/Shareholders,
Western Coalfields Limited.

Your Directors have pleasure in presenting the 42nd Annual Report of Western Coalfields Limited and Audited Accounts for the year ended 31st March, 2017 together with the report of the Statutory Auditors and report and review of the Comptroller and Auditor General of India thereon.

PERFORMANCE

During the year 2016-17 WCL has achieved coal production of 45.632 Million Tonnes against the AAP target of 48.000 million tonnes which is 2.368 Million tonnes less than the AAP target and 0.817 million tonnes more than last year's actual of 44.815 million tonnes.

Company has achieved the composite volume of 195.544 Mill.Cu.M. against last year's 184.022 Mill.Cu.M. indicating a growth of 6.30%

Coal offtake during 2016-17 was 39.497 million tonnes which is 8.503 million tonnes less than AAP target of 48.000 million tonnes and 2.813 million tonnes less than last year's actual of 42.310 million tonnes.

Overburden removal during the year 2016-17 was 166.142 million cubic meters against the AAP target of 200.00 million cubic meters which is 33.858 million cubic meters less than the target and 10.996 million cubic meters more than last year's actual of 155.146 million cubic meters.

Shortfall in coal production during 2016-17 was mainly due to following reasons:-

- i) Curtailment of production at Ukni, Gouri Deep, Urdhan, Naigoan & Bhatadi OC cost plus mines on account of poor offtake, dearth of consumers & accumulation of high coal stock.
- ii) Delay in commencement of HoE Contract at Dinesh OC on account of cancellation of tender and retendering & failure of

contractor to commence awarded work at Yekona OC.

- iii) Non commencement of HoE contract at Singori OC for want of physical possession of acquired land owing to resistance from some of the land owners.
- iv) Incessant and heavy rainfall of 873 mm in July'2016 with rain on 29 days, 407 mm in Sept'2016 on 25 days and continued rainfall during Oct'2016.
- v) Difficult operating conditions such as presence of running sand, incompetent overlying strata & excessive water percolation causing failure of rise side OB benches at Bhanegaon OC.
- vi) Stoppage of lifting of Coal from Pithead Underground Mines of Pathakhera Area through belt and road modes by Sarni Thermal Power Station up to Sep'16.
- vii) Discontinuation of working sections/panels on account of spontaneous heating resulting in restricted working space in some of the UG mines.
- viii) Adverse geo-mining conditions such as poor roof, high water percolation, soft floor, geological disturbances such as Dyke/faults affected coal production in UG mines.

Details of Production of Coal & Washed Coal, Productivity, Coal Sales and Off-take are as under :

Fig. in Mill. Tonnes

Sl. No.	Parameters	2016-17		% Achievement over Target	2015-16 Actual	% Growth over Last Year
		Target AAP	Actual			
I	Coal Production OC	40.600	40.264	99.2	37.635	7.0
II	Coal Production UG	7.400	5.368	72.5	7.180	-25.2
III	Total Coal Production	48.000	45.632	95.1	44.815	1.8
IV	Total Off-take	48.000	39.497	82.3	42.310	-6.6
V	Despatches (Sales)	47.990	39.492	82.3	42.306	-6.7
VI	Washed Coal Production	0.090	0.041	45.2	0.081	-49.8
VII	Despatches to Steel Plants	0.096	0.041	42.8	0.081	-49.3



Mechanised Underground Coal Production

Production from Mechanised Underground mines during the year 2016-17 was 5.275 million tonnes, i.e. 98.3% of total UG production.

Productivity & overall System Capacity Utilisation

Productivity per man shift of the Company was 3.60 tonnes during the year 2016-17 which was more than target of 3.10 tonnes and also more than last year's actual of 3.34 tonnes. Overall system capacity utilization of WCL during the year 2016-17 was 87.12%.

Coal Stock

Coal Stock at the end of fiscal 2016-17 was 14.142 million tonnes as compared to last year's 8.007 million tonnes.

2. FINANCIAL PERFORMANCE

The Company has incurred a loss of ₹ 1075.26 crores before tax during the year 2016-17 as against profit before tax of ₹ 394.20 in the previous year 2015-16. Total comprehensive income for the current year is ₹ (764.47) crores, as against ₹ 370.15 crores in the previous year. The financial results for the year as compared to previous year are given in the following table.

(₹ Crores)

Particulars	2016-17	2015-16
(A) Sales	10413.39	10349.54
(B) Other operating revenue	320.38	291.81
Revenue From Operations (A+B)	10,733.77	10,641.35
Less: Levies	3268.53	2405.10
Net revenue from operations	7465.24	8236.25
Less: Expenditure (net of other income)	8087.25	7393.75
Gross Margin	(622.01)	842.50
Less: Depreciation/ and amortization expenses	368.22	371.61
Gross profit (loss)	(990.23)	470.89
Less: interest and other financial charges	85.03	76.69
Profit/(loss) before tax	(1075.26)	394.20
Less: Tax expenses	(298.24)	96.50
Profit/(loss) after tax	(777.02)	297.70
Less: Loss from discontinued operations	0.01	0.01
Add: other comprehensive income (net of tax)	12.56	72.46
Total comprehensive income	(764.47)	370.15

CHANGE IN OTHER EQUITY

(₹ Crores)

Particulars	2016-17	2015-16
Opening balance	3024.50	3580.70
Total comprehensive income	(764.47)	370.15
Less: Dividend	-	769.66
Dividend Tax	-	156.69
Closing balance	2260.03	3024.50

DIVIDEND

Present financial position of the company does not permit for declaration of dividend for the year 2016-17.

CAPITAL STRUCTURE

SHARE CAPITAL

The Authorized Share Capital of your Company is ₹ 800 crores comprising of 80 lakhs Equity Shares of ₹1000/- each of which ₹ 297.10 crores is paid up Equity Share Capital (29.71 lakhs Equity Shares of ₹ 1000/- each) which remained unchanged during the year.

BORROWINGS

The company has not taken any loan from Government, CIL or any financial institution during the year.

CAPITAL EXPENDITURE

During the year 2016-17, an amount of ₹ 1048.06 crores (excluding capital commitment of ₹ 592.05 crores) was invested in Fixed Assets and Capital Work-in-progress of existing and upcoming Mines/Projects. The capital expenditure for the previous year was ₹ 1163.47 crores.

ROYALTY, SALES TAX, ENTRY TAX, EXCISE DUTY & OTHER DUTIES ON COAL

State wise Royalty, MMDR Royalty(Central), Sales Tax, Entry Tax, Stowing Excise Duty, Clean Energy Cess and Central Excise Duty paid to Govt. during the year are as given in the following table:



(₹ Crores)

Particulars	2016-17			2015-16		
	M.P	M.H	TOTAL	M.P	M.H	TOTAL
Royalty	121.68	754.37	876.05	149.25	842.70	991.95
National Mineral Exploration Trust	2.65	15.09	17.74	1.41	8.86	10.27
District Mineral Foundation	65.87	129.70	195.57	-	-	-
Sales Tax						
- State	53.22	343.71	396.93	67.59	311.18	378.77
- Central	8.78	28.95	37.73	3.66	32.37	36.03
Entry Tax	10.55	-	10.55	10.05		10.05
Stowing Excise Duty	4.62	33.09	37.71	5.67	35.92	41.59
Clean Environment Cess	195.93	1378.39	1574.32	104.48	662.13	766.61
Central Excise Duty	25.80	135.78	161.58	46.41	277.58	323.99
Total	488.10	2819.06	3308.16	388.52	2170.74	2559.26

3. COAL MARKETING

Raw Coal Offtake during the Fiscal 2016-17 was 39.497 Mill Te against the target of 48.000 Mill Te i.e. achievement of 82.28% of Target. Offtake during the fiscal 2015-16 was 42.310 Mill Te. Offtake during the year was affected mainly due to the reasons beyond the control of WCL. The main reasons of shortfall are as under :

- Failure of Chandrapur STPS in lifting Coal by Road from pithead Bhatadih Cost Plus Mine resulted in accumulation of Coal Stock to the tune of 10.77 Mill Te.
- Less lifting by Sarni TPS by Belt and Road from Pithead Pathakhera Area Mine.
- Restriction imposed for Coal Supply by Mahagenco, MPPGCL, GSECL, HPGCL, UPRVUNL & NTPC, Mouda resulted in less despatches against their Annual Contracted Quantity (ACQ).
- Less lifting by Sai Wardha Power Limited against its Annual Contracted Quantity (ACQ) i.e 1.625 Mill Tes.
- Excessive rain affected despatch during monsoon period.

DESPATCHES

Modewise AAP target and despatches (Sales) by Rail , Road & Other mode for 2016-17 & 2015-16 are furnished below

(Fig in Mill Te)

YEAR	AAP TGT	ACTUAL DESPATCHES				TOTAL DESPATCHES (SALES)
		RAIL	ROAD	MGR	OTHER MODE	
2016-17	48.000	27.040	9.813	0.354	2.284	39.492
2015-16	45.000	27.276	11.92	0.254	2.897	42.347

DETAILS OF SECTORWISE TARGET & DESPATCHES DURING 2016-17

Sectorwise AAP target and despatches (Sales) by all modes for 2016-17 and 2015-16 are furnished below :

(Fig in Mill Te)

Sector	2016-17			2015-16	% age Growth over 2016-17	Remark
	AAP TGT	ACT	% age			
Power including IPP (Raw Coal)	36.450	28.158	77.25	31.791	-11.43	High stock of linked PHs lead to intermittent restrictions
Cement & CPP	1.500	1.43	95.33	3.687	-61.00	Despatches were as per booking.
Steel (Raw)	0.197	0	0	0.155	-100.00	Nandan Washery was not in operation during April-June, 2015 due to issues related to Environmental Clearance and Steel (Raw Coal) was despatched during the period.
Sponge Iron	0.400	0.206	51.50	0.329	-37.39	Coal Supplied as per FSA
Others	9.359	9.664	103.26	6.36	51.85	Includes FSA and e-Auction
Total Despatch (Internal/Raw)	47.990	39.492	82.29	42.306	-6.65	
Colliery Consumption	0.010	0.005	50.00	0.004	25.00	
Total Offtake (Raw Coal)	48.000	39.497	82.29	42.310	-6.65	
Middl & Slurry (Despatch)	0.084	0.034	40.48	0.115	-70.43	

During 2016-17 in "As is where is basis" scheme there was no booking of coal by Govt. Power Utilities against 0.097 MT of coal booked/lifted during 2015-16 as power plants



were having high stock, units shutdown due to low demand, units of Power Plants under reserve shutdown due to restriction in Merit Order Despatches.

Wagon Loading (in Boxes / Day)

The details of AAP target and loading on daily average basis & quantity despatched for the year 2016-17 as compared to 2015-16 is given below:

Year	AAP TGT/ DAY(Boxes)	ACT/DAY (Boxes)	ACH (%)	Rail Desp (Million Tonnes)
2016-17	1304	1122	86.50	27.040
2015-16	1056	1130	107.00	27.276

WCL has despatched 27.040 MT coal through rail mode as against the AAP target of 31.260 MT and against last year's actual of 27.276 MT. Thus, WCL has achieved 86.50% of target with growth of (-) 0.87 % over last year.

Sales realization

The Sales Realization during the financial year 2016-17 had been ₹10522.12 crs which was 0.79% more than the last year's realization of ₹10439.33 cr. The realization increased by ₹82.79 crs over the previous year

Spot e-Auction

Details of the total quantity of coal offered under Spot e-Auction, the quantity allocated based on bids made by the bidders and the additional revenue generation on the basis of the quantity allocated during the year 2016-17 & 2015-16 are as below :

Year	Quantity offered (in Lakh tonnes)	Quantity Allocated (in Lakh Tonnes)	Additional Revenue Generated (₹ in Crs)
2016-17	130.83	38.25	76.19
2015-16	97.49	39.38	221.99

Quantity allocated under Spot e-Auction held in the Financial Year 2016-17 was less than the Quantity allocated under Spot e-Auction in the Financial Year 2015-16. There was a low demand of coal by industries due to economic

slowdown/recession. The performance of Spot e-Auction is market driven.

Forward e-Auction

Quarterly Forward e-Auctions were conducted in the Year 2016-17. The quantity offered, the allocated quantity to the customers and the additional revenue generated over and above the applicable notified price is as under :

Year	Quantity offered (In lakh tonnes)	Quantity allocated (In lakh tonnes)	Additional Revenue generated (₹ in Crs.)
2016-17	8.87	0.77	0.06
2015-16	10.09	9.37	2.26

CONSUMER SATISFACTION

With a view to enhance consumer satisfaction, measures were taken for maintaining the quality of coal, 100% weightment on Electronic Weighbridges and sampling and analysis by third party.

Quality of Coal

- i) Coal Sampling & Analysis was carried out by the independent third party agencies appointed by CIL from April 2016 to Mid September 2016 and there onwards by CSIR-CIMFR.
- ii) A quantity of 28.09 Million tonnes of coal out of total 28.16 Million tonnes, dispatched to the power sector including IPPs by all modes was covered under agreed third party sampling.
- iii) During the year 2016-17 Seven Area Laboratories have been Accredited by NABL in addition to already existing one NABL Laboratory (CCTRL) at Nagpur. WCL is the first subsidiary in CIL to have Eight NABL-accredited laboratories. NABL Accreditation for balance three Area Laboratories is at final stage.
- iv) Quality Month was observed during December 2016 and Quality Quarter was



observed from January 2017 to March 2017.

- v) Total 27 Workshops were organized during the year 2016-17 on quality improvement measures at different Area of WCL.

Weighment of Coal

- i) A quantity of 39.492 million tonnes, out of total offtake of 39.497 million tonnes by all modes was weighed on Electronic weighbridges at loading points.
- ii) Seven new electronic weighbridges were installed and commissioned during the year 2016-17.
- iii) All the Rail and Road weighbridges in WCL were duly verified, certified and stamped by the statutory authority, i.e., the Legal & Metrology Department.

Crushing/Sizing of Coal

- i) Four mobile crushers have been installed and commissioned & 100 % (-) 100 mm size coal was dispatched to power sector during the year 2016-17.

Quality Complaints and Redressal

- i) Complaint redressal mechanism is in place to address the consumer complaints in a time-bound manner. The details of the complaints received and action taken are uploaded on WCL's website.
- ii) During 2016-17 total 129 complaints were raised from power sector regarding receipt of lumpy coal, extraneous material and wet/sticky coal. All the complaints were registered, investigated and remedial measures were taken and necessary feedback was communicated to the complainant(s).

4. PLANNING

Groupwise production programme and achievement during the year 2016-17 and target for the year 2017-18 are as under :

SL. No.	Particulars	2016-17		2017-18
		Target in MT	Actual in MT	Target (As per Annual Action Plan) in MT
1	Existing / Completed Projects	23.575	20.198	17.395
2	Ongoing / future projects	24.425	25.433	31.105
	TOTAL	48.000	45.631	48.500

DRILLING & EXPLORATION

During the year 2016-17, total 81160.91 meters of drilling was carried out by CMPDIL which includes 72459.41 meters in CIL Blocks and 8701.50 meters in Non-CIL Blocks in WCL command area.

GR/GR submitted during 2016-17

During the year 2016-17, the following Geological reports were prepared :

- i) Mathra Deep, Wardha Valley Coalfield
- ii) Konda-Hardola, Wardha Valley Coalfield
- ii) Silewara Block, Kamptee Coalfield
- iv) Sangam Block, Kamptee Coalfield

Resources

Reserves established in CIL Block during the year are as below :

Proved	840.412 MT
Indicated	193.720 MT
Inferred	NIL
Total	1034.132 MT

Mining Project Report Formulation

During 2016-17, Four Mining Project Reports were formulated and details are as under:

SL. No.	Name of PR	Target Capacity (MT)	Incremental Capacity (MT)
1	RPR for Inder UG to OC	1.20	0.60
2	RPR for Durgapur Extn Deep OC	3.00	1.00
3	RPR for Bhanegaon OC	1.00	1.00
4	RPR for Gokul OC	1.50	0.00



PLANNING PREPAREDNESS

At present there are 40 ongoing projects with a sanctioned capacity of 61.555 MTPA with a total sanctioned capital of ₹8738.2740 Crores. 22 projects have contributed 24.0569 Million Tonnes of coal production during the year 2016-17 and rest are under implementation.

WCL has planned to produce 60 MT as a part of 1 BT production programme of CIL by 2019-20.

APPROVAL OF PROJECTS/SCHEMES

Details of 12 projects approved by WCL/CIL Board during the year 2016-17 are as under :

SL No.	Name	Date of Approval	Capacity (MTY)	Capital (₹ In Crs.)
1	Inder UG to OC	13.06.2016	1.20	143.9029
2	Jamunia UG	18.07.2016	0.84	409.8748
3	Niljai Expn(Deep) OC	27.08.2016	3.50	404.4500
4	Dhankasa UG	19.09.2016	1.00	458.0660
5	Gouri Deep OCP	25.10.2016	0.40	164.9655
6	Scheme of Tawa II	25.11.2016	0.86	68.7479
7	Saoner UG to OC	23.11.2016	1.30	162.1037
8.	Ghandhigram UG*	21.12.2016	1.26	671.8309
9.	Durgapur Extn (Deep) OC	02.02.2017	3.00	378.8711
10.	Hindustan Lalpeth Exp OC	02.02.2017	1.00	83.1987
11.	Bhanegaon OCP	02.02.2017	1.00	428.3961
12	Kolar pimpri Extn OC	09.03.2017	1.50	402.9098
Total			16.86	3777.317

* Recast Project report of Ghandhigram UG recommended to CIL Board for approval.

Commissioning of Project

List of New/Replacement Projects opened during the year 2016-17

SL No.	Project	Sanctioned Capacity (MTY)	Sanctioned Capital (₹ in Crs)	Date of Opening
1	Singori OC	0.85	205.4914	May 2016
2	New Sethia OCP	0.20	02.2193	May 2016

SL No.	Project	Sanctioned Capacity (MTY)	Sanctioned Capital (₹ in Crs)	Date of Opening
3	Inder UG to OC	1.20	143.9029	June 2016
4	Niljai Expn(Deep) OC	3.50	404.4500	Aug 2016
Total		5.75	756.0636	

Implementation of MOSPI Monitored Projects

14 projects of WCL were monitored on OCMS Portal of MOSPI and all these projects are on schedule without any time as well as cost overrun. All the major milestones envisaged for 2016-17 were achieved.

5. ACQUISITION OF LAND

Coal Bearing Areas (Acquisition & Development) Act, 1957 is the main stay for acquiring land by the Central Government and thereafter vesting with WCL for coal mining activities. After execution of agreements U/s. 14(1) of CBA Act, with land owners, the amount of compensation is assessed as per the provision of the Act or as per rates declared and invoked by State Government. Compensation amount is disbursed after obtaining the sanction from Ministry of Coal, Government of India and all benefits under R&R Policy of CIL are extended.

Land is also acquired under Land Acquisition Act, 1894 through State Government and all benefits under the R&R Policy of CIL are extended. The provisions of Land Revenue Code of Madhya Pradesh and Maharashtra have also been referred for acquiring land in cases where mining lease was obtained under Mineral Concession Rules. At times, land is also acquired through Direct Purchase to meet the critical requirement.

Since Nationalization total 31,850.551 Ha. of land was acquired through various modes and 24,150.610 Ha. land was under physical possession which includes acquisition of 25.503 Ha. land & physical possession of 1628.387 Ha. land taken during 2016-17.

**Details of land acquisition & physical possession through various modes :**

Sl. No.	Mode of Acquisition	During 2016-17		As on 31 st March 2017 (Since Nationalization)	
		Acquired	Possessed	Acquired	Possessed
1	Coal Bearing Areas (Acquisition & Development) Act, 1957	*	1557.480	23105.698	15504.331
2	Land Acquisition Act, 1894	-	40.560	4184.642	4127.312
3	Land Revenue Code of Madhya Pradesh and Maharashtra under Mineral Concession Rules	-	4.844	1594.329	1585.149
4	Direct Purchase	25.503	25.503	2114.560	2117.500
5	Executive Orders & Forest Conservation Act	-	-	851.322	816.322
	Total	25.503	1628.387	31850.551	24150.610

* 854.54 Ha. land was notified U/s. 11(1) of CBA Act during the year 2016-17

Forest Land

Forest land is diverted from the State Government as per the provisions of Forest Conservation Act, 1980 after approval from MoEF&CC, New Delhi.

During the year, NOC under FRA – 2006 was obtained in respect of two projects Viz. Hindustan Lalpeth Opencast Mine (36.98 Ha.), Hindustan Lalpeth UG Mine (216.25 Ha)

Forestry clearance proposals in respect of Hindustan Lalpeth Opencast Mine (36.98 Ha.) has been recommended and forwarded by State Government of Maharashtra to MoEF&CC, New Delhi for stage-I approval.

Forestry clearance proposals in respect of two projects namely Chattarpur-I Expansion Underground (39.817 Ha.) and Tawa-II Underground (201.08 Ha.) were recommended and forwarded by the State Government of Madhya Pradesh to MoEF for approval of Stage-I.

Rehabilitation and Resettlement

Total 108 Project Affected Families were resettled in 2016-17 by providing free plot at alternate site on the option given by the land oustees, within the provision of R&R Policy of CIL.

Approval for R&R benefits against tenancy land during 2016-17:

Year	Employment approved by Competent Authority.	Name-wise Monetary Compensation In lieu of employment approved
2016-17	1566	293

Constraints in acquisition of land

- State Government officials show their inability for providing Government land for resettlement of Project Affected Families (PAFs). Identification of land for resettlement in consultation with PAFs causes delay in finalization of resettlement site.
- Considering the high aspirations of villagers & strict conditions of attendance in Gram Sabha etc. it is becoming difficult to obtain NOC under FRA-2006 for Forest Land diversion proposals in time.

To overcome the above constraints regular meetings were held with Chief Secretary, Govt. of Maharashtra and Chief Secretary, Govt. of Madhya Pradesh for expediting disposal of forestry clearance proposals. Monthly review meetings were also held with concerned DFOs/CCFs and APCCF/Nodal Officers. Frequent meetings with District Authorities were organized to resolve the issue of issuing NOC under FRA-2006.

Issues related to forestry clearance and acquisition of land are regularly uploaded on Coal Project Monitoring Portal (CPMP) and CABSEC Portal for close monitoring and monthly review.



6. POPULATION & PERFORMANCE OF EQUIPMENT

Population of Equipment

SL.No	Equipment	Population As on 31st March	
		2017	2016
1	Dragline	2	2
2	E.R.Shovel	19	29
3	Hyd.Excavator	91	89
4	Dumper	466	443
5	Dozer	142	144
6	Drill	98	95
	TOTAL	818	802

Availability of HEMMs

- Draglines, Dumpers and Drills have achieved CMPDIL-Norms for availability.
- Availability of Draglines, Shovels, Dozers and Drills was more than last year.
- Company was ranked First in Draglines, Second in Dozers and Third in Shovels amongst all subsidiaries of CIL.

Utilization of HEMMs

- Utilization of Shovels, Dumpers, Dozers and Drills was more than CIL average.
- The Utilisation of 20/90 Dragline of Sasti OCM is 75.4%, where as that of 24/96 Dragline of Ghughus OCM was nil resulting in net Utilization of 37.7%. Dragline of Ghughus OCM was shifted to Mungoli OCM, marching about 6.5 KM and crossing 400 meters of Wardha River bed subsequent to exhaustion of reserves.
- CMPDIL Norms for Utilization of HEMMs could not be achieved due to ageing of equipment, as 30.9% of total fleet of equipment qualified for survey-off as on 25.03.2017, excessive rainfall and closure of three opencast mines during the year.

Specific Diesel Consumption

During 2016-17, specific diesel consumption was 1.08 Litres/CuM against last year's 1.05 Litres CuM due to increase in lead/lift and replacement of electric EKG rope shovel with hydraulic excavators.

Special Achievements

- Company was second in Shovel, Dozer & Drill in Utilization amongst all subsidiaries of CIL.
- 62 new equipments were purchased against surveyed off during the year, which includes 60T Dumpers, Hydraulic Excavators, Dozers, Drills, Cranes and Tyre Handlers.
- During FY 2016-17 CWS, Tadali had achieved 113% against Target in repair jobs of Machine, Heat Treatment and Structural shops while 105% achievement against target registered in Engine, Transmission, Heavy Repair, Electrical Repair and Sub assemblies repair.

7. AVAILABILITY OF POWER AND CONSUMPTION

	2016-17	2015-16	Variation
Average Contract Demand in MVA	147.038	143.032	(+) 4.006
Average Aailed Demand in MVA	121.490	121.391	(+) 0.099

Positive variation in contract demand during FY 2016-17 was on account of addition of load at Bhanegaon OC, Gokul OC, Patansaongi UG, Bharat OC patch, Barkuhi OC & Hirdagarh CHP.

Electric Power Consumption

Purchased	2016-17	2015-16	% Variation
Units in Million kWh	563.298	588.053	-4.21%
Rate/unit in ₹/kWh	7.78	7.89	-1.39%

- Power consumption during FY 2016-17 was reduced over previous year by 4.21% i.e. 24.755 Million kWh due to implementation of various energy conservation measures and reduction in industrial power requirement due to following reasons:
 - Grounding of 6nos. of electric shovels and 1nos. Electrical drill.



- ii) Reduction in power consumption at UG mines due to closure of Thesgora & Pipla Mine and conversion of NMUG to open cast mine.
 - iii) Discontinuance of operation of continuous miner.
- (b) During FY 2016-17 Specific power consumption has reduced by 10% over previous year i.e. from 3.20 kWh/cum to 2.88 kWh/cum on account of increase in composite production and reduction in power consumption over previous year.

8. SAFETY

During the financial year 2016-17, there had been a reduction of three fatalities and two serious injuries vis a vis 2015-16.

Skilled human resource are the biggest asset for our company, hence their safety is of paramount importance to us. Thrust is being given in our company to increase safety awareness at the grass-root level in order to prevent repetitive nature of accidents and accidents due to negligence and casual attitude. Participative safety management through forums like Safety Committees at unit level, Tripartite Safety Committees at Area/Company level is in vogue with active participation of DGMS officials. Constant safety awareness campaign was one of the thrust area during 2016-17 as percolation of safety awareness upto the grass-root level is extremely important to prevent repetitive nature of accidents. Special safety drives were conducted periodically throughout the year.

Steps Taken during 2016-17 to improve safety and reduce accidents

- 1) Safety Management Plans (SMPs) were implemented in all the mines, were reviewed & updated from time to time. ISO team from CIL also reviews the same during their inspections.
- 2) Special Safety Drives were conducted during the year to inculcate safe practices and awareness among the workforce, the details are as under :

- i) Safety drive on Safe Operating Procedure/Code of Safe Practices conducted during April-May 2016.
 - ii) Safety drive on green roof and side support, SDL/LHD operations and haulage/conveyor in underground mines conducted from 16.05.2016 to 28.05.2016.
 - iii) Safety drive on contractor workers was conducted from the last week of June 2016 to the second week of July 2016.
 - iv) Safety drive was conducted in all mines by officials of ISO, with special impetus on taking Safety Oath by all workmen in the beginning of each shift.
 - v) Safety drive on 'Ventilation', 'Dust Suppression' and 'Storage, Transportation & Use of explosives in underground mines' was conducted from 29th August 2016 to 17th September 2016.
 - vi) Safety drive on 'Contractor workmen and their operations in OC mines' was conducted from 13th October 2016 to 22nd October 2016.
 - vii) Annual safety Fortnight was observed from 10th November 2016 to 22nd November 2016.
- 3) Safe Operating Procedures (SOPs) were implemented in all mines for all mining operations and the same are reviewed/modified from time to time.
 - 4) 'On the spot' safety talks are given to the grass root level workmen and their safety awareness is assessed by ISO nodal officers.
 - 5) Safety audit of all producing mines were conducted by inter-subsidiary teams & recommended corrective actions thereof are implemented.
 - 6) A fire cell has been established at WCL Hq. High powered teams inspected all the fiery mines & remedial measures recommended for prevention of fire were implemented.



- 7) Emergency Response System in all underground mines was tested through mock rehearsals periodically.
- 8) TAKE-5 process as mentioned below has been implemented in all the mines of WCL as per guidelines.
 - Stop, step back and observe.
 - Think through the task
 - Identify the hazards
 - Control the hazards
 - Complete the task
- 9) Front line supervisors were imparted 1 week duration special training for improving their knowledge, skill and safety awareness.
- 10) Simulator training was provided to 111 HEMM operators during 2016-17.
- 11) Based on Rock Mass Rating (RMR) of immediate roof and nature of coal seam, support plans are prepared and implemented for proper strata management in UG mines.

Technical Tasks

- i) Vetting of operational plans of all mines by ISO.
- ii) RMR study for development districts for support design.
- iii) Enquiry and analysis of fatal, serious accidents and major dangerous occurrences/incidents.

Special Achievements

- i) Procurement of 12000 LED cap lamps.
- ii) Chair-lift type man-riding system was installed at Nehariya UG mine during February 2017. Further, work order has been placed for installation of 4 Man-riding systems.
- iii) Rock Mass Rating (RMR) of 23 districts were determined in in-house Rock Mechanics Laboratory.
- iv) For the first time, Safety Audit of all producing mines of WCL had been conducted by inter-subsidiary multi-disciplinary teams.
- v) External recruitment of 377 Mining Sirdars and 52 Surveyors (mining).
- vi) All the mines of WCL have uploaded safety information, data, reports, etc. on Online Safety Portal of CIL.

Statistics of Fatal and Serious Accidents

Particulars	FY 2016-17	FY 2015-16	% Variation
No. of fatal accidents	5	8	-37.50%
Fatalities	5	8	-37.50%
Fatality rate per million tonne production	0.11	0.18	-38.88%
Fatality rate per 3 lakh manshift	0.12	0.19	-36.84%
No. of serious accidents	17	16	6.25%
Serious Injuries	17	19	-10.52%
Serious Injury rate per million tonne production	0.38	0.42	-9.52%
Serious Injury rate per 3 lakh manshift	0.41	0.44	-6.82%
Injury frequency (10 F + S)	67	99	-32.32%
Injury Frequency rate per million tonne production	1.47	2.21	-33.48%
Injury Frequency rate per 3 lakh manshift	1.49	2.26	-34.07%

9. RESCUE

Prompt Service in Emergency & Reopening

Five re-opening operations were carried out under rescue cover during 2016-17, details are as under :

SL.No	Date	Colliery/Area	Reasons
1	13.03.16	Mathani/Pench	Reopening 18LS section of V-A Seam – 2 nd Phase
2	10.07.16	Vishnupuri-2/ Pench	Re-opening 3D/9L in I-C seam and restoring ventilation circuit by rescue team.
3	06.11.16	Mathani/Pench	Reopening SW-3 section of I(B+C)Seam
4	25.12.16	Ghorawari/ Kanhan	Reopening Main dip Area
5	19.02.17	Mathani/Pench	Reopening –21L/16D South-1(B+C) seam



Calibration of Gas Detectors In-House and Cost Savings

The initiative taken to acquire in-house expertise for maintenance and calibration of gas detectors of different make has led to increased reliability, availability and efficiency of the gas detectors in mines besides considerable saving in cost i.e. about ₹ 46.17 Lakhs during the year 2016 -17.

Revenue Generation from Rescue training

Mines Rescue Station, Nagpur imparted Rescue training to employees of M/S. Sunflag Iron & Steel Company, M/S Sial Gogri Coal Mine (Reliance) and MOIL Ltd. which generated revenue to the tune of ₹17.49 Lakhs during 2016-17.

Competition/Drives in Rescue Services

Inter Rescue Room Competition-2016 was held in the months of February/ March 2017. The winners in the competition were as follows:

First Prize in RRRT group : RRRT, Parasia

First Prize in RR group : RR, Damua

Zonal / Inter Area Rescue Competition was held at MRS, Nagpur on 7th November 2016. The winners in the competition were as under -

Overall First Prize : Majri – Ballarpur Team

Overall Second : Kanhan Area Team

Overall Third : PENCH – A Team

All India Mines Rescue Competition (Coal & Metal) was held at Mines Rescue Station, Nagpur, from 14th December to 17th December 2016. A total of 18 teams from coal companies and 5 teams from metal mining companies participated in the competition. Seven teams also participated in events organized as per International Rescue Competition Rules.

In this competition WCL Team bagged the following prizes :

- Overall First : WCL-A Team
- Overall Third : WCL-B Team
- Second Best Captain : Shri Sheikh Muzahid Azam, WCL A Team
- Best Member : Shri Rahul, WCL A Team
- Second Best Member : Shri Tej Bahadur Yadav, WCL A Team
- Best 7th Member : Shri Naveen, WCL A Team
- Winner in Theory Test : WCL A Team
- Winner in Recovery Drill : WCL B Team
- Runner in Rescue Drill : WCL A Team
- Winner in 'International mode' : WCL/ SECL combined team (First time for WCL) competition

Gas Chromatograph

Portable Gas Chromatograph at Mines Rescue Station, Nagpur is functioning for prompt and precise mine gas analysis.

10. TELECOMMUNICATION

VOICE & DATA Communication

CUG mobile Scheme covering Executives & important staff is functioning for seamless communication in the Company.

Efficient Data communication system is in place based on MPLS VPN network with 4 Mbps bandwidth connecting all Area HQs, Area Stores, Central Stores and Central Work Shop with Company HQ, enabling Centralised Server & other online data applications.

Video Conferencing System is in operation to facilitate various meetings & regular interactions between Company HQ and Areas.



Major Initiatives during 2016-17

- i) Establishment of Wi-Fi System for facilitating easy access to internet at Company HQ & Area HQ.
- ii) Installation of GPS / GPRS based vehicle tracking system in all coal carrying tippers.
- iii) Installation of RFID based Boom barrier access control system at all the Check posts.
- iv) Installation of Centralised CCTV surveillance system at all the Road weighbridges & Check posts
- v) Integration of Road Weighbridges, Check Posts & unit Stores with Company/Area HQs by IP Radio network.

11. IT INITIATIVES FY 2016-17

SL. No.	Particulars of Activities	Status
1	Biometric Attendance at all Units	Installation & registration of employees completed. Salary preparation based on biometric attendance commenced Company HQ & Area HQ. Same shall be extended in all mines/units from April 2017.
2	Deployment of Central database server	Central Database Server installed. Migration of Applications deployment of CoalNet Application completed. Finance, Sales, Stores, Payroll, PIS modules are in operation. Planned for preparation of payroll for all WCL Units from Central Server during FY 2017-18.
3	Web based Gold Card for Retired executives	Implemented and in use by retired executives. Data is maintained in the central database.
4	Official e-mail Id	Provided to all executives.
5	Web based Human Capital Management	Use of CoalNet PIS Module introduced for capturing Human Capital Management data.
6	Vision 2020	Implementation of milestones of Vision 2020 are monitored online.
7	Web based File Tracking System	Implemented in company
8	e-PaySlips & SMS Alerts	e-Pay Slips through e-mail & SMS Alerts provided to all executives.
9	Optical Fibre Network	Installed and in operation at WCL Hqr
10	Launching of Mobile Apps	Four Apps developed in-house & launched - 1) Rate Calculator for e-auction customers

SL. No.	Particulars of Activities	Status
		2) Vendor Bill Status 3) Mission Sampark 4) Mine Water Utilization
11	CIL Asset Portal	WCL developed in-house portal for all subsidiaries of CIL
12	Portal Based on-line Medical Referral Systems	Developed and implemented
13	e-awaas Portal	Developed for online application for allotment of quarters.
14	e-Office	All preparatory works completed. Implementation planned in 2017-18.

12. INVENTORY MANAGEMENT

Role played by WCL in development and sustaining Small scale Industrial units

Company is making all efforts in development of Small Scale Industrial Units in Vidharbha Region & implemented MSE policy promulgated on 23rd March, 2012 by Ministry of MSME.

Company has showcased important Stores and Spares required, in various National Level & State Level Vendor Development Programs arranged by MSME Development Institute, Nagpur. Ancillary status was awarded to 10 new Small Scale Industries & status of 23 old ancillary units was revived during 2016-17 under Ancillary Development Programme, for the industries situated in the periphery of WCL.

Management of Inventories

WCL has maintained good position amongst CIL Subsidiaries in respect of Inventory Management. All the functional activities are carried out through Online Materials Management system.

Comparative position of net inventory vis-à-vis annual consumption of Stores and Spares in respect of last two years is as under :

(₹ Crores)

SL. No.	Financial Year	Net Inventory	Annual Consumption	Inventory in terms of months consumption	% change in inventory
1	2015-16	71.48	1056.70	0.81	(-)2.46
2	2016-17	71.36	1137.43	0.75	(-)0.17



E-Procurement

During the FY 2016-17 all cases of material procurement with threshold limit of more than ₹2.00 Lakh in each case were finalized through e-tendering mode. WCL has also introduced the E-reverse auction for tender value more than ₹ 1.00 Crore as per CIL guidelines. Total value of e-tenders finalized during 2016-17 was ₹651.56 Crores.

Model Depot Agreement

Being the lead company nominated by Coal India Limited, WCL has finalized the Model Depot Agreement with M/s. Bharat Power Corporation Limited for supply of transmission spares.

Operation of Government e-Marketing (GeM) Portal

WCL has successfully implemented the GeM portal operation in the month of March 2017 by placing orders as per the guidelines circulated by Coal India Limited.

Scrap & Disposal

With change in policy guidelines, WCL achieved remarkable sale of scrap during 2016-17. The details are as under:

Sales value of scrap material	FY 15-16	FY 16-17	% increase over last
Finalised	₹4.88 Crs	₹ 16.80 Crs	244.26
Realised	₹1.83 Crs	₹ 12.65 Crs	591.25

13. HUMAN RESOURCE

Status of Manpower

SL. No.	Category	Manpower as on	
		31.03.2016	31.03.2017
1	Executive	2599	2541
2	Supervisor	5315	5475
3	Clerical	2434	2552
4	Highly Skilled/Skilled	23539	20404
5	Semiskilled/ Unskilled	13931	15410
6	Company's Trainee	1244	1250
TOTAL		49062	47632

Details of SC, ST and OBC employees

Total	SC	ST	OBC
47632	9840	3398	13543

The Presidential directives for SC/ST and OBCs are implemented in respect of recruitment as well as in promotion.

Human Resource Development

During the financial year 2016-17, WCL achieved a total of 2,02,588 Training Mandays against target of 2,02,748 and Total 25,662 persons were trained against target of 21,854 through Internal and External training for employees. Expenditure incurred towards training was ₹19.71 Crores.

In Company Training Mandays				Out Company Training Mandays				Total	
VTCs & Insittutes		IICM		Institutions/ Seminars		Foreign Training		Per-sons	Man-days
Per-sons	Man-days	Per-sons	Man-days	Per-sons	Man-days	Per-sons	Man-days		
24585	197764	475	3075	592	1613	10	136	25662	202588

In-Company Training

In-Company training plays a vital role in improving knowledge, skill and attitude leading to overall development of Human Resources. Five Institutes viz. Management Development Institute (MDI), Nagpur, Supervisory Training Institute (STI), Chhindwara, Workers Training Institute (WTI), Wardha and HEMM Training Institute (HEMMTI), Durgapur, Skill Development Centre, Indora Nagpur and 12 Vocational Training Centres impart functional, cross-functional and other training courses for the executives, supervisors and workers. In addition, executives are also imparted specialized contextual training at Indian Institute of Coal Management, Ranchi.

A) 283235 training mandays of employees in above 5 Institutes and 12 Vocational Training Centres were achieved during 2016-17, the details are as under:



	Execu- tives	Super- visors	Workers	Total	Training Mandays
MDI, NAGPUR	1726	405	807	2938	7468
WTI, WARDHA	0	195	314	509	17495
STI, CHHINDWARA	1	590	754	1345	8432
HEMM TI, DURGAPUR	50	134	1227	1411	5874
AREA BASED TRAINING	207	519	7329	8055	19197
INITIAL TRAINING			1447	1447	52964
REFRESHER TRAINING			7569	7569	82613
SPECIAL TRAINING			1311	1211	3721
TOTAL	1984	1843	20758	24585	197764

B) 475 Executives were trained AT IICM, Ranchi, comprising 3075 Mandays during the year 2016-17.

Out-Company Training

Out-Company training was provided to the employees to expose them to the Global and Sectoral industrial environment through participation in various seminars, Conferences, institution based training in the educational institutes and Original Equipment Manufacturers facilities.

a) Within Country

During FY 2016-17, the employees have been nominated to attend training programmes organised by various Educational Institutes such as Indian School of Mines University (ISMU), Dhanbad, Indian Institutes of Technology(IIT), National Institutes of Technology (NIT), IIT BHU and various organisations such as Indian Institute of Industrial Engineering (IIIE) Mumbai, Institute of Public Enterprise, Hyderabad, Administrative Staff College of India, Hyderabad, Indian Institute of Materials Management (IIMM), National Productivity Council (NPC), MGMI, National Institute of Personnel Management (NIPM), Gandhi

Labour Foundation Puri etc and also Original Equipment Manufacturers (OEM) such as BEML, L&T etc., in order to improve the efficiency and productivity of executives, supervisors and workers by sharpening their managerial, technical and functional skills.

The breakup of executives, supervisors and workers sent for Out-company training is given below :

	Execu- tives	Super- visors	Workers	Total	Training Mandays
Out-Company Training (including GLF, Puri)	350	78	164	592	1613

b) Foreign Training

Apart from various types of Out-company training in India, employees were also sent abroad for different types of study tours, trainings, development courses, international Exhibitions / Expo etc. during the year 2016-17.

Safety Training

Under VT Rules, various trainings such as Initial, Refresher and Special trainings are imparted to the workers working in mines through 12 VTCs located in different Areas of Company. Additionally, the Contractors' workers, who play an important role in current scenario, are also imparted Initial and Refresher training through VTCs of company. As per recommendation of 8th / 9th Safety Conference, the supervisors are provided Safety training in the respective Institutes.

The break-up of various types of safety training imparted during 2016-17 is tabulated below :

TYPE OF TRAINING	Employees
1. INITIAL TRAINING	1447
2. REFRESHER TRG	7569
3. SPECIAL TRG	1311
4. AREA BASED TRAINING	8055



TYPE OF TRAINING	Employees
5. CONTRACTORS' WORKERS TRAINING	
a) Initial training	4688
b) Refresher training	334
c) Area based training	697
6. TRAINING FOR SUPERVISORS (as per 8th / 9th Safety Conf.)	
a) Mining	317
b) E&M	167
c) Excv	10

Training of SC/ST/OBCs

Training for upliftment of SC/ST/OBCs has been an important thrust area for the company.

SC / ST / OBC Training (In-company & Out-company)

SC	-	4303
ST	-	2526
OBC	-	7337

Total - 14166

SPECIAL ACHIEVEMENT

Skill Development Activities 2016-17

a) Pragati, a CSR Initiative

6515 persons among PAP and Eligible Unemployed youth in the vicinity of mining fields were provided with different Skill Development programme through reputed training providers i.e. NSDC, MSME, CIPET, MITCON etc. The details are as under:

ACIEVE - MENT (2016-17)	GENDERWISE			CATEGORY			GROUP	
	MALE	FEMALE	TRANS	SC	ST	OBC	PAP	RURAL YOUTH
6515	5069	1446	0	1032	825	2457	1	6514

b) 3691 Persons who received skill development training were offered employment by various industries -

Placement 2016-17	Total
Different Plastic Industries	83
Health Sector, Chhindwara,	28
Self Employment , Chhindwara	10
Different Mining Contractors	3530
G 4S Security Solutions India Pvt.Ltd	40
Total	3691

c) Skill Development through NSDC during 2016-17:

As a part of implementation of Skill Plan for Coal Sector under the CIL-NSDC-NSDF Project, Skill Development Programmes were organised at WCL. 260 employees, newly inducted Security Guard (Trainee) and 40 Eligible unemployed youth in the vicinity of Coalfields were provided Skill Development training in the trade of "Unarmed Security Guard". Multinational Organisation G 4S Security Solutions India Pvt. Ltd., has selected and provided employment to all those 40 Rural Youth.

d) NSDC certification through RPL (Recognition of Prior Learning):

Total 2768 employees of WCL have participated under NSDC certification course through RPL

WORKERS' PARTICIPATION IN MANAGEMENT

Steering committee comprising of all Functional Directors, Trade Union representatives of five central trade unions (INTUC, BMS, AITUC, HMS, CITU) and representatives of CMOAI, under the chairmanship of CMD, is functioning at Company Level.

Broad functional areas of the Steering Committee are :

- Formulation and evaluation of Action plans/budgets;
- Resources utilization
- Cost/profitability
- Quality of coal
- Safety
- Employees' welfare and
- Environmental protection

Meetings of the Steering Committee are held periodically, helps in inducing cordial industrial relations & achieving organizational goal.



Employment to dependent

Employment/monetary compensation sanctioned under the provision of NCWA :

	2015-16	2016-17
Employment	363	390
Monetary Compensation	32	28
SFVRS	513	30

Employment offered to Land Oustees under RR Policy

2015-16	2016-17
1005	1566

INDUSTRIAL RELATIONS

Industrial Relations scenario in WCL during the fiscal 2016-17 had been peaceful, cordial and harmonious. Total 132 structured meetings were held during the year with the employees' representatives of Central Trade Unions at Area & Company Head Quarter.

Status of Industrial Relations situation for the last two years is as under :

Law & order incidents	2015-16	2016-17
Relay Hunger Strike	Nil	Nil
Gherao	Nil	Nil
Assault	Nil	Nil
Dharna/Morcha/Demonstration	1	Nil
Total	1	Nil
Strike/Work Stoppage		
No. of strikes	1	1 [#]
Mandays lost	19974	16004
Production loss (Tonnes)	68690	24550

A Nationwide General Strike called by various Central Trade Unions of India, except BMS on 2nd Sept, 2016 on National level issues.

Recruitment

	2015-16	2016-17
Mining Sirdar	424	377
Surveyor Mining	27	52

Promotions

3423 non-executives were promoted during the year 2016-17 as part of career growth of employees.

Grievance Redressal

In order to redress the grievances of employees and other stakeholders, a well defined system is in place. To ensure prompt disposal off/redressal of grievances a grievance redressal cell (GRC) is functioning at company HQ and all Areas. The grievances posted at CPGRAMS Portal or received offline are promptly dealt by the GRC.

During 2016-17, out of 427 grievances received, 390 grievances (91.33 %) were redressed/ disposed off.

WELFARE MEASURES AND AMENITIES

Group Gratuity Scheme

WCL adopted LIC's Group Gratuity Scheme as a part of its sound financial management system for providing gratuity liability every year and claiming the tax benefit. Unique feature of the scheme is to ensure notional gratuity in the event of premature death.

The Group Gratuity Scheme is in vogue with effect from 10th March,2003. The actuarial liability as on 31/03/2017 is ₹2175.68 crores and there is no unpaid liability payable to Life Insurance Corporation of India. The trust has earned an interest amounting to ₹176.03 crores @ 8.78% under existing scheme for old members and ₹1.34 crores @ 8.21% under revised scheme as per IRDA for new members in the year 2016-17.

Payment of Gratuity

An amount of ₹ 279.76 Crs was paid to 2965 superannuated / separated employees and an amount of ₹ 6.49 Crs Life cover in addition to ₹ 26.65 Crs Gratuity was paid to the nominees of 362 deceased employees during the financial year 2016-17.



WELFARE AMENITIES

Following are the details of various amenities for the welfare of our employee:

SL. No.	Details	As on 31.07.2017
1	Houses - Standard - 42527	52613
	Non Standard - 10086	
2	Water Supply (Population covered)	3,23,855
3	Schools (receiving recurring, non recurring grants or infrastructural facilities)	15
4	Co-operative Stores	24
5	Co-operative Societies	45
6	Bank Branches/ Extension Counters	113
7	Ambulances	102
8	Dispensaries	49
9	Hospitals	11
10	Canteens	79
11	Gymnasiums	27
12	Stadium	13

GAMES & SPORTS

Inter Company tournaments of CIL, held during the year 2016-17, WCL had secured 1st position in Carrom, Body Building, Weight & Power Lifting and Kabaddi and 2nd position in Table Tennis, Badminton, Hockey & Volleyball.

Family Welfare

Total 2417 (TT+VT) no of family planning operations were performed during the year 2016-17. Total 37 no of camps were conducted for this purpose in collaboration with state health authorities.

PENSION

WCL is torch bearer in CIL for implementing the provision of CMPS-1998. All pension claims received during the year 2016-17 were settled.

Upto 31st March, 2017 (Since inception of the scheme) total 64,027 Claims were received, out of which 63,999 claims were settled by CMPF Office, Nagpur and Chhindwara Region. Balance 28 claims were under process.

Data base of Pension/ PF claims is maintained for future reference.

Mission Biswas

The status of settlement of PF/ Pension claims under "Mission Biswas" during the year 2016-17 is as under :'

No. of Employees Superannuated	No. of Claims submitted to CMPF Office	Balance
2790	2785	5

Pension Help Line

Pension help line is in operation for resolving the problem being faced by the Pensioners and dedicated efforts are being made to sort out the issue, if any. During 2016-17, total 393 calls/grievances were received, out of which 389 cases were cleared and feed back about the action taken was given. CMPF Office Nagpur/Chhindwara and concerned Nationalised Banks were persuaded for expeditious disposal of Pensioner's grievances.

Submission of VV Statement for the year 2015 - 16 and 2016-17

Annual "VV Statements" for the currency period ending 31.03.2016 were submitted by all the Units/Areas of WCL to Regional Office Nagpur/Chhindwara well within the prescribed time. Annual "VV" statement of currency period ending 31.03.2017 will be submitted by all units under Nagpur and Chhindwara CMPF Region within prescribed time.

PROGRESSIVE USE OF HINDI

While promoting use of Hindi in official working, the company had followed the provisions of Official Language Policy of Government of India.

Activities undertaken during 2016-17 for popularizing Hindi are as under :

- In order to familiarize with the provisions of Official Language Act, Rules and Rajbhasha Targets, 7 Hindi Workshops were organized at HQ and Area offices, where 179 employees participated.



ii) Meetings of Official Language Implementation Committee were held on 11 occasions at HQ and Area offices to review the progress and steps taken to achieve Rajbhasha targets. The Committee also inspected seven Operating Areas to review compliance of Official Language Act and Rules.

iii) In order to popularize the use of Hindi words substituting English Words in day to day official works, "आज के शब्द" were displayed near entrance of the Headquarters and at Area offices.

iv) During the financial year, 3 issues of bilingual In-house magazine "Pragati" and 20 issues of Hindi fortnightly 'Wall Poster' were published highlighting the activities and performance of the Company.

v) 'हिन्दी दिवस' was celebrated on 14th Sept.2016 which was followed by 'हिन्दी पखवाड़ा' during 15th to 29th September, 2016. On this occasion various events of competition such as Extempore speech, Hindi Noting and drafting, Self created Poetry, General Knowledge, Essay writing, Hindi Workshop for Genext executives, Quiz for school children, Slogan, Prashna Manch and Antakshari were organized.

On the concluding function, winners of these competitions were felicitated and prizes were given away. Further, two Area offices were awarded with Rajbhasha Shields/Citation for doing excellent work in Hindi in the region 'A' and 'B' during the year. Similarly, departments of HQ and officers were also awarded with Rajbhasha Shields/Citation for maximum correspondence in Hindi in three groups and for giving maximum dictation in Hindi respectively during the year.

vi) For the use of employees, 6768 Hindi Books on various subjects and 9 Hindi magazines are made available in Dinkar Hindi Library. In order to encourage upcoming writers, monthly e-Magazine "Rajbhasha Vividha" is being uploaded on

WCL Website. This magazine was conferred with "Special Award" by the Town Official Language Implementation Committee (Office-2), Nagpur.

vii) For developing the skill in mastering the use of Hindi in official works five months period practice course namely "पारंगत" was organized for two batches under the guidance of professors from "हिन्दी शिक्षण योजना, नागपुर". Practice for third batch is underway.

viii) Two employees of WCL have participated in Hindi Workshop organized by Rajbhasha Sansthan, New Delhi at Solan (Himachal Pradesh) from 27 to 29 April, 2016.

ix) Three employees of WCL have participated in Hindi Conference and Workshop organized by Rajbhasha and Prabandhan Sansthan, Delhi at Kanyakumari (Tamilnadu) from 17 to 19 May, 2016.

x) Five employees of WCL have participated in All India Rajbhasha Conference organized by Bharatiya Bhasha and Sanskruti Kendra, New Delhi at Ooty (Tamilnadu) from 26 to 28 May, 2016.

xi) Two employees of WCL have participated in All India Rajbhasha Conference organized by Bharatiya Rajbhasha Vikas Sansthan, Deharadun at Ujjain from 9 to 11 Nov., 2016 in which WCL was awarded with following for commendable contribution in the promotion of Hindi :-

- | | |
|--|---|
| a) Shri Rajiv Ranjan Mishra, : Rajbhasha Shree
Chairman-cum-Managing Director | Samman |
| b) Dr. Sanjay Kumar, : Rajbhasha Kirti
Director (P) | Samman |
| c) Shri Chetan Lal Yadav, : Vishesh Rajbhasha
Manager (Sect./
Rajbhasha) | Vishishtata
Samman |
| d) Dr. Manoj Kumar, : Rajbhasha Shilpi
Asstt. Manager (Rajbhasha) | Samman &
Rajbhasha
Vishishtata Samman |



14 GREEN MEASURES

Your Company is aware of its responsibilities towards the environment and ecology aspects of project management and is taking due care for Environmental Protection and Pollution mitigative measures in all operating mines. Status of different activities under environment management is as under:

Environmental Impact Assessment (EIA)/Environmental Management Plans (EMPs) for new Projects/Existing Projects – Status of Environmental Clearance:

The company has received Environmental Clearance for 5 projects/mines namely (i) Expansion of Bhanegaon OC (0.60 to 0.70 MTPA), (ii) Expansion of Gokul OC (1.00 to 1.875 MTPA), (iii) Expansion of New Majri UG to OC (0.80 to 1.20 MTPA), (iv) Expansion of New Sethia OC (0.20 to 0.50 MTPA), (v) Expansion of Nahariya UG Mine (0.36 to 0.54 MTPA),

during the year 2016-17 as per EIA Notification, 2006 from Ministry of Environment, Forests & Climate Change, Govt. of India.

Terms of Reference (TOR)

The company has received Terms of Reference (TOR) for 3 projects viz. (i) Yekona – I & II Amalgamated OC (2.75 MTPA), (ii) Exp. of Mungoli – Nirguda Extn. Deep OC (4.375 MTPA), (iii) Expansion of Pauni – II OC (3.25 MTPA) as per EIA Notification, 2006 during the year 2016 – 17 from Ministry of Environment, Forests & Climate Change (MoEF&CC), Govt. of India.

Implementation of EMPs approved by MoEF&CC

The projects having EMPs approved by MoEF&CC are implemented and reports on compliance of MoEF&CC stipulations as given in the respective Environmental Clearances (ECs) are submitted every six months to IA Division, MoEF&CC, New – Delhi and Regional Offices located at Nagpur and Bhopal. Certificates of EC compliance obtained from

Regional Offices, MoEF&CC, Bhopal & Nagpur in respect of 5 mines viz. New Sethia OC, Murpar UG, New Majri UG to OC, Adasa UG & Ghonsa OC.

Afforestation

The plantation work was executed by State Expert Agency i.e. Madhya Pradesh Rajya Van Vikas Nigam Limited. During 2016-17, 1,25,900 saplings have been planted in an area of 50.55 ha. and till date total 183.95 Lakh saplings have been planted, covering an area of 6671.75 ha. in its command area in the state of Maharashtra and Madhya Pradesh.

Other Environmental Mitigation Measures completed during 2016-17

Land Reclamation Monitoring through Remote sensing technique

Progress of land reclamation in 10 major opencast mines excavating more than 5 million cubic meters (Coal + OB) per annum has been monitored by CMPDIL on yearly basis, through Satellite Imagery. In addition 8 opencast mines excavating less than 5 million cubic meters (Coal + OB) have also been monitored at 3 year interval through Satellite Imagery by CMPDIL.

Sustainable Development

The above indicated activities have contributed to sustainable mining practice in the company. Additionally, as a part of Sustainable Development scheme for Conservation of natural Resources, certain activities have been implemented by the company:

Deepening & Widening of Ponds

.Under Mission 'Nirmal-Nirguda', River Nirguda was desilted, Development of New pond at Punwat Village and de-siltation and deepening of pond at Sukne village was done.

Rooftop Rainwater Harvesting System in Pench & Kanhan Areas

Four numbers of Rooftop Rainwater Harvesting System have been commissioned at:

- Urdhan OC Manager Office



- Naheirya UG Sub-Area Manager Office
- Nandan Washery
- Gorawari / Datla Sub-Area Manager Office

Environmental Awareness

Environment Week (June 1 to 7, 2016) and World Environment Day on 5th June, 2016 was observed in the Company.

The activities undertaken during the week – long celebration were as under:

- Pledge on Environment Protection as per UNEP- theme “Zero Tolerance for the Illegal Wildlife Trade” taken by all employees at Corporate (HQ) and at all Areas.
- Organising lecture on various topics related with environmental awareness.
- Organising various competitions among wards of employees viz. Drawing, Slogan etc.
- Distribution of 'Organic Manure' to the employees.

One day Workshop on “Capacity Building within company for seeking Environmental Clearance & Related Issues” was held on 21/07/2016. Another workshop on “Mine Closure Preparedness” was conducted on 16/12/2016. Further, a workshop on “Slope Stability Analysis & Design Practices in OC Mines” was conducted in association with CMPDIL(HQ), Ranchi during 23rd – 24th January, 2017.

15. CORPORATE SOCIAL RESPONSIBILITY

While implementing CSR activities, WCL follows the CSR policy framed by Coal India Limited dated 30-12-2015 incorporating the features of Companies Act, 2013 and the notifications issued by the Ministry of Corporate Affairs, Govt. of India on 27/02/2014 as well as guidelines issued on CSR & Sustainability by Department of Public Enterprises (DPE).

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

* Primary beneficiaries of the CSR activities are land oustees, project affected persons (PAPs) and those staying within the radius of 25 Kms. of the WCL project Areas. Poor and needy section of the society living in different parts of India are secondary beneficiaries.

* CSR Action plan is prepared in Consultation with the District Authorities/ Govt. Officials/Local bodies/Village Panchayat/Sarpanch/Gram Sevak and local elected representatives.

As per CIL's policy, fund for CSR should be allocated based on 2% of average net profit of the company for three immediate preceding financial years or ₹ 2.00 per Tonne of Coal Production of previous year, whichever is higher.

Fund provision & Expenditure on CSR during 2016-17 (Lakh ₹)			
Provision of Fund			Actual Expenditure
Avg. of Net Profit for 3 Immediate Preceding FY	Based on Production FY 2015-16	Higher amount	
839.19	896.40	896.40	1081.32

Highlights of the CSR Activities during 2016-17

- Financial assistance of ₹ 207.00 lakhs during 2016-17 and ₹ 300.00 lakhs during the year 2015-16 to Forest Development Corporation of Maharashtra (FDCM) towards construction of Dr.A.P.J Abdul Kalam Eco-friendly Park in Chandrapur district.



- Financial assistance of ₹ 100.48 lakhs towards the plantation works in open spaces in Municipal Areas of Chandrapur.
- Financial assistance of ₹ 100.00 lakhs towards the construction and development of Stadium at Chimur.
- Financial assistance of ₹ 75.00 lakhs to Bhausahab Bhuskute Smiriti Lok Nyas for construction of Hostel/Library cum Skill development Centre at Bankhedi Hosangabad (Madhya Pradesh).
- Financial assistance of ₹ 51.25 lakhs to FDCM towards Plantation in 50 Ha. Degraded Forest land at Chandrapur.
- ₹ 22.40 lakhs was spent on Job oriented Skill Development Programme for 520 beneficiaries in various trades like Machine operator-injection moulding/Machine operator-plastic extrusion/Machine operator-blow moulding/Machine operator-plastic processing in association with Central Institute of Plastic Engineering & Technology (CIPET) at Chandrapur Area and 305 persons have completed their training during the year.
- ₹23.92 lakhs was spent on Skill development programme conducted for rural youths, PAPs, and women under projects Arogya, Udaan and Shakti & total 6515 persons were trained in 2016-17.
- Expenditure of ₹ 27.75 lakhs for distribution of 553 Bicycles to School going Girls in Chandrapur District.
- ₹19.05 lakhs was spent for distribution of Artificial Limbs through ALIMCO & Pandit Deendayal Upadhyay Institute of Social Science, Research & Human Resources, Nagpur, benefitting 122 Divyangs of Chandrapur, Chhindwara, Nagpur and Yavatmal districts.
- ₹ 23.13 lakhs spent for installation of one

RO Plant at Nilgoan village (Nagpur District) for purification of water drawn from Saoner UG mine for 2500 beneficiaries.

- Financial assistance of ₹13.79 Lakhs to Nagar Parishad Fetri Village, Nagpur District for the purchase of Tata ACE Tipper along with Garbage Container under Swachh Bharat Abhiyan.

Table showing Headwise Expenditure of CSR activities 2016-2017

SL. No.	Name of the CSR activities	Expenditure ₹ In Lakhs
1	Drinking Water	30.57
2	Education	112.49
3	Skill Development	35.42
4	Welfare of the Differently abled	19.05
5	Women Empowerment	32.75
6	Environmental Sustainability and Conservation of Natural Resources	476.21
7	Protection of National Heritage, Art and Culture	2.00
8	Promotion of Sports	114.91
9	Rural Development Projects	229.13
10	Contribution to Swachh Bharat Kosh set up by Central Govt.	13.79
11	Swachh Vidyalaya Abhiyan	11.13
12	Health Care	3.87
	Total	1081.32

Area wise Expenditure on CSR activities 2016-2017

SL.No.	Name of the Area	Expenditure ₹ In Lakhs
1.	Chandrapur	339.88
2.	Ballarpur	NIL
3.	Majri	4.00
4.	Wani	61.04
5.	Wani-North	83.29
6.	Nagpur Area	185.51
7.	Umrer	8.46
8.	Pathakhera	23.00
9	Pench	52.00
10	Kanhan	1.33
11	WCL, HQ	322.81
	Total	1081.32



Mine water utilization

Your company has taken pioneering initiative for gainful use of mine water discharge for Drinking, domestic use, Irrigation and recharging of ground water so as to mitigate the hardships faced due to shortage of water by local populace residing nearby mines. Total 14 schemes for Mine Water utilization have been commissioned since 2014-15. During 2016-17, three schemes were implemented, one for Drinking and two for irrigation, benefitting 69,390 populace. Details of the schemes are as under :

SL No.	Mine	Name of villages	Use	No. of Beneficiaries
1	Saoner UG	RO plant in Nilgaon village	Drinking Water	2500
2	Murpar UG	Murpar village, Sonegaon, Shedegaon, Manjiri village	Irrigation	50000
3	Pipla UG	Pipla village, Walni village & Dahegaon village	Irrigation	16890
	Total			69,390

Further it is proposed to utilize 100% mine water through implementing 41 Schemes in FY 2017-18, (Drinking Water - 10, Domestic use – 06 and Irrigation - 25) which is expected to benefit 1,69,468 populace.

Award received during the year 2016-17

Project K2K (Kamptee to Kanhan) of your Company was selected amongst 30 best Projects in the Country & awarded “SKOCH BLUE ECONOMY AWARD 2016” in Gold Category at New Delhi in December 2016. K2K is a project for the utilization of mine water discharge of Kamptee OC after due filtration for supply to Kanhan and Pipri villages.

16. VIGILANCE

Preventive Vigilance

In order to increase transparency in dealing with public matters, online complaint handling system has been introduced so that complaint can be lodged online from any place. The complaints so received are being processed online. It has three user interfaces where a

complainant and top most officials of the company can directly look into the complaint. The complaint rests with the dealing officer till the report is submitted to CVO. All tenders irrespective of its value are being uploaded on the company's website. This year one souvenir namely 'PAHAL' consisting of various articles related to Vigilance Awareness, Do's & Don'ts for employees of almost all the departments and list of circulars issued by CVC, DOPT, CIL & WCL have been compiled, published and distributed for the benefit of officers dealing with similar tasks. Vigilance department had conducted 5 CTE type Inspections, 29 surprise inspections and 23 regular inspections during the year. Initiatives were taken by Vigilance Department for systemic improvement and circulars as mentioned below have been issued.

- i) Uniform guidelines for transportation of sand and its measurement.
- ii) Increasing competitiveness of Tenders pertaining to procurement of items.
- iii) Guidelines for procurement of Machinery spares from OEM on proprietary basis through local purchase.
- iv) Guidelines for repairing of equipment/ Machinery/ Assembly/ Sub Assembly.
- v) Guidelines for Procurement of reflective vest/ harness.

During the year, 8 Stake holders'/ Customers meets were organized in all the Areas of WCL.

Punitive Vigilance

During the year, 45 investigations were taken up out of which 35 have been disposed off. The vigilance activities have resulted into Regular Departmental Action (RDA) against 23 employees in 8 cases. The opening balance of RDA was against 54 employees in 19 cases out of which 44 employees in 17 cases have been imposed major penalty and 01 employee in 1 case has been imposed minor penalty.



Other activities like observance of Vigilance Awareness Week, Preparation of “Agreed List” and “Officer of Doubtful Integrity list” and rotation of employees on sensitive posts have been carried out. Close liaison with Central Bureau of Investigation (CBI) and Central Vigilance Commission (CVC) have been maintained. Vigilance status in respect of 10157 numbers of employees (Executives and Non-executives) was issued during the year.

3 Workshop/Training Programmes on Vigilance Awareness & Personality Development were conducted where 130 employees participated and 2 interactive sessions on Ethics and values were organized in which 253 executives participated.

Total 2932 employees (1664 Executives and 1268 Non Executives) had taken the Integrity Pledge during Vigilance Awareness Week-2016. In addition to this total 4200 individuals and 3703 students have taken e-pledge on CVC website till 31st March, 2017.

17. DIRECTORS

The following persons continued to be the Directors of your Company during the year under report :

1. Shri Rajiv R. Mishra,
Chairman-cum-Managing Director
2. Shri Animesh Bharti, Director
3. Shri B.K. Mishra, Director (Technical) OP
4. Dr. Sanjay Kumar, Director (Personnel)
5. Shri S.M. Choudhary, Director (Finance)
6. Shri Kirit N. Shelat, Director
7. Shri N. Ramarao, Director
8. Shri Indra Ghosh, Director
9. Shri Mahendrakumar Bhatt, Director

Shri S.S. Malhi, Director (Technical) ceased to be Director of your Company w.e.f. 01/08/2016.

Shri T.N. Jha joined your Company as Director (Technical) w.e.f. 01/08/2016 during the year under report.

Shri Vishal Agarwal, Chief Operations Manager, Central Railway, Mumbai joined your Company as Permanent Invitee on 06/06/2016 and ceased to be Permanent Invitee of your Company w.e.f. 22.12.2016 during the year under report.

Shri Rajiv Dutt Sharma, Chief Operations Manager, Central Railway, Mumbai joined your Company as Permanent Invitee w.e.f. 23/01/2017.

Shri R. Mohan Das, Part-time Official director ceased to Director of your Company w.e.f. 30/03/2017 during the year under report.

CORPORATE GOVERNANCE Company's Philosophy

Corporate Governance is a commitment backed by transparency in functioning, value and mutual trust among all the constituents of an organization. It is a self-imposed discipline which guides the management and employees to function towards the goal of the organization. It involves essentially a creative, generative and positive thinking activity that adds value to the stakeholders.

In your Company, Corporate Governance philosophy stems from our belief that Corporate Governance is a key element in improving efficiency and growth as well as enhancing outsiders confidence. We are making continuous efforts to adopt the best practice in Corporate Governance and we believe that the practice we are putting into place for the company shall go beyond adherence to regulatory framework.

As per self evaluation report on compliance of Corporate Governance Guidelines submitted to Ministry of Coal, Company achieved excellent rating i.e. 97.44% for the year 2015-16.

Board of Directors

Size of the Board

In terms of Articles of Association of the Company, strength of the Board shall not be less than two Directors and more than fifteen Directors. These Directors may be either whole time Functional Director or Part-time Directors.



Composition of the Board

As on 31st March, 2017, the Board comprised of Ten Directors, out of which five were whole time Functional Directors including the Chairman-cum-Managing Director. One Director was nominee of the Government of India and four Non-official Part-time Directors. In addition to this, Government has nominated one representative of Central Railway as Permanent Invitee on the Board of WCL. The appointment of other two permanent invitees each from Govt. Of Maharashtra and Govt. Of Madhya Pradesh, as per constitution of the Board, is yet to be made. The Directors bring to the Board wide range of experience and skill.

Board Meeting

The meeting of the Board of Directors are normally held at the Company's registered office at Nagpur. The Company has defined procedure for meeting of the Board of Directors and Committees thereof so as to facilitate decision making in an informed and efficient manner. 12 (Twelve) Board meetings were held during the financial year 2016-17 on 04.05.2016, 25.05.2016, 13.06.2016, 18.07.2016, 27.08.2016, 19.09.2016, 25.10.2016, 23/24.11.2016, 21.12.2016, 02.02.2017, 10.02.2017 and 09.03.2017 respectively.

Details of number of Board meetings attended by Directors are tabulated below :

Sl. No.	Directors	Meetings held during respective tenure of Directors	No. of Board Meetings attended	Number of Committee membership in the Company in 2015-16	
				As Chairman	As Member
FUNCTIONAL DIRECTORS					
1	Shri Rajiv R. Mishra, Chairman-cum- Managing Director	12	12	-	-
2	Shri S.S. Malhi, Director(Tech.) Operation	4	1	-	3

Sl. No.	Directors	Meetings held during respective tenure of Directors	No. of Board Meetings attended	Number of Committee membership in the Company in 2015-16	
				As Chairman	As Member
3	Shri B.K. Mishra, Director (Technical)(OP)	12	6	-	3
4	Dr. Sanjay Kumar, Director (Personnel)	12	12	1	1
5	Shri S.M. Choudhary, Director (Finance)	12	12	-	2
6	Shri T.N. Jha, Director (Technical) P&P	8	8	1	3
GOVERNMENT DIRECTORS					
7	Shri Animesh Bharti, Economic Adviser, Ministry of Coal	12	9	-	1
8	Shri R. Mohan Das, Director (P&IR), Coal India Limited	12	11	-	2
INDEPENDENT DIRECTORS					
9	Shri Kirit N. Shelat, Non-Official Part-time Director	12	12	1	-
10	Shri N. Ramarao, Non-Official Part-time Director	12	12	1	1
11	Shri Indra Ghosh, Non-Official Part-time Director	12	12	1	1
12	Shri Mahendrakumar Bhatt, Non-Official Part-time Director	12	12	-	1

Information placed before the Board of Directors

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

- Annual operating plans and budgets and any update
- Capital budget and any update
- Quarterly result of the Company
- Annual Report, Directors' Report etc.



- Minutes of all meetings of Sub-committees of the Board
- Fatal or serious accidents, dangerous occurrence etc.
- Operational highlights
- Award of large contracts
- Major investment, joint venture etc.
- Disclosure of interest by Directors about Directorship and position occupied by them in other companies
- Non-compliance of any regulatory, statutory requirement
- Utilization of equipment.
- Other materially important information

Audit Committee

The scope, constitution etc. of the Audit Committee is as per the provisions of Companies Act, 2013 and guidelines of Corporate Governance issued by Department of Public Enterprises.

Scope of Audit Committee

- a) Ensure compliance of internal control system
- b) Reviewing the financial statements with the management before submission to the Board for approval
- c) Reviewing the adequacy of internal audit function
- d) Review of related party transactions
- e) Discussions with internal auditors any significant findings and follow up thereon
- f) Recommendation to the Board for fixation of Audit Fees
- f) Discussions with Statutory Auditors
- g) Any other matter with the permission of the Chair

Constitution

The Audit Committee has been constituted with the membership of -

- i) Four Independent Directors, one being the

Chairman of the Audit Committee;

- ii) Nominee of Ministry of Coal (MOC), nominated on the Board of WCL;
- iii) Nominee of Coal India Limited, nominated on the Board of WCL;
- iv) Director (Finance) shall attend the meetings of the Audit Committee as an invitee.

Composition

During the year 2016-17, the Audit Committee comprised of the following :

Dr. Kirit N. Shelat	- Chairman
Non-official Part-time Director	
Shri Animesh Bharti	- Member
Part-time Official Director	
Shri R. Mohan Das	- Member
Part-time Official Director	
Shri N. Ramarao	- Member
Non-official Part-time Director	
Shri Indra Ghosh	- Member
Non-official Part-time Director	
Shri Mahendrakumar Bhatt	- Member
Non-official Part-time Director	
Shri B.K. Mishra	- Member
Director (Technical)	

Director (Finance) shall attend the meetings of the Audit Committee as an invitee.

Meetings and Attendance

During the year 2016-17, 10 (Ten) meetings of the Committee were held. The details of Audit Committee meetings attended by members are as under :

Members of Audit Committee	Meetings held during his / her tenure	Meetings attended
Dr. Kirit N. Shelat	10	10
Shri Animesh Bharti	10	7
Shri R. Mohan Das	10	9
Shri N. Ramarao	10	10
Shri Indra Ghosh	10	10
Shri Mahendrakumar Bhatt	10	10
Shri B.K. Mishra	1	1
Shri T.N. Jha	6	6



Remuneration Committee / Remuneration of Directors

Your Company, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. Independent Directors are paid only sitting fees at the rate fixed by the Board within the ceiling fixed under the Companies Act, 2013 for attending the Board Meetings as well as Committee Meetings. Details of remuneration of Functional Directors and Key Managerial Person of the Company for 2016-17 are given in Form MGT-9 attached with the report.

CSR COMMITTEE

Scope and constitution of CSR Committee is as per the provisions of the Companies Act, 2013. As on 31st March, 2017, the CSR Committee comprised of the following :

1. Shri N. Rama Rao, - Chairman
Non Official Part-time Director
2. Dr. Sanjay Kumar, - Member
Director (Personnel)
3. Shri T.N. Jha - Member
Director (Technical)

Meeting and attendance

During the year 2016-17, 6 (Six) meetings of the Committee were held and all the members of the committee attended the meetings.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee is a sub Committee under WCL Board which is responsible for the overall Risk Management at WCL.

During the year 2016-17, Risk Management Committee comprised of the following:

- Shri Indra Ghosh - Chairman
Non-official Part-time Director
- Shri R. Mohan Das - Member
Part-time Official Director
- Shri T.N. Jha - Member
Director (Technical)

Meetings and attendance

During the year 2016-17, 3 (Three) meetings of the Committee were held and all the members attended the meetings.

General Body Meetings / Annual General Meetings

Date, time and locations where the last three Annual General Meetings were held, are as under:

Date	: June 11, 2014	June 22, 2015	July 5, 2016
Time	: 11.00 A.M.	10.00 A.M.	11.00 A.M.
Venue	: Coal Estate, Civil Lines, Nagpur	Coal Estate, Civil Lines, Nagpur	Coal Estate, Civil Lines, Nagpur
Special Resolutions	: -	-	-

Disclosure

As per the disclosure given by the Directors of the Company, there were no material related party transactions that have potential conflicts with the interest of the Company. The financial statements are prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirement of the Companies Act, 2013.

Audit Qualifications

It is always the Company's endeavour to present unqualified financial statement. Management reply to the Statutory Auditors' observations on the Accounts of the Company for the year ended March, 2017 are furnished as an Annexure to the Directors' Report. Comments of the Comptroller and Auditor General of India under Sec. 143(6) of the Companies Act, 2013 on the Accounts of Western Coalfields Limited for the year ended 31st March, 2017 is also enclosed.

Whistle Blower Policy

Your Company is a fully owned subsidiary of Coal India Limited. Coal India has prepared and adopted Whistle Blower Policy which is also applicable to all its subsidiaries. Apart from that, your Company has an independent Vigilance Branch, headed by a Chief Vigilance



Officer. The Vigilance Branch, functioning under the overall guidance of Central Vigilance Commission, mainly lay stresses on preventive vigilance. Drop Box has been kept, where employees and others can report to the Vigilance Branch, concerns about unethical behaviour, actual or suspected fraud etc. and the complaints so lodged are reviewed by the Vigilance Branch and necessary action, as deemed fit, is taken while protecting the identity of the complainants.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct and Ethics for the Board members and Senior Management.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel in their business dealing and in particular on the matter relating to integrity at the work place, in business practices and in dealing with stakeholders.

All the Board members and Senior Management Personnel have confirmed compliance with the code.

AUDITORS:

In exercise of the powers conferred by the Company at the Extra-ordinary General Meeting held on 30th August, 2001, pursuant to provisions of section 142(1) of the Companies Act, 2013 the Board of Directors in its 282nd meeting held on 25th October, 2016 fixed the remuneration of Statutory and Branch Auditors appointed by the Comptroller and Auditor General of India, under section 139(5) of the Companies Act, 2013 for the financial year 2016-17.

In addition to annual audit, the auditors are appointed for carrying out review of 1st Quarter Accounts ended on 30th June 2016, 2nd Quarter Accounts ended on 30th September, 2016 and 3rd Quarter Accounts ended on 31st December, 2016 with fees for each quarter @ 25% of the annual audit fees of previous year.

The details of Auditors appointed, their fees and other expenses approved for Annual Audit, 1st, 2nd and 3rd Quarter Review are as under:

Statutory/Branch Auditors	Audit Fee	TA/DA and out-of pocket expenses
A Statutory Auditors :		
M/S V.K. Surana & Co, Chartered Accountants, Nagpur.	₹ 7,88,670/- for Annual Audit and ₹ 1,97,168/- each for 1 st , 2 nd & 3 rd Quarter Review, plus applicable taxes	At actuals, subject to maximum of actual fare plus DA for Partners / qualified assistants @ ₹140/- per day and for audit assistants @ ₹ 120/- per day for the actual Mondays engaged for audit of Areas/offices situated outside
B Branch Auditors		
M/S B Chhawchharia & Co Chartered Accountants, Nagpur.	₹ 82,031/- for review of 1 st Quarter ended on 30 th June, 2016 plus applicable taxes	- do -
M/S Rodi Dabir & Co Chartered Accountants, Nagpur.	₹ 3,28,125/- for Annual Audit and ₹ 82,031/- each for 2 nd & 3 rd Quarter Review, plus applicable taxes	- do -
M/S V K Ladha & Associates Chartered Accountants, Nagpur.	₹ 4,21,875/- for Annual Audit and ₹ 1,05,469/-each for 1 st , 2 nd & 3 rd Quarter Review, plus applicable taxes	- do -
M/S KPRK & Associates Chartered Accountants, Nagpur.	₹ 1,05,469/- for review of 1 st Quarter ended on 30 th June, 2016 plus applicable taxes	- do -
M/S Shah Baheti Chandak & Co, Chartered Accountants, Nagpur.	₹ 4,21,875/- for Annual Audit and ₹ 1,05,469/-each for 2 nd & 3 rd Quarter Review, plus applicable taxes	- do -
Total	₹ 19,60,545/- for Annual Audit and ₹ 4,90,137/- each for 1 st , 2 nd & 3 rd Quarter Review, plus applicable taxes	Actual TA/DA, limited to total ₹1,50,000/- for Annual Audit and Actual TA/DA, limited to total ₹ 75,000/- each for 1 st , 2 nd & 3 rd Quarter Review



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a. that in the preparation of the Annual Accounts for the financial year ended 31st March 2017, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b. that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. that the Directors have prepared the accounts for the financial year ended 31st March, 2017 on a 'Going Concern' basis; and
- e. that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. 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.

the accounts of your company would be available at the Company Headquarters for providing information to the shareholders of CIL, on demand, if any.

ACKNOWLEDGEMENTS

Your Directors express their gratitude to the Ministry of Coal, Government of India and Coal India Limited for their valuable assistance, support and guidance from time to time. The Directors thank various Ministries of the Central Government and the State Governments of Maharashtra and Madhya Pradesh for their valuable support.

The Directors also take this opportunity to acknowledge with thanks the assistance rendered by the sister organisations and Directorate General of Mines Safety.

Industrial Relations in the Company continued to be cordial. The Directors place on record their appreciation for the co-operation extended by the Trade Unions and Officers Association and all Steering Committee Members, Officers of Ministry of Labour and the team spirit shown by the employees at all levels towards the achievement of the objectives of the Company.

The Directors record the appreciation of services rendered by Statutory and Branch Auditors and the Officers and Staff of Comptroller & Auditor General of India, Department of Company Affairs, Company Law Board and Registrar of Companies, Maharashtra.

The Directors also extend their thanks to various important citizens of Nagpur, Maharashtra and Madhya Pradesh States, stationed in the Coalfields for their co-operation from time to time and also to the Steering Committee of WCL comprising of Trade Union representatives and Management.

ADDENDA

The following papers are annexed :

In pursuance to the provisions of section 134(3)(m) of the Companies Act, 2013, read with Companies Rule (8), Sub-Rule (3) of the Company (Accounts) rules, 2014, information in regard to the Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo is given in Annexure-I to this report.



The Secretarial Audit Report for the financial year ended 31st March, 2017 from Practising Company Secretary.

Corporate Governance Certificate, in compliance of conditions of Corporate Governance, from Practising Company Secretary.

Addendum to the Directors' Report under section 134(3)(f) of the Companies Act, 2013.

Comments of the Comptroller & Auditor General (C&AG) of India under section 143(6) of the Companies Act, 2013.

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

The following is a summary of Sexual harassment complaints received and disposed off during the year 2016-17

No. of complaints received : NIL

No. of complaints disposed off : NIL

For and on behalf of Board of Directors

(Rajiv R. Mishra)
Chairman-cum-Managing Director



ANNEXURE-I

A Conservation of Energy

(i) Steps taken

1. Energy Audit & benchmarking of electrical power consumption in Silewara UG & Gondegaon OC mine by an external agency.
2. Study of specific power consumption & benchmarking at Mathani UG & New Majri OC by CMPDIL.
3. Implementation of 50% of measures proposed in reports of Energy Audit & benchmarking for the year 2015-16.
4. Addition of 87 nos. capacitors to improve and maintain the power factor above 0.95.
5. 11741 nos. LED lights have been installed in offices and for street lighting.
6. Installation of additional 70 nos. of auto timers in street light circuits.
7. Installation of 5 nos. UG bunker to eliminate idle running of belt conveyors in underground mines.
8. Installation of de-watering pumps on float in OC mines during monsoon season.
9. Re-organization of LT OH Line by Aerial Bunched Cable of 20.5 KM.
10. Elimination or reduction of stage pumping as far as practicable.
11. Replacement of existing old / undersized diameter pipeline with suitable size pipeline.

(ii) Steps taken by the company for utilising alternate sources of energy

1. During the year, solar power of 172310 kWh was generated from installed solar power system of 80 kW at Nagpur Area & 60kW at Ballarpur Area.
2. Further planned for installation of Solar Power system of 1257 kW and 50 MW Solar Project.

(iii) Expenditure of ₹ 3.82 Crores was incurred on energy conservation measures during the year

(iv) Impact of energy conservation measures

Power consumption during FY 2016-17 has reduced over previous year by 4.21% i.e. 24.755 Million kWh, due to implementation of various energy conservation measures and reduction in industrial power requirement.

**B. FORM 'B', Disclosure of Particulars with respect to Technology Absorption, is enclosed****C. FOREIGN EXCHANGE EARNING AND OUTGO**

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

(₹ crores)

Particulars	Current year	Previous year
(A) Foreign Exchange earned (inflow)	0.00	0.00
(B) Foreign Exchange used (outflow)	0.06	1.45



Form 'B'
Disclosure of Particulars with respect to Technology Absorption

A. Mining Technology

1. Continuous Miner

Deployment of Continuous miner is planned at Jamunia (2 Nos.), Dhankasa (2 Nos.) UG mines of PENCH Area and Tawa-II (1 No.), Gandhi gram (3 Nos.) UG mines of Pathakhera Area.

2. Surface miner

Excavation of coal in OC Mines by surface Miner is more environmental friendly as it eliminates drilling, blasting and crushing with added safety. Moreover, it is conducive for ensuring and maintaining the quality of coal as selective mining with exclusion of thin bands of shale/stone is feasible.

Surface Miner at Penganga OCP deployed in the year 2015-16 was successful. Further planned for deployment of another Surface miner at Penganga OCP and one Surface miner at Yekona-II OCP.

3. Application of Man Riding System in UG Mines

In order to eliminate fatigue to the workmen due to long and arduous travel in UG mines and to improve the efficiency, man riding systems have been introduced in 10 mines of WCL. During the year 2016-17, Supply order for two Chair Lift Man riding systems was placed and supplied. Man riding system at Nehariya UG mine was installed and commissioned whereas the installation of Man riding System at Rajur UG mine is in process.

4. Universal Drilling Machines

WCL has played a leading role in mechanizing face drilling as well as drilling for roof support. In this pursuit, 07 Nos. of UDMs were added during 2016-17, in addition to 48 UDMs already in operation at different mines.

B. Non-Mining Technology (Innovation)
Sand Segregation from Overburden (OB)

A green initiative to segregate sand from overburden of coal has been taken & a in-house designed plant for this purpose was installed at Bhanegaon OCM, Nagpur during 2016-17. MoU has been signed with Nagpur Improvement trust (NIT) for supply of segregated sand to low cost housing projects under PMAY (Pradhan Mantri Awas Yojana).

**FORM NO. MGT 9**
EXTRACT OF ANNUAL RETURN**As on financial year ended on 31-03-2017***Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014***I. REGISTRATION & OTHER DETAILS :**

1.	CIN	U10100MH1975GOI018626		
2.	Registration Date	29 October 1975		
3.	Name of the Company	Western Coalfields Limited		
4.	Category/Sub-category of the Company	Private Company/Government Company		
	Address of the Registered office & contact details	Coal Estate, Civil Lines, Nagpur	440001, Maharashtra	
		Contact No. : 0712-2511216	Fax No. : 0712-2511216	
		Email Id. : ramehar@westerncoal.gov.in		
6.	Whether listed company	No		
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable		

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :*[All the business activities contributing 10% or more of the total turnover of the company shall be stated]*

SL. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Coal Mining	051-05101 and 051-05102	100.0

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

SL. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Share Held	Applicable Section
1	Coal India Limited	L23109WB1973GOI028844	Holding	100	2(46)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-04-2016]				No. of Shares held at the end of the year [as on 31-03-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian:									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	2971000	2971000	100.0	0	2971000	2971000	100.0	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	2971000	2971000	100.0	0	2971000	2971000	100.0	0.00
(2) Foreign:									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI.	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	0	2971000	2971000	100.0	0	2971000	2971000	100.0	0.00
Total shareholding of Promoter (A)	0	2971000	2971000	100.0	0	2971000	2971000	100.0	0.00
B. Public Shareholding									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0



(2) Non-Institutions

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-04-2016]				No. of Shares held at the end of the year [as on 31-03-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Bodies Corporate:									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals:									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders	0	0	0	0	0	0	0	0	0
c) Others (specify):									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	2971000	2971000	100.0	0	2971000	2971000	100.0	0.00



ii) Shareholding of Promoter :

SL. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 01-04-2016]			Shareholding at the end of the year [as on 31-03-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Coal India Limited	2971000	100.0	0.00	2971000	100.0	0	0.00

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

SL. No.	Particulars	Shareholding at the beginning of the year [as on 01-04-2016]		Cumulative Shareholding during the year [2016-17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2971000	100.0	2971000	100.0
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)				
3.	At the end of the year	2971000	100.0	2971000	100.0

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

SL. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 01-04-2016]			Shareholding at the end of the year [as on 31-03-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	-	-	-	-	-	-	-	-



v) Shareholding of Directors and Key Managerial Personnel :

SL. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Cumulative Shareholding during the Year [2016-17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Rajiv Ranjan Mishra Chairman-cum-Managing Director, Western Coalfields Limited				
	At the beginning of the year	1	Nil	1	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	1	Nil	1	Nil
2.	Shri Animesh Bharti Government Director (Part time)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
3.	Shri. R. Mohan Das Government Director (Part time)				
	At the beginning of the year	1	Nil	1	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	1	Nil	1	Nil
4.	Shri S.S. Malhi Director (Technical) upto 01/08/2016				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil



SL No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Cumulative Shareholding during the Year [2016-17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Shri B.K.Mishra Director (Technical)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
6.	Shri Sanjay Kumar Director (Personnel)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
7.	Shri S.M.Choudhary Director (Finance)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
8.	Shri T.N. Jha Director (Technical) w.e.f. 01/08/2016				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil



SL No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [as on 01-04-2016]		Cumulative Shareholding during the Year [2016-17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Shri Kirit N Shelat, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
10	Shri N Ramarao, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
	Shri Indra Ghosh, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
12	Shri Mahendrabhai Bhatt Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil
13	Shri Rameher, Company Secretary				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil



V. INDEBTEDNESS

Indebtedness of the Company including interest out standing/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

S N	Particulars of Remuneration	Name of Managing Director /Whole Time Director					Total Amount	
		Shri Rajiv Ranjan Mishra	Shri S.S.Malhi	Shri B K Mishra	Shri Sanjay Kumar	Shri S M Choudhary		Shri T.N. Jha (appointed as Director w.e.f 01/08/2016
1	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,55,201.45	7,43,704.53	22,98,682.45	20,32,379.25	23,92,861.95	16,81,793.85	1,16,04,623.48
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,52,389.00	41,218.00	2,46,145.00	2,12,653.00	32,400.00	1,08,485.00	8,93,290.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961							
2	Stock Option							
3	Sweat Equity							
4	Commission - as % of profit - others, specify							
5	Others, please specify*							
	Leave Encashment		15,89,229.0	1,59,704.00		1,58,880.00		19,07,813.00
		31,40,651.00	15,88,793.00	17,69,420.00	8,21,002.00	12,84,734.00		
	PF & FP	2,49,767.00	2,80,075.00	2,47,830.00	2,07,105.00	2,45,256.00	1,57,806.00	13,87,839.00
		14,289.00	15,870.	37,002.00	6,878.00	24,421.00	2,448.00	
	Gratuity		10,00,000.00					10,00,000.00
	Total (A)	61,12,297.45	52,58,889.53	47,58,783.45	32,80,017.25	41,38,552.95	20,00,339.85	2,55,48,880.48
	Ceiling as per the ACT							

*includes Medical Reimbursements, Provident Fund & Family Pension, Gratuity, Encashment of Leave and Profit related pay



B. Remuneration to Other Directors:

S N	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Shri Kirit N Shelat	Shri Ramarao Nuthakki	Shri Indra Ghosh	Shri Mahendrabhai T Bhatt	
1	Independent Directors:					
	Fee for attending board committee meetings	4,50,000.00	5,45,000.00	4,85,000.00	4,30,000.00	19,10,000.00
	Commission					
	Others, please specify					
	Total (1)	4,50,000.00	5,45,000.00	4,85,000.00	4,30,000.00	19 10 000 00
2	Other Non-Executive Directors:	No Non-Executive Directors were present during the year				NA
	Fee for attending board committee meetings			0		0
	Commission			0		0
	Others, please specify			0		0
	Total (2)			0		0
	Total (B)=(1+2)					19,10,000.00
	Total Managerial Remuneration					2,74,58,880.48
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:**

SL. No.	Particulars of Remuneration I	Key Managerial Personnel	Total Amount (Rs.)
		Shri Rameher, CS	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,38,540.00	22,38,540.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit Others, specify...		
5.	Others, please specify	18,05,260.00	18,05,260.00
	P R P	12,69,736.00	
	PF & FP	2,40,769.00	
	MRS	5015.00	
	Total	40,43,800.00	40,43,800.00

*includes Medical Reimbursement, Provident Fund & Family Pension, Profit related pay.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY:					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS:					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT:					
Penalty					
Punishment			None		
Compounding					



ADDENDUM TO DIRECTORS' REPORT

UNDER SECTION 134(3) and 143(3) OF THE COMPANIES ACT, 2013

AUDITOR'S REPORT TO THE MEMBERS OF WESTERN COALFIELDS LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of WESTERN COALFIELDS LIMITED ('the Company') (A Subsidiary of Coal India Limited), which comprise the Balance Sheet as at 31 March, 2017, 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 a summary of significant accounting policies and other explanatory information. The Ind AS financial statements audited by us incorporate the Ind AS Financial Statements of:-

a) 5 Areas (Branches) audited by us, and

b) 11 Areas (Branches) audited by Area (Branch) Auditors which are as under:

i) Pench ii) Majri iii) Patharkheda iv) Kanhan v) Wani (Urjagram) vi) Wani North vii) Central Workshop Tadali viii) Umrer ix) Ballarpur x) Chandrapur xi) Nandan Washery, Kanhan.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters-

SI No.	Audit Observation	Management Reply
a)	The company has not yet appointed at least One Woman Director on the Company's Board, contravention to provisions of section 149(1) of the Companies Act 2013.	This being a Statement of fact. Appointment of Directors and Independent Directors is looked after by PESB and Government of India
b)	In most of the cases the Balance Confirmations / reconciliation of Loans and Advances, Trade Receivables, Other Current Assets, Trade Payable and other Current Liabilities as on 31 March'17 is not received and the same is under process. Refer Note 35(5)(m) to the Ind AS financial statement	There is an inbuilt system of periodic reconciliation of dues with debtors. However, confirmation letters have also been issued to parties. Similarly balance confirmation letters have also been issued to creditors.

Our opinion is not modified in respect of this matter.

Other Matters

- The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements



prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us, whose report for the year ended 31st March 2016 and 31st March 2015 dated 25th May 2016 and 5th June 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

- b) We did not audit the financial statements/information of 11 Areas (Branches) included in the Ind AS financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 5705.64 Crores as at 31st March, 2017 and total revenues of ₹ 6482.17 Crores for the year ended on that date. The financial statements/information of these areas (branches) have been audited by the area (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 areas (branches), is based solely on the report of such area (branch) auditors.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required under section 143(5) of the Companies Act, 2013, we give in the Annexure "A", a statement on the directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statement of the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the paragraph 3 and 4 of the Order.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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.
 - (c) The report on the accounts of the Areas (Branches) of the Company, audited under section 143 (8) by area (branch) auditors has been sent to us and have been dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder, but subject to the following:



AUDIT OBSERVATION	MANAGEMENT REPLY
(i) As stated in footnote no. 3.4 to Note No.3, 'Assets Taken over on Nationalization' of the company with Gross Value of ₹ 9.07 crores, Accumulated Depreciation of ₹ 9.06 crores and Carrying Value of ₹ 0.01 crores are not classified into proper sub-head within fixed assets	The detailed records are not available for the taken over assets. However, Net Residual value/ WDV of all such Assets is ₹ 1.00 lakh. The value of these assets is very meagre & hence immaterial.
(ii) As stated in footnote no. 3.5 to Note No.3, finalization of purchase consideration of certain fixed assets taken over by company from the Coal Mines Labour Welfare Organization is still pending. This has impact on reported figures of Carrying Value of such Property, Plant & Equipment and Retained Earnings and also on the presentation of Property, Plant & Equipment. The impact however is not ascertainable and shown as Contingent Liability.	Assets were taken over from Coal Mines Labour Welfare organisation (CMLWO) through administrative orders issued by the concerned ministries and no purchase consideration was fixed.
(f) Sub-section (2) of section 164 of the Companies Act, 2013 is not applicable to the Company being the Government Company; and	This being a statement of fact calls for no comments
(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 our separate report in "Annexure C"; and	
© (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:	This being a statement of fact calls for no comments
(l) The Company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statements – Refer Note 35 (4) to the Ind AS financial statements;	



AUDIT OBSERVATION	MANAGEMENT REPLY
(i) (ii) The company did not have any long term contracts including derivatives contracts, which require provision for material foreseeable losses.	This being a statement of fact calls for no comments
(i) (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.	This being a statement of fact calls for no comments
(i) (iv) The Company has provided requisite disclosures in the Notes to accounts of Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on our enquiries, test check of books of accounts and other details maintained by the company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 35(5)(k)(17) to the Ind AS financial statements.	This being a statement of fact calls for no comments

For V. K. Surana & Co.
Chartered Accountants

CA. Sudhir Surana
Partner
Membership No. 43414
Firm Reg. No.: 110634W

May 25, 2016
Nagpur



ANNEXURE "A" TO THE AUDITOR'S REPORT OF

WESTERN COALFIELDS LIMITED FOR THE YEAR ENDED 31st MARCH 2017

(As referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report on the statement of Directions & Sub Directions under section 143(5) of Companies Act 2013, Issued by the Comptroller and Auditor General of India for the year 2016-17.)

1) Directions under section 143(5) of the Act

SL. No	Details / Directions	Auditor's Reply	Management
1	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?	As per information and explanations provided to us, the company / areas have clear the title deeds of all Land except land of 2126.30Hect, - Umrer– 807.76 Hect Majri – 707.79 Hect Wani North – 216.61 Hect Pench– 202.05 Hect Nagpur – 178Hect Wani– 14.09 Hect The compilation of above title deeds of lands is under process with Land and Revenue Department.	Purchase of land made in the March'2017 for new mines like Dinesh O/C, Yekona O/C, Kolarpimpri extension and New Sethia etc., for which compilation of title deeds is under process. Further mutation of land acquired under Coal Mines (Nationalisation) Act 1972 as well as CBA Act 1950, does not arise in law as its right, title and interest remains vested absolutely in the Central Government, which is on transfer, exercised by WCL, a Govt. company.
2	Whether there are any cases of waiver/ write off of debts / loans / interest etc., if yes, the reasons there for and amount involved.	No such cases are observed during Financial Year 2016-2017	This being a statement of fact calls for no comments.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift / grant(s) from the Govt or others authorities.	No Inventories are lying with third parties & no assets are received as gifts / grants from the Government or other authorities during the Financial Year 2016-2017.	This being a statement of fact calls for no comments.



2) Additional Directions under section 143(5) of the Companies Act, 2013

SL. No	Details / Directions	Auditor's Reply	Management Reply
1	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?	<p>1. Yes. Stock Measurement was done keeping in view the contour map.</p> <p>2. Yes. Physical stock measurement reports are accompanied by contour map in all cases</p> <p>3. Yes. New Heap is created in some mines as per approval of Competent Authority.</p>	This being a statement of fact calls for no comments.
2	Whether the company conducted physical verification exercise of assets and properties at the time of merger / split / re-structure of an Area. If so, whether the concerned subsidiary followed the requisite procedure?	No merger / split / re-structure have been carried out during the Financial Year 2016-17. And hence not applicable.	This being a statement of fact calls for no comments.
3	Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) across the subsidiaries have been considered during the preparation of Annual Accounts for the year 2016-17.	At WCL Company level, uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project affected persons (PAPs) have been done during the preparation of Ind AS Financial Statement for the year 2016-17.	This being a statement of fact calls for no comments.
4	Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined. . If so, these are to be quantified and intimated to C&AG Audit.	<p>The disputes as to GCV ranges as a result of sampling done by CIMFR have been examined and suitable provision is being done.</p> <p>Summarised details are as under:</p> <p>a) Total Despatch Quantity for which CIMFR is applicable – 15254434 MT</p>	<p>This being a statement of fact.</p> <p>Necessary Provision to the tune of ₹ 238.58 crores has been made for Grade Slippage as per sampling of CIMFR for which report yet to be received.</p>



SL. No	Details / Directions	Auditor's Reply	Management Rep
		<p>b) Qty for which CIMFR reports received & accepted by Nagpur Area – 5214380 MT</p> <p>c) Qty for which CIMFR reports received & but not accepted and referred to referee– 4279090 MT Out of above 4279090 MT, results of Referee received and accepted by Company is 471598 MT. And for balance 3807492 MT results of Referee awaited as on audit cut-off date.</p> <p>d) Qty for which CIMFR Reports are not received till the audit cut-off date – 5760964 MT.</p> <p>For the cases where sampling results / reports is not received till the audit cut-off date involving 9568456 MT (3807492 + 5760965), suitable provision is done based on past sampling results.</p>	



**ANNEXURE "B" TO THE AUDITOR'S REPORT OF
WESTERN COALFIELDS LIMITED FOR THE YEAR ENDED 31st MARCH 2016
(As referred to in Paragraph 2 of Report on Other Legal and Regulatory
Requirements forming part of our report of even date)**

AUDIT OBSERVATION	MANAGEMENT REPLY
<p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, <i>except for assets taken over from Coal Mines Authority on Nationalization and those taken from Coal Mines Rescue Station and Coal Mines Labour Welfare Organization, which have not been recorded</i> and the situation is described in Fixed Asset register as at concerned mine only.</p>	<p>Assets were taken over from Coal Mines Labour Welfare organisation (CMLWO) through administrative orders issued by the concerned ministries and no purchase consideration was fixed. Also, lease of Coal mines nationalised under Coal Mines (Nationalisation) Act, 1973 were vested in Coal Mines Authority Limited by statutory order No. GSR/345 dated 9th July'1973, New Delhi. Further as per Gazette Notification No.45/2000 dated 8.12.2000, all title /lease deeds are deemed to have been vested with the subsidiary concern.</p>
<p>(b) The Physical verification of Plant & Machinery and Vehicles valuing Rs. 1 Lac and above as on 31.03.2017 has been done by Departmental Committee at respective areas and no material discrepancies were noticed on such verification.</p> <p>Physical verification of remaining assets has been carried out as per policy of the company in a phased manner over a period of three years.</p> <p>In respect of CBE Plant Bhandara, fixed assets are in the custody of the management of Ordinance Factory and as stated the same are physically verified by them and no material discrepancy is reported on such verification.</p> <p>In respect of DFD Plant, Hinganghat, major items of fixed assets are physically verified by the management. No material discrepancy is reported to have been noticed on such verification.</p>	<p>This being a statement of fact calls for no comments</p> <p>This being a statement of fact calls for no comments</p> <p>This being a statement of fact calls for no comments</p> <p>This being a statement of fact calls for no comments</p>



AUDIT OBSERVATION	MANAGEMENT REPLY
<p>(c) As per information and explanations provided to us, title deeds / lease deeds of all Land are held in the name of Company / respective area except land of 2126.30Hect. As explained, the compilation of above title deeds of lands is under process with Land and Revenue Department. Some of the title deeds / lease deeds for land, building and moving rights are continue to be held in the name of Coal India Limited and National Coal Development Corporation Limited.</p>	<p>Purchase of land made in the March'2017 for new mines like Dinesh O/C, Yekona O/C, Kolarpimpri extension and New Sethia etc., for which compilation of title deeds is under process. Further mutation of land acquired under Coal Mines (Nationalisation) Act 1972 as well as CBA Act 1950, does not arise in law as its right, title and interest remains vested absolutely in the Central Government, which is on transfer, exercised by WCL, a Govt. company.</p>
<p>(ii) The stock of coal has been physically verified at reasonable intervals by the management by adopting volumetric measures. The physical verification of stock of coal as on 31.03.2017 has been done by a team appointed by Coal India Ltd. In accordance with Company's Policy. Due to approximate nature of the method of measurement, no adjustment is made in the books of accounts in case the difference between books stock of coal and volumetrically measured physical stock of coal is within (+/-) 5%,</p> <p>Physical verification of stock of stores & spares as on 31st March 2017 of Regional Stores and Charged off Stores has been carried out by an independent firm of Chartered Accountants / Cost Accountants appointed for this purpose.</p> <p>No material discrepancies are reported on such physical verification.</p>	<p>This being a statement of fact, closing stock of coal is measured volumetrically and converted to weight (tonne) by applying the identified conversion factor. To take care of the inherent approximation error of volumetric measurement and subsequent conversion thereof to weight by applying a mathematically determined conversion factor, the variance of (+/-) 5% between book stock and physical stock is ignored as per Accounting Policy of the Company.</p> <p>This being a statement of fact calls for no comments</p> <p>This being a statement of fact calls for no comments</p>
<p>(iii) 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 u/s 189 of the Companies Act, 2013 and accordingly, Paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.</p>	<p>This being a statement of fact calls for no comments</p>



AUDIT OBSERVATION	MANAGEMENT REPLY
(iv) As per information and explanation given to us, Company has not sanctioned any loans, investments, guarantees and Security within the provision of section 185 and 186 of Companies Act 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable.	This being a statement of fact calls for no comments
(v) The Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.	This being a statement of fact calls for no comments
(vi) Maintenance of cost records has been made specified by the Central Government under section 148(1) of the Act. As per information and explanation provided to us, the required accounts and records are being made and maintained at respective Area offices. We however have not made detailed examination of such record.	The cost records as required by the notification are being maintained by respective areas
(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty Of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities applicable to the company. As explained to us, the employee's state insurance is not applicable to the company. According to the information and explanation given to us, no material undisputed arrears of statutory dues were outstanding as on 31st March, 2017 for a period of more than six months from the date they become payable.	The company is regular in depositing the statutory dues with the appropriate authorities in time
(b) According to information and explanations given to us, there are no material dues of duty of customs which have not been deposited with appropriate authorities on account of any dispute. However, according to information and explanations given to us, the dues of income tax, sales tax, duty of excise, service tax and value added tax	This being a statement of fact calls for no comments



AUDIT OBSERVATION	MANAGEMENT REPLY
<p>which have not been deposited by the company on account of disputes and the forum where the dispute is pending are given in Annexure 1 attached herewith.</p>	
<p>(viii) As per information and explanation given to us Company does not have any loans or borrowings from financial institutions, bank, Government or any dues to Debenture holder during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.</p>	<p>This being a statement of fact calls for no comments</p>
<p>(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.</p>	<p>This being a statement of fact calls for no comments</p>
<p>(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.</p>	<p>This being a statement of fact calls for no comments</p>
<p>(xi) As per notification No. G.S.R. 463 (E). dated 5th June' 2015 issued by Ministry of Corporate Affairs, Provisions of section 197 of Companies Act 2013 is not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.</p>	<p>This being a statement of fact calls for no comments</p>
<p>(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.</p>	<p>This being a statement of fact calls for no comments</p>
<p>(xiii) According to the information and explanation given to us and based on our examination of records, the Company has not entered into any transactions with related parties during the year except with state controlled enterprises against which provisions of section 188 of Companies Act 2013 is not applicable, being Government Company as per Notification No. - G.S.R. 463(E) dated 5th June'2015. Further, under Ind AS 24 - Related Party Disclosure, these transactions are exempted and therefore no disclosure required.</p>	<p>This being a statement of fact calls for no comments</p>



AUDIT OBSERVATION	MANAGEMENT REPLY
(xiv) As per information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the Order is not applicable.	This being a statement of fact calls for no comments
(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 any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.	This being a statement of fact calls for no comments
(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.	This being a statement of fact calls for no comments

For V. K. Surana & Co.
Chartered Accountants

CA. Sudhir Surana
Partner
Membership No. 43414
Firm Reg. No.: 110634W
Nagpur, May 25, 2016



Annexure – 1
Statement of Disputed Statutory Dues referred to in clause (vii)(b)
Annexure 'B' of our report of even date in respect of
Western Coalfields Ltd., Nagpur.

Details of Disputed Liabilities are given below:-

Name of Statute	Nature of Dues	Amount (₹)	Periods to which the amount relates	Form where dispute is Pending
Central Excise Department	Central Excise on Royalty & SED	24,221,786,366	2015-16	CESTAT, Mumbai
	Cenvat Credit	344,802,678	2016-17	CESTAT, Mumbai
		5,806,680		Commissioner (Appeals), Nagpur
Finance Act	Cenvat Credit	35,085,483	2016-17	Commissioner (Appeals), Nagpur
	Service Tax	2,894,375,058	2015-16,2016-17	CESTAT, Mumbai
		8,280,672	2016-17	Commissioner (Appeals), Nagpur
MVAT Act	Sales Tax	181,925,000	2010-11	AO, ST NAGPUR
		1,228,845,000	2011-12,2009-10, 2012-13 ,2006-07, 2007-08	Appellate Authority, Nagpur
		943,166,000	2005-06, 2008-09	MSTT, Mumbai
Central Sales Tax Act, 1956	Central Sales Tax	1,336,296	1998-99,2004-05, 2008-09	A.C, Jabalpur
		37,244,697	2009-10,2013-14, 2014-15	Addl. Comm., Jabalpur
		19,047,974	2010-11,2012-13, 2013-14	Addl. Commissioner
		44,481,992	2005-06,2006-07, 2007-08,2011-12	Appellate Board
		24,921,994	2012-13	Appellate Board, Bhopal
		746,280	2005-16	D.C. Chhindwara
	Sales Tax	626,518,000	2003-04,2006-07,2007-08,2009-10,2010-11,2011-12,2012-13,2013-14	Appellate Authority, Nagpur



Name of Statute	Nature of Dues	Amount (₹)	Periods to which the amount relates	Form where dispute is Pending
		416,902,000	1989-90,1994-95,1997-98,2002-03,2004-05,2005-06,2008-09	MSTT, Mumbai
Bombay Sales Tax Act, 1959	Entry Tax	59,000	-	Sales Tax, Tribunal, Nagpur
	Sales Tax	83,661,000	2003-04	Appellate Authority, Nagpur
		345,137,000	1993-94,1994-95,2001-02,2002-03,2004-05	MSTT, Mumbai
Income Tax Act	Perks on Income Tax	22,156,000		ITAT, Nagpur
MP State Govt. Sales Tax, 2002	Central Sales Tax	5,391	2000-01	For revision With Dy Comm. Bhopal
	Entry Tax	2,580,187	2001-02,2004-05,2005-06,1998-99,2011-12,2012-13	Appeal Dy. Comm. Bhopal
		1,521,271	2004-05	Appellate Board, Bhopal
		522,401	2009-10	Addl. Commissioner
	State Sales Tax	41,580,689	2001-02,2003-04, 2005-06,1998-99, 1986-87,2006-07, 2007-08,2008-09, 2009-10,2010-11 2011-12,2012-13, ,2013-14,201415	Appeal Dy. Comm. Bhopal
		33,781,778	2007-08,2008-09, 2009-10,2010-11, 2011-12,2012-13, 2013-14,2006-07	Appellate Board
		1,412,016	2000-01,2004-05	Appellate Board,
Grand Total		31,567,688,903		



**ANNEXURE "C" TO THE AUDITOR'S REPORT OF
WESTERN COALFIELDS LIMITED FOR THE YEAR ENDED 31st MARCH 2017**

(As referred to in Paragraph 3 (g) of Report on Other Legal and Regulatory Requirements forming part of our 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 WESTERN COALFIELDS LIMITED ('the Company') (A Subsidiary of Coal India Limited) as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date. The Internal Financials Controls over financial reporting audited by us incorporate the:-

- a) 5 Areas (Branches) audited by us, and
- b) 11 Areas (Branches) audited by Area (Branch) Auditors

The reports of Branch Auditors have been furnished to us and have been appropriately dealt with by us in preparing this report.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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, 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 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 Ind AS 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 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, 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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 insofar as it relates to 11 Areas (Branches), which are Areas (Branches) of the Company, is based on the corresponding reports of the Area (Branch) auditors.

For V. K. Surana & Co.

Chartered Accountants
Firm Reg. No.: 110634W

CA. Sudhir Surana

Partner
Membership No. 43414
Nagpur, May 25, 2017



Ramanuj Asawa
B.Com., F.C.S.
Company Secretary

#205, 2nd Floor, "HIMALAYA ENCLAVE"
I. SHIVAJINAGAR, GANDHINAGAR SQUARE,
OPP. IAD COLLEGE, NORTH AMBAZARI ROAD,
NAGPUR 440010.
Cell: 9423880361, 9422095636, 9422803662
Ph. No. 0712-2221217
e-mail: asawaramanuj@gmail.com
ramanuj.asawa@gmail.com

Corporate Governance Certificate

To,
The Members,
Western Coalfields Limited
Coal Estate
Nagpur-440001

We have examined the compliance of conditions of Corporate Governance by Western Coalfields Limited for the year ended 31st March 2017 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India, vide O.M. No. 18(8)/2005- GM dated 14th May 2010.

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 (except a few which are under progress) of Corporate Governance as stipulated in the above mentioned OM dated 14th May 2010.

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.

Place: Nagpur
Date: 30/06/2017



RAMANUJ ASAWA
(Company Secretary)
F.C.S. No. 3107
C. P. No. 1872



Ramanuj Asawa
B.Com., F.C.S.
Company Secretary

#205, 2nd Floor, "HIMALAYA ENCLAVE"
1, SHIVAJINAGAR, GANDHINAGAR SQUARE,
OPP. LAD COLLEGE, NORTH AMBAZARI ROAD,
NAGPUR 440010.
Cell: 9423880361, 9422095636, 9422803662
Ph. No. 0712-2221217
e-mail: asawaramanuj@gmail.com
ramanuj.asawa@gmail.com

SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2017
(FORM NO. MR-3)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Western Coalfields Limited
Coal Estate
Nagpur-440001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Western Coalfields Limited**, a Mini-Ratna PSU (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 ("**Audit Period**"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under (**Not applicable to the Company during the Audit Period**);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (**Not applicable to the Company during the Audit Period**);
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);





- (v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (vi) Other laws applicable to the Company as per the representations made by the Management.

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

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

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company has represented to Ministry of Coal, Government of India, for nominating Woman Director on the Board of **Western Coalfields Limited**.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously.

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

Place: Nagpur
Date: 30/06/2017



RAMANUJ ASAWA
(Company Secretary)
F.C.S. No. 3107
C. P. No. 1872

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

Annexure-A

To,
The Members,
M/s Western Coalfields Limited
Coal Estate
Nagpur-440001.

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

- a. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. Where ever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- f. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Nagpur
Date: 30/06/2017



RAMANUJ ASAWA
(Company Secretary)
F.C.S. No. 3107
C. P. No. 1872



Under Jurisdiction of Nagpur Court Only"
WESTERN COALFIELDS LIMITED
(A Govt. of India Undertaking)

CIN : U10100MH1975GOI018626

Website: westerncoal.nic.in



Regd. Office: Coal Estate, Civil Lines,
Nagpur-440001

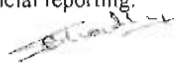
Tel/Fax: 0712-2511381/2510038

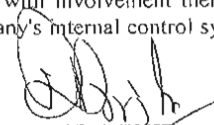
To,
The Board of Directors,


CEO AND CFO CERTIFICATION

We, Chairman-Cum-Managing-Director and Director(Finance), responsible for the finance function certify that:

- a. We have reviewed the Financial Statements of the Company for the year ended on 31st March 2017 together with Accounting Policies and Additional Notes thereon as well as Financial Results for the year ending 31st March 2017 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that to the best of our knowledge and belief:
 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31st March 2017 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that:
 - i) There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the period; However, there were changes in measurement and recognition of certain income / expenses and assets / liabilities necessitated by implementation / transition to Ind AS w.e.f. 01.04.2015, which have been adequately disclosed in appropriate places in Significant Accounting Policies and Notes to the Financial Statements and
 - iii) We have not become aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.


CA. S.M. CHAUDHARY
Director (Finance)
(DIN 07478302)


RAJIV R. MISHRA
Chairman-Cum-Managing-Director
(DIN 05103300)

Date: /05 /2017 



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF WESTERN COALFIELDS LIMITED
FOR THE YEAR ENDED 31 MARCH 2017.

The preparation of financial statements of Western Coalfields Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25.05.17

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of Western Coalfields Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

(Reena Saha)

Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-II
Kolkata

Place: Kolkata
Dated: 13 June 2017

**WESTERN COALFIELDS LTD**

(A Miniratna Company)

BALANCE SHEET

(₹ in Crore)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016 (Restated)	As at 01.04.2015 (Restated)
ASSETS				
A. Non-Current Assets				
(a) Property, Plant & Equipment	3	3,538.59	3,072.91	2,058.87
(b) Capital Work in Progress	4	376.59	237.40	221.84
(c) Exploration and Evaluation Assets	5	300.41	259.99	197.27
(d) Other Intangible Assets	6	9.99	9.99	9.99
(e) Financial Assets				
(i) Loans	8	3.83	5.18	6.81
(ii) Other Financial Assets	9	1,596.44	1,244.41	968.30
(f) Deferred Tax Assets (net)		806.24	520.88	464.13
(g) Other non-current assets	10	80.03	87.75	81.37
Total Non-Current Assets (A)		6,712.12	5,438.51	4,008.58
B. Current Assets				
(a) Inventories	12	1,765.21	1,034.64	747.12
(b) Financial Assets				
(i) Investments	7	0.10	114.36	137.31
(ii) Trade Receivables	13	854.33	832.13	672.92
(iii) Cash and Cash equivalents	14	57.15	402.06	853.09
(iv) Other Bank Balances	15	870.53	2,262.01	3,317.22
(v) Other Financial Assets	9	610.88	188.85	354.56
(c) Current Tax Assets (Net)		926.56	871.90	818.40
(d) Other Current Assets	11	215.69	269.14	187.47
Total Current Assets (B)		5,300.45	5,975.09	7,088.09
Total Assets (A+B)		12,012.57	11,413.60	11,096.67



(₹ in Crore)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
EQUITY AND LIABILITIES				
A. Equity				
(a) Equity Share Capital	16	297.10	297.10	297.10
(b) Other Equity	17	2,260.03	3,024.50	3,580.70
Equity attributable to equityholders of the company		2,557.13	3,321.60	3,877.80
Total Equity (A)		2,557.13	3,321.60	3,877.80
B. LIABILITIES				
B.1 Non-Current Liabilities				
(a) Financial Liabilities				
Other Financial Liabilities	19	6.42	6.54	6.45
(b) Provisions	20	5,138.16	4,847.32	4,199.58
Total Non-Current Liabilities (B.1)		5,144.58	4,853.86	4,206.03
B.2 Current Liabilities				
(a) Financial Liabilities				
(i) Trade payables	18	584.13	418.89	327.01
(ii) Other Financial Liabilities	19	162.88	144.04	117.24
(b) Other Current Liabilities	21	2,254.59	1,648.09	1,510.34
(c) Provisions	20	1,309.26	1,027.12	1,058.25
Total Current Liabilities (B.2)		4,310.86	3,238.14	3,012.84
Total Liabilities (B=(B.1+B.2))		9,455.44	8,092.00	7,218.87
Total Equity and Liabilities (A+B)		12,012.57	11,413.60	11,096.67

The accompanying notes form an integral part of Financial Statements.

CA B.K JHA
General Manager (Finance)

RAMEHER
Company Secretary

CA S. M. CHOUDHARY
Director (Finance)
(DIN 07478302)

RAJIV R. MISHRA
Chairman-cum-Managing Director
(DIN 05103300)

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
FRN 110634W

CA. SUDHIR SURANA
PARTNER
(M.No.43414)

Date : 25/05/2017
Place : Nagpur



WESTERN COALFIELDS LTD
(A Miniratna Company)
STATEMENT OF PROFIT AND LOSS

(₹ in Crore)

Particulars	Note No.	For the Year Ended	
		31.03.2017	31.03.2016
Revenue from Operations	22		
A Sales (including Excise Duty)		7,157.29	7,954.98
B Other Operating Revenue (including Excise Duty)		307.95	281.27
(I) Revenue from Operations (A+B)		7,465.24	8,236.25
(II) Other Income	23	317.45	506.44
(III) Total Income (I+II)		7,782.69	8,742.69
(IV) EXPENSES			
Cost of Materials Consumed	24	1,020.96	1,056.70
Change in Inventories of finished goods, Stock in trade and work-in-progress	25	(695.84)	(290.89)
Excise Duty		519.21	510.44
Employee Benefits Expenses	26	5,006.13	4,583.68
Power & Fuel		303.25	327.85
Corporate Social Responsibility Expenses	27	10.81	65.27
Repairs	28	53.74	53.96
Contractual Expenses	29	1,179.75	1,001.83
Finance Costs	30	85.03	76.69
Depreciation and Amortization expenses		368.22	371.61
Provisions	31	269.50	18.41
Stripping Activity Adjustment		297.93	242.08
Other Expenses	32	439.26	330.86
Total Expenses (IV)		8,857.95	8,348.49
(V) Profit/(loss) before Tax (III-IV)		(1,075.26)	394.20
(VI) Tax expense	33		
Current tax		-	187.11
Deferred tax		(285.36)	(95.10)
Earlier year tax		(12.88)	4.49
(VII) Profit/(loss) for the period from continuing operations (V-VI)		(777.02)	297.70



Profit & Loss Continued.....

(₹ in Crore)

Particulars	Note No.	For the Year Ended	
		31.03.2017	31.03.2016
(VIII) Profit/(Loss) from discontinued operations		(0.01)	(0.01)
(IX) Tax expense of discontinued operations		-	-
(X) Profit/(Loss) from discontinued operations (after Tax) (VIII- IX)		(0.01)	(0.01)
(XI) Profit/(loss) for the Period (VII+X)		(777.03)	297.69
(XII) Other Comprehensive Income	34		
A. Items that will not be reclassified to profit or loss		19.21	110.81
Less: Income tax relating to items that will not be reclassified to profit or loss		6.65	38.35
Total Other Comprehensive Income (XII)		12.56	72.46
(XIII) Total Comprehensive Income for the period (XI+XII)		(764.47)	370.15
(XIV) Earnings per equity share (for continuing operation):			
(1) Basic		(2,573.11)	1,245.88
(2) Diluted		(2,573.11)	1,245.88
(XV) Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XVI) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		(2,573.11)	1,245.88
(2) Diluted		(2,573.11)	1,245.88

The accompanying notes form an integral part of Financial Statements.

CA B.K JHA
General Manager (Finance)

RAMEHER
Company Secretary

CA S. M. CHOUDHARY
Director (Finance)
(DIN 07478302)

RAJIV R. MISHRA
Chairman-cum-Managing Director
(DIN 05103300)

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
FRN 110634W

CA. SUDHIR SURANA
PARTNER
(M.No.43414)

Date : 25/05/2017
Place : Nagpur

**WESTERN COALFIELDS LTD**

(A Miniratna Company)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31.03.2017**A. EQUITY SHARE CAPITAL**

Particulars	Balance as at 01.04.2015	Changes in Equity share capital during the year	Balance as at 31.03.2016	Balance as at 01.04.2016	Changes In Equity share capital during the year	Balance as at 31.03.2017
Equity Shares	297.10	-	297.10	297.10	-	297.10

B. OTHER EQUITY

Particulars	General Reserve	Retained Earnings	Total
Balance as at 01.04.2015	1,210.13	2,279.72	3,489.85
Changes in accounting policy	-	76.30	76.30
Prior Period Errors	-	14.55	14.55
Restated balance as at 01.04.2015	1,210.13	2,370.57	3,580.70
Total Comprehensive Income for the year	-	370.15	370.15
Dividends (including Dividend tax)	-	(926.35)	(926.35)
Transfer to Retained Earnings	-	-	-
Transfer to General Reserve	1,014.83	(1,014.83)	-
Balance as at 31.03.2016	2,224.96	799.54	3,024.50
Balance as at 01.04.2016	2,224.96	799.54	3,024.50
Total Comprehensive Income for the period	-	(764.47)	(764.47)
Dividends (including Dividend tax)	-	-	-
Transfer to Retained Earnings	-	-	-
Transfer to General Reserve	-	-	-
Balance as at 31.03.2017	2,224.96	35.07	2,260.03

CA B.K JHA
General Manager (Finance)

RAMEHER
Company Secretary

CA S. M. CHOUDHARY
Director (Finance)
(DIN 07478302)

RAJIV R. MISHRA
Chairman-cum-Managing Director
(DIN 05103300)

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
FRN 110634W

CA. SUDHIR SURANA
PARTNER
(M.No.43414)

Date : 25/05/2017
Place : Nagpur



WESTERN COALFIELDS LTD
(A Miniratna Company)
CASH FLOW STATEMENT (INDIRECT METHOD)

(₹ in Crore)

Particulars	For the Year Ended on	
	31.03.2017	31.03.2016
Cash flow from operating activities		
Total Comprehensive Income before tax	(1056.05)	505.01
Adjustments for:		
Depreciation and Amortization expenses	395.70	371.61
Interest Income	(275.91)	(332.86)
Dividend Received from Mutual Fund	(4.24)	(17.31)
Stripping Activity Adjustment	297.93	242.08
Provisions made during the period	269.50	186.13
(Profit)/Loss on Sale of Assets	1.22	(0.43)
Operating profit before working capital changes	(371.85)	954.23
Changes in assets and liabilities		
Trade Receivables	(284.05)	(177.91)
Inventories	(730.30)	(287.72)
Loans, other financial assets and other assets	(719.147)	(752.00)
Trade payables, Other financial liabilities, other liabilities and provisions	1065.51	162.18
Cash generated from operations	(1040.16)	(101.22)
Direct Taxes paid	(48.43)	310.67
Cash flow before Extraordinary Items	(1088.59)	209.45
Net cash flow from Operating Activities	1088.59	209.45
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(1048.06)	(1163.47)
Proceeds from Sale of Assets	5.85	1.01
Proceeds/(Purchase) of Investments including Fixed Deposit and Mutual funds	1,505.74	1,078.16
Interest Received	275.91	332.86
Dividend Received from Mutual Fund	4.24	17.31
Net cash flow from investing activities	743.68	265.87
Cash Flow From Financing Activities		
Dividend Paid	-	(769.66)
Dividend Distribution Tax	-	(156.69)
Net cash used in Financing Activities	-	(926.35)
Net Increase/ Decrease in cash and cash Equivalents	(344.91)	(451.03)
Cash and Cash Equivalents at the beginning	402.06	853.09
Cash and Cash Equivalents at the end	57.15	402.06

The accompanying notes form an integral part of Financial Statements.

CA B.K JHA
General Manager (Finance)

RAMEHER
Company Secretary

CA S. M. CHOUDHARY
Director (Finance)
(DIN 07478302)

RAJIV R. MISHRA
Chairman-cum-Managing Director
(DIN 05103300)

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
FRN 110634W

CA. SUDHIR SURANA
PARTNER
(M.No.43414)

Date : 25/05/2017
Place : Nagpur



Note: 1

CORPORATE INFORMATION

Western Coalfields Limited (WCL), a Mini Ratna (Category-1) Company with headquarters at Nagpur, Maharashtra, is a wholly owned subsidiary of Coal India Limited (CIL) listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

WCL came into existence after Nationalization of Coal Mines and was incorporated on 29th October, 1975 upon take-over of assets and liabilities as at 1st November, 1975 vested with the Western Division of Coal Mines Authority Limited.

The Company is mainly engaged in mining and production of Coal and also operates Coal washery. The major consumers of the company are power and steel sectors. Consumers from other sectors include cement, fertilisers, brick kilns etc.

WCL is having 10 (Ten) coal producing Areas and 1 (one) service unit (Central Workshop) spread over 2 states (Maharashtra & Madhya Pradesh) in India.

Note 2

SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006. These financial statements for the year ended 31st March 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to Note no. 35.6 for information on first time adoption of Ind AS.

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' upto two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current



classification. An asset is treated as current by the company when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3 Revenue recognition

2.3.1 Revenue from sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

However, based on the educational material on Ind AS 18 issued by The Institute of Chartered Accountants of India, the company has assumed that recovery of excise duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, other taxes, levies or duties are not considered to be received by the company on its own account and are excluded from net revenue.



2.3.2 Interest

Interest income is recognised using the Effective Interest Method.

2.3.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

2.3.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation and can be measured reliably.

2.3.5 Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the company;
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government Grants/assistance related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit or loss under the general heading 'Other Income'.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or in the nature of promoters contribution are recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.



An operating lease is a lease other than a finance lease.

2.5.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

2.5.1.1 Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.5.1.2 Operating lease

Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

- (a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

2.5.2 Company as a lessor

Operating leases Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

Finance leases : Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.6 Non-current assets held for sale

The company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions



required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.

2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which 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 an company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant



and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de-recognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land (including lease hold land)	:	Life of the project or lease term whichever is lower
Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-15 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	8-10 years
Vehicles	:	8-10 years
Site restoration costs	:	Life of the Mine
Other Mining Infrastructure	:	20 years or Life of project whichever is lower

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 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. In case of High volume respiratory dust samplers the technically estimated useful life has been determined to be three year.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.



Value of "Other Lands" includes land acquired under Coal Bearing Area (Acquisition & Development)(CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc, which is amortised on the basis of the balance life of the project, and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. 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:



- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc.

As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision.

Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

2.10 Development Expenditure

When proved reserves are determined and development of mines/project is sanctioned, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head “Development”. All subsequent development expenditure is also capitalised. The development expenditure capitalised is net of proceeds from the sale of coal extracted during the development phase.

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project/mine to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the following criteria:

- (a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or
- (b) 2 years of touching of coal, or
- (c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature “Other Mining Infrastructure”. Other Mining Infrastructure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.



2.11 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

2.12 Impairment of Assets (other than financial assets)

The company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. Company considers individual mines as separate cash generating units for the purpose of test of impairment

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.13 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for



administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.14 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

2.14.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.14.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.14.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.



Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.14.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

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 Profit and Loss, 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 Profit and Loss.

2.14.2.6 De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from 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 Group's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

2.14.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt, securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.14.3 Financial liabilities

2.14.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company



that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

2.14.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.14.3.5 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 the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



The following table shows various reclassification and how they are accounted for

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.14.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.17 Employee Benefits

2.17.1 Short-term Benefits

All short term employee benefits are recognized in the period in which they are incurred.

2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution



plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.17.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

2.17.3 Other Employee benefits

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Group personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

2.18 Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange



rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.19 Stripping Activity Expense/Adjustment

In case of opencast mining, the mine waste materials (“overburden”) which consists of soil and rock on the top of coal seam is required to be removed to get access to the coal and its extraction. This waste removal activity is known as 'Stripping'. In opencast mines, the company has to incur such expenses over the life of the mine (as technically estimated).

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB:COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue. Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Provisions / Non-Current Assets as the case may be.

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the lower of the two alternative permissible limits, as detailed hereunder :

Annual Quantum of OBR of the Mine	Permissible limits of variance	
	I %	II Quantum (in Mill. Cu. Mtr.)
Less than 1 Mill. CUM	+/- 5%	0.03
Between 1 and 5 Mill. CUM	+/- 3%	0.20
More than 5 Mill. CUM	+/- 2%	NIL

However, where the variance is beyond the permissible limits as above, the measured quantity is considered.

In case of mines with rated capacity of less than one million tonne, the above policy is not applied and actual cost of stripping activity incurred during the year is recognised in Statement of Profit and Loss.

2.20 Inventories

2.20.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the First in First out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured



stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

Coal & coke-fines are valued at lower of cost or net realisable value and considered as a part of stock of coal.

Slurry (coking/semi-coking), middling of washeries and by products are valued at net realisable value and considered as a part of stock of coal.

2.20.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the 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) and scraps are not considered in inventory considering their value not being significant.

2.21 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.22 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by



dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.23.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.23.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements:
 - (i) represent faithfully the financial position, financial performance and cash flows of the entity; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) The requirements in Ind ASs dealing with similar and related issues; and
- (b) The definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.



The company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo-mining 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 judgment in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

2.23.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.23.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.23.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual mines as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for



extrapolation purposes. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.23.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

2.23.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility and other relevant input /considerations. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.23.2.5 Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated and approved.

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

In determining the fair value of the provision for Mine Closure, Site Restoration and Decommissioning Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of site restoration and dismantling and the expected timing of those costs. The Company estimates provision using the DCF method considering life of the project/mine based on



- Estimated cost per hectare as specified in guidelines issued by ministry of Coal, Government of India.
- The discount rate (pre tax rate) that reflect current market assessments of the time value of money and the risks specific to the liability.

2.24 Abbreviation used :

a.	CGU	Cash Generating Unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair Value Through Other Comprehensive Income
d.	FVTPL	Fair Value Through Profit & Loss
e.	GAAP	Generally Accepted Accounting Principles
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest
k.	EIR	Effective Interest Rate



NOTE 3 : PROPERTY , PLANT AND EQUIPMENT (₹ in Crore)

Particulars	Freehold Land	Other Lands	Land Reclamation/ Site Restoration Costs	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Aircraft	Tele Communication	Railway Sidings	Other Mining Infrastructure	Others	Surveyed off Assets	Total
Gross Carrying Amount:															
As at 1 April 2015	82.30	378.19	346.51	336.66	754.55	1.43	4.83	3.66	-	1.84	2.79	110.62	0.01	25.46	2,056.67
Additions	24.42	643.49	308.58	34.17	321.50	0.31	4.99	26.38	-	0.88	-	38.48	-	6.97	1,411.15
Deletions/Disposals	-	-	-	-	(6.78)	-	(0.07)	(0.11)	-	(0.01)	-	-	-	(0.52)	(7.49)
Adjustments	-	0.17	-	-	(0.29)	-	-	0.06	-	(0.01)	-	-	-	-	(0.07)
As at 31 March 2016	116.72	1,021.65	656.09	370.86	1,068.96	1.74	9.76	29.99	-	2.70	2.79	149.08	0.01	31.91	3,462.46
As at 1 April 2016	116.72	1,021.65	656.09	370.85	1,068.99	1.74	9.75	29.99	-	2.70	2.79	149.08	0.01	31.91	3,462.46
Additions	9.19	558.82	143.84	2.50	113.82	0.54	3.15	2.17	-	3.95	0.69	30.89	-	5.45	873.91
Deductions/Disposals	-	-	-	-	(5.17)	-	(0.07)	(0.21)	-	-	-	-	-	(7.09)	(12.64)
Adjustments	-	-	-	-	2.46	-	(2.33)	(0.04)	-	-	-	-	-	-	0.09
As at 31st March 2017	125.91	1,580.67	799.93	373.36	1,179.69	2.28	10.60	31.91	-	6.65	2.86	179.97	0.01	30.27	4,323.92
Accumulated Depreciation and Impairment															
As at 1 April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	50.81	104.20	22.79	177.95	0.05	0.86	4.81	-	0.62	0.80	18.86	-	-	361.75
Impairment	-	-	-	-	-	-	-	-	-	-	-	7.79	-	-	7.79
Deductions/Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	0.01	-	0.01	(0.42)	-	-	-	-	(0.01)	-	0.42	-	-	0.01
As at 31st March 2016	-	50.82	104.20	22.80	177.63	0.05	0.86	4.81	-	0.61	0.80	27.07	-	-	395.55
As at 1 April 2016	-	50.82	104.20	22.80	177.53	0.05	0.86	4.81	-	0.61	0.80	27.07	-	-	395.55
Charge for the year	-	83.60	87.00	21.14	166.67	0.29	0.97	8.79	-	0.72	0.26	23.82	-	-	393.20
Impairment	-	-	-	-	-	-	-	-	-	-	-	2.50	-	-	2.50
Deductions/Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	0.73	(0.32)	(0.20)	0.61	-	(0.17)	-	(0.57)	-	-	0.08
As at 31st March 2017	-	134.42	191.20	43.94	344.93	0.02	1.63	14.15	-	1.16	1.06	52.82	-	-	785.33
Net Carrying Amount															
As at 31 st March 2017	125.91	1,446.26	608.73	329.41	834.66	2.26	8.87	17.76	-	5.49	1.82	127.16	0.01	30.27	3,638.69
As at 31 st March 2016	116.72	971.03	551.89	348.05	891.48	1.69	8.89	25.18	-	2.09	1.99	122.01	0.01	31.91	3,072.91
As at 1 st April 2016	92.30	378.19	346.51	336.66	754.55	1.43	4.83	3.66	-	1.84	2.79	110.62	0.01	25.46	2,056.67
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2016															
Freehold Land	92.30	378.19	346.51	336.66	754.55	1.43	4.83	3.66	-	1.84	2.79	110.62	0.01	25.46	2,056.67
Other Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Reclamation/ Site Restoration Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aircraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tele Communication	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Railway Sidings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Mining Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surveyed off Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	92.30	538.52	978.55	648.81	2,620.14	18.45	46.48	17.45	-	17.17	30.18	543.51	9.07	26.62	5,886.25
Gross Carrying Amount:															
As at 1st April 2015	82.30	538.52	978.55	648.81	2,620.14	18.45	46.48	17.45	-	17.17	30.18	543.51	9.07	26.62	5,886.25
Accumulated Depreciation and Impairment															
As at 1st April 2015	-	160.33	632.04	313.13	2,165.59	17.02	41.65	13.79	-	15.33	27.39	432.69	9.06	1.16	3,629.38
Net Carrying Amount	82.30	378.19	346.51	336.68	754.55	1.43	4.83	3.68	-	1.84	2.79	110.82	0.01	25.46	2,056.87



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY , PLANT AND EQUIPMENT

- 3.1 Building includes Water supply, roads and culverts.
- 3.2 Land Reclamation/ Site Restoration Costs is the asset representing the total cost as per mine closure plan, estimated by CMPDIL. During the current year the company has restated the accounts as on 01/04/2015 and 31/03/2016 whereby, the mine closure expenses are capitalised as 'site restoration asset' in conformity with Ind AS - 16, as a result ₹ 608.76 crores (net) is capitalized with corresponding provision for mine closure. As a result of this change in method, the mine closure provision upto 31/03/15, are reversed and depreciation on site restoration & unwinding of interest upto that date is charged to restated retained earnings having net impact of ₹ 3.85 crores.
- 3.3 Other Mining Infrastructure consists of Development and Prospecting boring activity assets for mines which are brought to revenue.
- 3.4 Others includes fixed assets taken over by Company from Western Division of Coal Mines Authority of India Ltd, vested consequent to nationalisation of Coal Mines, appearing as "Assets taken over on Nationalisation" stood depreciated in the course of earlier years and are appearing in accounts at a total residual value of ₹ 0.01 crore only
- 3.5 Company took over various assets from the Coal Mines Labour Welfare Organisation (since repealed) situated at various locations and Coal Mines Rescue Station at Pench, in the years 1984 and 1986 respectively, consequent to decision by Government of India. These Assets have not been incorporated in the Accounts pending finalisation of purchase consideration thereof by the Central Government. Accounting adjustment would be made on final determination
- 3.6 DFD Plant and CBE Plant continue to remain inoperative during the year. Leasehold Land of DFD Plant is being amortized over the lease period of 30 years. Other assets of both these plants are carried in the books at a residual value of 5% of their cost.
- 3.7 Cost of Asset as well as provision for depreciation on final Surveyed off Assets (Grounded off) are taken out of the Gross Block and provision for depreciation respectively and the residual value at 5% of Book Value are shown as a separate line item as Surveyed off assets. In case of premature survey off, the difference between the WDV and residual value of 5% is charged to Statement of Profit and Loss, as loss on surveyed off assets.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Crore)

Particulars	Building	Plant and Equipments	Railway Sidings	Development	Others	Total
Gross Carrying Amount:						
As at 1 st April 2015	14.07	10.83	-	166.59	30.35	221.84
Additions	28.99	15.29	0.02	30.31	85.02	159.63
Capitalisation/ Deletions	(15.17)	(17.50)	-	(25.83)	(85.46)	(143.96)
As at 31st March 2016	27.89	8.62	0.02	171.07	29.91	237.51
As at 1 April 2016	27.89	8.62	0.02	171.07	29.91	237.51
Additions	45.61	26.37	2.38	106.06	67.60	248.02
Capitalisation/ Deletions	(8.71)	(4.81)	(0.09)	(26.44)	(68.79)	(108.84)
As at 31st March 2017	64.79	30.18	2.31	250.69	28.72	376.69
Provision and Impairment						
As at 1 April 2015	-	-	-	-	-	-
Charge for the year	-	-	-	-	0.05	0.05
Impairment	-	-	-	0.01	0.05	0.06
Deletions/Adjustments	-	-	-	-	-	-
As at 31st March 2016	-	-	-	0.01	0.10	0.11
As at 1 st April 2016	-	-	-	0.01	0.10	0.11
Charge for the year	-	-	-	-	0.02	0.02
Impairment	-	-	-	-	0.01	0.01
Deletions/Adjustments	-	-	-	-	(0.04)	(0.04)
As at 31st March 2017	-	-	-	0.01	0.09	0.10
Net Carrying Amount						
As at 31st March 2017	64.79	30.18	2.31	250.68	28.63	376.59
As at 31st March 2016	27.89	8.62	0.02	171.06	29.81	237.40
As at 1st April 2015	14.07	10.83	-	166.59	30.35	221.84
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015						
	Building	Plant and Equipments	Railway Sidings	Development	Others	Total
Gross Carrying Amount:						
As at 1 st April 2015	14.11	18.80	-	166.59	31.60	231.10
Provision and Impairment						
As at 1 st April 2015	0.04	7.97	-	-	1.25	9.26
Net Carrying Amount	14.07	10.83	-	166.59	30.35	221.84

4.1 Building includes Water supply, roads and culverts.

4.2 Others includes Plant and Equipments in stores and spare parts of capital items

4.3 Provision Equivalent to Depreciation has been provided on Plant & Machinery lying in Stores (Pending capitalisation) for more than three years. The resultant impact in current year is ₹0.02 (₹0.05 Crores)

4.4 Inventory of Steel, Cement, Cables, Conveyors, etc. lying at year end are forming part of Capital Work-In-Progress.

4.5 Provision for Non-moving Capital Stores & Spares, not moved for 5 years is made as per company's accounting policy @ 50% and @ 100% for unserviceable, damaged and obsolete stores. During the current year an additional provision to the tune of ₹0.01 crores has been made.



NOTE 5 : EXPLORATION AND EVALUATION ASSETS

Particulars	(₹ in Crore)
Particulars	Total
Gross Carrying Amount:	
As at 1 st April 2015	197.27
Additions	62.72
Deletions/Adjustments	-
As at 31st March 2016	259.99
As at 1 st April 2016	259.99
Additions	51.32
Deletions/Adjustments	(10.90)
As at 31st March 2017	300.41
Provision and Impairment	
As at 1 st April 2015	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31st March 2016	-
As at 1 st April 2016	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31st March 2017	-
Net Carrying Amount	
As at 31st March 2017	300.41
As at 31st March 2016	259.99
As at 1st April 2015	197.27
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015	Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1 st April 2015	197.27
Provision and Impairment	
As at 1 st April 2015	-
Net Carrying Amount	197.27

- 5.1 Exploration and Evaluation Assets comprise capitalised costs which are attributable to the search for coal and related resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

**NOTE 6 : OTHER INTANGIBLE ASSETS**

Particulars	(₹ in Crore)	
	Coal Blocks Meant for sale	
Gross Carrying Amount:		
As at 1 st April 2015		9.99
Additions		-
Deletions/Adjustments		-
As at 31st March 2016		9.99
As at 1 st April 2016		9.99
Additions		-
Deletions/Adjustments		-
As at 31st March 2017		9.99
Amortisation and Impairment		
As at 1 st April 2015		-
Charge for the year		-
Impairment		-
Deletions/Adjustments		-
As at 31st March 2016		-
As at 1 st April 2016		-
Charge for the year		-
Impairment		-
Deletions/Adjustments		-
As at 31st March 2017		-
Net Carrying Amount		
As at 31st March 2017		9.99
As at 31st March 2016		9.99
As at 1st April 2015		9.99
Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015		
	Coal Blocks Meant for sale	
Gross Carrying Amount:		
As at 1 st April 2015		9.99
Provision and Impairment		
As at 1 st April 2015		-
Net Carrying Amount		9.99



NOTE - 7 : INVESTMENTS

(₹ in Crore)

Particulars	Number of units current year/ (previous year)	NAV (In ₹)	As at	As at	As at
			31.03.2017	31.03.2016	01.04.2015
CURRENT					
Mutual Fund Investment					
UTI Mutual Fund	228 (450)	1,019.45	0.02	0.05	0.05
SBI Mutual Fund	314 (604,618)	1,003.25	0.03	60.66	86.13
Canara Robeco Mutual Fund	115 (29,112)	1,005.50	0.01	2.93	19.01
Union KBC Mutual Fund	176 (148)	1,000.65	0.02	0.01	0.02
BOI AXA Mutual Fund	158 (505,756)	1,002.65	0.02	50.71	0.01
Investments in Govt. Securities					
8.5% Tax Free Special Bonds (Fully Paid up) (On securitisation of Trade Receivables Major State-wise Break-up)					
Maharashtra			-	-	19.70
Madhya Pradesh			-	-	12.39
Total :			0.10	114.36	137.31
Aggregate of Quoted Investment:			-	-	-
Aggregate of unquoted investments:			0.10	114.36	137.31
Market value of Quoted Investment:			-	-	-
Aggregate amount of impairment in value of investments:			-	-	-

NOTE - 8 : LOANS

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
NON CURRENT			
Loans to Employees			
- Secured, considered good	3.83	5.18	6.81
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
	3.83	5.18	6.81
Less: Provision for doubtful loans	-	-	-
	3.83	5.18	6.81
TOTAL	3.83	5.18	6.81

**NOTE - 9 : OTHER FINANCIAL ASSETS**

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
NON CURRENT			
Bank deposits	56.77	-	-
Deposits with bank under			
- Mine Closure Plan	1,537.19	1,242.20	967.72
Receivable from Escrow Account for Mine Closure Expenses	2.48	2.21	0.58
TOTAL	1,596.44	1,244.41	968.30
CURRENT			
Surplus Fund with CIL	25.93	13.42	177.46
Interest accrued on			
- Investments	-	0.68	2.05
- Bank Deposits	10.16	54.53	96.66
Claims receivables (refer note 9.1)	555.29	99.75	65.15
Less : Provision for doubtful claims	14.01	5.91	6.04
	541.28	93.84	59.11
Other receivables (refer note 9.2)	33.60	26.47	19.37
Less : Provision for doubtful claims	0.09	0.09	0.09
	33.51	26.38	19.28
TOTAL	610.88	188.85	354.56

9.1 Claims receivables includes arrears towards Distric Mineral Foundation cess (DMF) of ₹468.48 crores, to be collected from the customers.

9.2 Other receivables includes Subsidy receivable for stowing and protective works ₹19.37 crores and other recoverables ₹ 14.23 crores.

NOTE 10 : OTHER NON-CURRENT ASSETS

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) Capital Advances	1.91	3.53	0.97
Less : Provision for doubtful advances	0.91	0.91	0.92
	1.00	2.62	0.05
(ii) Advances other than capital advances			
(a) Security Deposit for utilities	80.12	86.22	82.41
Less :Provision for doubtful deposits	1.09	1.09	1.09
	79.03	85.13	81.32
TOTAL	80.03	87.75	81.37



NOTE -11 : OTHER CURRENT ASSETS

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Advance for Revenue	16.57	14.34	9.70
Less : Provision for doubtful advances	1.35	1.51	1.98
	15.22	12.83	7.72
(b) Advance to Employees	4.96	72.54	94.33
Less : Provision for doubtful advances	0.11	0.12	0.10
	4.85	72.42	94.23
(c) Advance- Others (refer note 11.1)	109.97	110.56	40.05
Less : Provision for doubtful claims	1.31	1.31	1.31
	108.66	109.25	38.74
(d) Deposits- Others (refer note 11.2)	12.15	14.01	6.49
Less: Provision	-	-	-
	12.15	14.01	6.49
(e) CENVAT / VAT Credit receivable	63.13	49.24	31.56
(f) Prepaid Expenses	11.68	11.39	8.73
TOTAL	215.69	269.14	187.47

11.1 Advance others includes payment made to land owners for land but possession is not taken yet.

11.2 Payment under protest ₹ 12.11 crores to sales tax authorities is included in deposit others.

NOTE - 12 : INVENTORIES

(As taken, valued and certified by the Management)

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Stock of Finished Goods (Lower of Cost and NRV)			
Stock of Coal - Revenue Mines	1,649.52	957.53	661.50
-Development Mines	32.15	-	6.99
	1,681.67	957.53	668.49
Less : Provision	0.01	0.01	0.01
Stock of Coal (Net)	1,681.66	957.52	668.48
(b) Stock of Stores & Spares (at cost)	73.41	71.49	68.87
Add: Stores-in-transit	4.38	3.99	9.78
Less : Provision (refer note 12.1)	14.12	14.39	14.19
Net Stock of Stores & Spares (at cost)	63.67	61.09	64.46
(c) Workshop Jobs:			
Work-in-progress and Finished Goods	21.33	17.48	15.63
Less: Provision	1.45	1.45	1.45
Net Stock of Workshop Jobs	19.88	16.03	14.18
	1,765.21	1,034.64	747.12

12.1 **Provision- Stores:** As per accounting policy provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and spares and at the rate of 50% for stores and spares not moved for 5years



ANNEXURE TO NOTE - 12

(Qty in '000 tonnes) (value in crores)

(₹ in Crore)

Reconciliation of closing stock adopted in Account with Book stock as at the end of the year:

Table:A
31.03.2017

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening stock as on 01.04.16	8,060.98	957.53	-	-	8,060.98	957.53
(B) Adjustment in Opening Stock	-	-	-	-	-	-
2. Production for the year	45,713.63	7,911.66	-	-	45,713.63	7,911.66
3. Sub-Total (1+2)	53,774.61	8,869.19	-	-	53,774.61	8,869.19
4. Off- Take for the year :						
(A) Outside Despatch	39,366.82	7,157.29	-	-	39,366.82	7,157.29
(B) Coal feed to Washeries	79.10	9.11	-	-	79.10	9.11
(C) Own Consumption	4.94	1.24	-	-	4.94	1.24
(D) Development despatch	123.98	19.88	-	-	123.98	19.88
TOTAL(A)	39,574.84	7,187.52	-	-	39,574.84	7,187.52
5. Derived Stock	14,199.77	1,681.67	-	-	14,199.77	1,681.67
6. Measured Stock	13,878.17	1640.84	-	-	13,878.17	1640.84
7. Difference (5-6)	321.60	40.83	-	-	321.60	40.83
8. Break-up of Difference:						
(A) Excess within 5%	28.88	2.30	-	-	28.88	2.30
(B) Shortage within 5%	350.48	43.13	-	-	350.48	43.13
(C) Excess beyond 5%	-	-	-	-	-	-
(D) Shortage beyond 5%	-	-	-	-	-	-
9. Closing stock adopted in A/c.(6-8A+8B)	14,199.77	1,681.67	-	-	14,199.77	1,681.67

Summary of Closing Stock of Coal

Table:B

	Raw Coal Non-Coking		Washed / Deshaled Coal Non-Coking		Other Products		Total	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	8,006.98	948.11	0.60	0.33	53.40	9.09	8,060.98	957.53
Development Stock brought to revenue	-	-	-	-	-	-	-	-
Opening Stock (Development)	-	-	-	-	-	-	-	-
Less: Non-vendable Coal	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	8,006.98	948.11	0.60	0.33	53.40	9.09	8,060.98	957.53
Production	45,107.81	-	40.74	-	41.08	-	45,189.63	-
Production (Development Mines)	524.00	-	-	-	-	-	524.00	-
Offtake								
(A) Outside Despatch	39,288.72	7,123.75	41.09	26.39	37.01	7.15	39,366.82	7,157.29
(B) Coal feed to Washeries	79.10	9.11	-	-	-	-	79.10	9.11
(C) Own Consumption	4.94	1.24	-	-	-	-	4.94	1.24
Offtake (Development Mines)	123.98	19.88	-	-	-	-	123.98	19.88
Closing Stock	13,742.03	1,639.58	0.25	0.15	57.47	9.79	13,799.75	1,649.52
Closing Stock (Development)	400.02	32.15	-	-	-	-	400.02	32.15
Closing Stock (Audited)	14,142.05	1,671.73	0.25	0.15	57.47	9.79	14,199.77	1,681.67



NOTE - 13 : TRADE RECEIVABLES

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
CURRENT			
Trade receivables			
- Secured, considered good	-	-	-
- Unsecured, considered good	854.33	832.13	672.92
- Doubtful	364.36	102.51	83.81
	1,218.69	934.64	756.73
Less : Provision for bad & doubtful debts/ quality deductions	364.36	102.51	83.81
	854.33	832.13	672.92

13.1 Ministry of Power, Government of India had advised Madhya Pradesh Power Generation Corporation Ltd. (MPPGCL) to securitise outstanding principal and interest up-to 30.09.2001 of ₹ 171.94 crores and ₹ 21.99 crores respectively. MPPGCL had securitised ₹ 123.91 cores in 2003. For the balance of ₹ 70.02 crores MPPGCL had gone for Arbitration. Provision for Doubtful debts for ₹ 62.08 crores is made and the balance ₹ 7.94 crores being interest has not been recognised in the books due to uncertainty as arbitration case is going on.

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Balances with Banks			
- in Deposit Accounts	6.44	307.93	577.73
- in Current Accounts	27.96	90.30	271.84
(b) Cheques, Drafts and Stamps on hand	21.82	2.46	2.82
(c) Cash on hand	0.06	0.17	0.18
(d) Others (refer note 14.1)	0.87	1.20	0.52
Total Cash and Cash Equivalents	57.15	402.06	853.09

14.1 Others includes remittance in transit ₹ 0.87 crores.

NOTE - 15 : OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Balances with Banks			
- Deposit accounts	870.53	2,262.01	3,317.22
Total	870.53	2,262.01	3,317.22

(₹ in Crore)

15.1	Balance with banks, in deposit account includes deposit for:	As at 31.03.2017	As at 31.03.2016
a)	Bank guarantee	4.16	4.74
b)	Undisbursed wages	2.04	2.04
c)	Court cases for union fund, relief fund, MPGATVA	170.90	100.98



NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.4.2015
Authorised			
80,00,000 Equity Shares with face value of ₹ 1000/-each	800.00	800.00	800.00
	800.00	800.00	800.00
Issued, Subscribed and fully Paid-up			
29,71,000 Equity Shares with face value of ₹ 1000/-each fully paid up	297.10	297.10	297.10
	297.10	297.10	297.10
16.1 The reconciliation of the number of shares outstanding:			
Details	As at 31.03.2017	As at 31.03.2016	
Number of shares at the beginning of the period	2,971,000.00	2,971,000.00	
Add: shares issued during the period	-	-	
Number of shares at the end of the period	2,971,000.00	2,971,000.00	
16.2 The Company has only one class of equity shares having a par 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 meetings of shareholders			
16.3 The details of shareholder holding more than 5% shares:			
Name of Shareholder	As at 31.03.2017	As at 31.03.2016	
	No. of shares	% held	No. of shares
Coal India Ltd - Holding Company	2971000	100	2971000
			% held
			100
16.4 Share holding details of Holding company:			
Details	As at 31.03.2017	As at 31.03.2016	
	No. of shares	% held	No. of shares
Coal India Ltd - Holding Company	2971000	100	2971000
			% held
			100

NOTE 17 : OTHER EQUITY

(₹ in Crore)

Particulars	General Reserve	Retained Earnings	Total
Balance as at 01.04.2015	1,210.13	2,279.72	3,489.85
Changes in accounting policies	-	76.30	76.30
Prior Period Errors	-	14.55	14.55
Restated balance as at 01.04.2015	1,210.13	2,370.57	3,580.70
Total comprehensive income during the year	-	370.15	370.15
Appropriations			
Transfer to General reserve	1,014.83	(1,014.83)	-
Interim Dividend	-	(581.60)	(581.60)
Final Dividend	-	(188.06)	(188.06)
Corporate Dividend tax	-	(156.69)	(156.69)
Balance as at 31.03.2016	2,224.96	799.54	3,024.50
Balance as at 01.04.2016	2,224.96	799.54	3,024.50
Total comprehensive income during the year	-	(764.47)	(764.47)
Appropriations			
Transfer to General reserve	-	-	-
Interim Dividend	-	-	-
Final Dividend	-	-	-
Corporate Dividend tax	-	-	-
Balance as at 31.03.2017	2,224.96	35.07	2,260.03



NOTE - 18 : TRADE PAYABLES

(₹ in Crore)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
CURRENT			
Trade Payables for Micro, Small and Medium Enterprises (refer note 18.1)	5.31	5.43	6.30
Other Trade Payables for			
-Stores and Spares	161.22	107.64	100.30
-Power and Fuel	35.03	36.83	27.46
-Others (refer note 18.3)	382.57	268.99	192.95
TOTAL	584.13	418.89	327.01

- 18.1 An amount of ₹ 5.31 crores towards principal and ₹ Nil amount towards interest is due/accrued to MSME as on 31.03.2017
- 18.2 No interest was paid/payable to MSME, under section 16 of the MSME Act, 2006 as no payment was made beyond the appointed day.
- 18.3 Others includes payment due for contractors for revenue works ₹ 326.38 crores.

NOTE - 19 : OTHER FINANCIAL LIABILITIES

(₹ in Crore)			
Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
NON CURRENT			
Others	6.42	6.54	6.45
TOTAL	6.42	6.54	6.45
CURRENT			
Security Deposits	113.47	99.52	75.95
Earnest Money	49.41	44.52	41.29
TOTAL	162.88	144.04	117.24

- 19.1 Others includes security deposit deducted from employees as per employment agreement.



NOTE - 20 : PROVISIONS

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
NON CURRENT			
Employee Benefits			
- Gratuity	-	-	-
- Leave Encashment	171.94	442.58	422.48
- PRMBS	144.67	119.90	110.00
- Other Employee Benefits (refer note 20.4)	82.55	79.65	99.28
Site Restoration/Mine Closure (refer note 20.3)	1,869.08	1,633.20	1,237.91
Stripping Activity Adjustment	2,869.92	2,571.99	2,329.91
TOTAL	5,138.16	4,847.32	4,199.58
CURRENT			
Employee Benefits			
- Gratuity	-	3.41	105.95
- Leave Encashment	48.17	44.76	41.95
- Ex- Gratia	230.86	200.23	175.62
- Performance Related Pay (refer note 20.5)	260.92	460.99	478.60
- PRMBS	10.69	8.92	7.62
- Other Employee Benefits (refer note 20.4)	245.25	215.97	184.64
- NCWA X (refer note 20.1)	322.06	-	-
- Executive Pay Revision (refer note 20.2)	14.05	-	-
Excise Duty on Closing Stock of Coal	177.26	92.84	63.87
TOTAL	1,309.26	1,027.12	1,058.25

NOTE - 20 : PROVISIONS

- 21.1 NCWA - X** : Pending finalisation of National Coal Wage Agreement (NCWA) - X for Non Executives, an estimated lump sum provision @ ₹ 8000/- per employee (Non-Executive) per month, considering total impact of increase in all elements of salary & wages (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.07.2016 to 31.03.2017 amounting to ₹ 322.06 and shown as "NCWA X - Provision" above.
- 21.2 Executive Pay Revision** : Pending finalisation of PSUs' pay revision for executives, an estimated lump sum provision @ ₹ 18000/- per employee (Executive) per month, considering total impact of increase in all elements of executive salary (including the employer's PF contribution), other employee benefits and all superannuation benefits like Gratuity etc. has been made for the period 01.01.2017 to 31.03.2017 amounting to ₹ 14.05 crore and shown as "Executive Pay Revision" above.
- 21.3 Provision for Mine Closure** : Following the guidelines from Ministry of Coal, Government of India for preparation of Mine Closure plan a provision is made in the accounts. Such provision is made as per CMPDIL's (A Subsidiary of Coal India Ltd.) technical assessment. The liability for mine closure expenses (as estimated by CMPDIL) of each mine has been discounted @ 8% and capitalized to arrive at the mine closure liability as on 1st year of making of such provision. Thereafter the provision has been reestimated in subsequent year by unwinding the discount to arrive at the provision as on 31.03.2017.
- 21.4** During the year provision for other superannuation benefits to executives @ 9.84% of pay (Basic+DA) amounting to ₹ 28.56 crore (₹ 27.27 crores) has been provided. Total provision up to 31.03.2017 is ₹ 211.78 crores, included in "Other Employee Benefits" above.
- 21.5 Performance Related Pay (PRP) Provision**: During the year provision for PRP amounting to ₹ 26.28 crores (₹ 26.68 crores) has been made.



NOTE - 21 : OTHER CURRENT LIABILITIES

(₹ in Crore)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Liability for Capital Expenditure	99.77	92.12	27.81
Liability for Salary, Wages and Allowances	313.26	367.82	346.81
Statutory Dues:			
Central Sales Tax	4.16	4.42	3.56
Sales Tax/Vat	30.06	26.78	20.04
Provident Fund & Others	75.37	76.66	72.15
Central Excise Duty	0.33	0.51	0.40
Royalty & Cess on Coal	92.12	76.36	81.05
Stowing Excise Duty	12.46	10.69	10.98
Clean Environment Cess	220.63	215.28	73.92
National Mineral Exploration Trust	2.04	2.06	-
District Mineral Foundation	445.41	4.72	-
Other Statutory Levies	42.15	35.36	32.22
Income Tax deducted/collected at Source	24.14	26.43	17.51
	948.87	479.27	311.83
Advance from customers / others	695.84	551.97	613.77
Others liabilities (refer note 21.1)	196.85	156.91	210.12
TOTAL	2,254.59	1,648.09	1,510.34

21.1 Others miscellaneous liabilities includes interest from Deposits on court cases ₹ 94.03 crores, contractors liability acceptance ₹ 36.02 crores and other liabilities ₹ 65.93 crores.

21.2 As per instruction from CIL, liability for Coal India Sports Promotion Association (CISPA) is provided at ₹ 0.25 paise per tonne of coal production of FY 2015-16 (Previous year) amounting to ₹1.12 Crores (₹1.03 crores).

**NOTE - 22 : REVENUE FROM OPERATIONS**

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
A. SALE OF PRODUCT:		
Sale of Coal	10,413.39	10,349.54
Less : Levies		
Royalty	887.57	983.47
Stowing Excise Duty	39.28	41.12
Central Sales Tax	37.38	37.50
Clean Environment Cess	1,573.02	898.70
State Sales Tax/VAT	434.81	416.99
National Mineral Exploration Trust	17.77	12.17
District Mineral Foundation	266.27	4.61
Other Levies	-	-
Total Levies	3,256.10	2,394.56
Sales (Including Excise Duty) (A)	7,157.29	7,954.98
B. Other Operating Revenue		
Re-imbursment for Sand Stowing & Protective Works	21.88	24.02
Loading and additional transportation charges	298.50	267.79
Less : Levies	12.43	10.54
	286.07	257.25
Other Operating Revenue (including Excise Duty) (B)	307.95	281.27
Revenue from Operations (A+B)	7,465.24	8,236.25

22.1 Operating Revenue includes excise duty ₹ 503.02 crores (₹ 495.88 crores). Net Operating Revenue (excluding excise duty) for the current year is ₹ 6654.27 crores (₹ 7459.10 crores).

22.2 Other Operating Revenue includes excise duty ₹ 16.19 crores (₹ 14.56 crores). Net Other Operating Revenue (excluding excise duty) for the current year is ₹ 291.76 crores (₹ 266.71 crores)

22.3 **Impact of revision of coal price :**

Net sales has increased by ₹ 320.29 crores, due to revision of coal price w.e.f 30.05.2016



NOTE 23 : OTHER INCOME

(₹ in Crore)

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Interest Income		
Deposits with Banks	139.95	293.68
Investments	-	2.05
Loans Employees	0.08	0.08
Funds parked within Group	0.20	12.68
Others (refer note 23.1)	135.68	114.88
	275.91	423.37
Dividend Income		
Investments in Mutual Funds	4.24	17.31
Other Non-Operating Income		
Profit on Sale of Assets	1.32	0.45
Miscellaneous Income (refer note 23.2)	35.98	65.31
Total	317.45	506.44

23.1 Interest income from others includes, interest from escrow a/c ₹ 102.82 crore, interest received from deposit for Electricity utilities ₹ 4.05 and interest on delayed payments from customers ₹ 28.47 crores and other miscellaneous ₹ 0.34 crore.

23.2 Miscellaneous income includes, penalty recovered from contractors, penalty recovery for short lifting of coal and forfeiture of E-auction EMD.

**NOTE 24 : COST OF MATERIALS CONSUMED**

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Explosives	198.93	197.61
Timber	10.23	13.72
Oil & Lubricants	480.93	479.46
HEMM Spares	176.18	188.41
Other Consumables (refer note 24.1)	154.69	177.50
Total	1,020.96	1,056.70

24.1 Other consumables includes, safety items, stores for vehicles, washery stores & spares and stores and spares on weighbridge.

NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
A Finished Goods:		
Opening Stock of Coal	957.53	661.50
Development stock brought to revenue	-	6.99
Less: Deterioration of Coal	0.01	0.01
Less:-		
Closing Stock of Coal	1,649.52	957.53
Less: Deterioration of Coal	0.01	0.01
Change In Inventory of Coal	(691.99)	(289.04)
B Workshop Inventory:		
Opening Stock of Workshop	17.48	15.63
Less: Provision	1.45	1.45
Closing Stock of Workshop	21.33	17.48
Less: Provision	1.45	1.45
Change In Inventory of workshop	(3.85)	(1.85)
Change in Inventories of finished goods, Stock in trade and work-in-progress (A+B) { Decretion / (Accretion) }	(695.84)	(290.89)



NOTE 26 : EMPLOYEE BENEFITS EXPENSES

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
A Salaries and wages		
Salary, Wages, Allowances ,Bonus etc.	3,319.12	3,368.67
Ex-Gratia	256.28	233.80
Performance Related Pay	25.93	26.65
Gratuity	141.81	161.38
Leave Encashment	168.18	104.05
Workman Compensation	0.82	1.35
NCWA X - Provision (refer note 20.1)	321.54	-
Executive Pay Revision (refer note 20.2)	13.89	-
Total salaries and wages	4,247.57	3,895.90
B Contribution to P.F. & Other Funds	382.39	392.62
C Welfare expenses		
Medical Expenses for existing employees	75.14	76.11
Medical Expenses for retired employees	22.71	12.05
Grants to Schools & Institutions	14.71	11.31
Sports & Recreation	2.83	2.98
Canteen & Creche	0.59	0.49
Power - Township	144.71	146.49
Hire Charges of Bus, Ambulance etc.	17.93	14.42
Other Employee Benefits (refer note 26.1)	97.55	31.31
Total Welfare expenses	376.17	295.16
Total (A+B+C)	5,006.13	4,583.68

26.1 Other employee benefits includes Leave travel cocession (LTC), settling in allowance on retirement and reimbursement of LPG expenses to employees.

**NOTE 27 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES**

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
CSR Expenses	10.81	65.27
Total	10.81	65.27

27.1 As per CSR policy of CIL, the recommended expenditure on CSR activities is @ 2% of the net profit of the company for the three immediate preceding financial year which comes to ₹ 8.68 crores or ₹ 2/- per tonne of coal production of the previous year which is ₹ 8.96 crores, whichever is higher i.e ₹ 8.96 crore. Actual expenditure during the current year is ₹ 10.81 crores.

27.2

Amount spent during the period on:	Paid	Yet to be paid	Total
Construction/acquisition asset	-	-	-
Others	10.15	0.66	10.81

NOTE 28 : REPAIRS

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Building	11.85	16.03
Plant & Machinery	26.41	25.63
Others (refer note 28.1)	15.48	12.30
Total	53.74	53.96

28.1 Others includes repairs for vehicles and other miscellaneous repairs.



NOTE 29 : CONTRACTUAL EXPENSES

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Transportation Charges :		
- Sand	7.30	13.20
- Coal	300.95	270.03
- Stores & Others	0.32	0.36
Wagon Loading	12.29	11.94
Hiring of Plant and Equipments	768.12	611.07
Other Contractual Work	90.77	95.23
Total	1,179.75	1,001.83

NOTE 30 : FINANCE COSTS

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Interest Expenses		
Borrowings	4.76	-
Unwinding of discounts	79.76	75.51
Funds parked within Group	-	-
Others	0.51	1.18
Total	85.03	76.69

NOTE 31 : PROVISIONS (NET OF REVERSAL)

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
(A) Provision made for		
Doubtful debts/quality deductions (refer note 31.1)	261.85	18.70
Doubtful Advances & Claims	7.93	-
Stores & Spares	-	0.20
Others	-	0.10
Total(A)	269.78	19.00
(B) Provision Reversal		
Doubtful debts/claims	-	-
Doubtful Advances & Claims	-	0.59
Stores & Spares	0.27	-
Others	0.01	-
Total(B)	0.28	0.59
Total (A-B)	269.50	18.41

31.1 Provision for doubtful debts/quality deductions includes an amount ₹ 238.58 crore provided for grade slippage as per sampling of CIMFR for which report yet to received



NOTE 32 : OTHER EXPENSES

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Travelling expenses		
- Domestic	21.88	22.57
- Foreign	0.06	0.05
Training Expenses	3.76	3.98
Telephone & Postage	3.58	3.62
Advertisement & Publicity	1.89	3.37
Freight Charges	0.12	0.11
Demurrage	3.72	3.10
Donation/Subscription	0.99	0.84
Security Expenses	47.13	43.53
Service Charges of CIL	23.15	22.45
Hire Charges	47.80	39.33
CMPDI Charges	32.41	17.49
Legal Expenses	3.01	3.06
Bank Charges	0.11	0.12
Consultancy Charges	1.47	2.48
Under Loading Charges	30.39	25.49
Loss on Sale/Discard/Surveyed of Assets	2.54	0.02
Auditor's Remuneration & Expenses		
- For Audit Fees	0.24	0.16
- For Other Services	0.51	0.52
- For Reimbursement of Expenses	0.03	0.03
Internal & Other Audit Expenses	1.42	1.41
Rehabilitation Charges	23.29	25.39
Royalty & Cess	4.02	6.21
Central Excise Duty	78.94	29.05
Rent	1.23	1.68
Rates & Taxes	33.70	18.20
Insurance	0.72	0.67
Lease Rent	0.01	-
Rescue/Safety Expenses	1.56	1.27
Dead Rent/Surface Rent	1.08	1.03
Siding Maintenance Charges	2.20	2.52
Land/Crops Compensation	-	0.14
R & D expenses	0.36	0.86
Environmental & Tree Plantation Expenses	28.09	24.68
Miscellaneous expenses (refer note 32.1)	37.85	25.43
Total	439.26	330.86

32.1 Miscellaneous expenses includes expenditure incurred for service charges for e-auction sales and other miscellaneous expenses.



NOTE 33 : TAX EXPENSES

(₹ in Crore)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
Current Year	-	187.11
Deferred tax	(285.36)	(95.10)
Earlier Years tax	(12.88)	4.49
Total	(298.24)	9 6.50

NOTE 34 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars	For the Year Ended 31 03 2017	For the Year Ended 31.03.2016
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plans	19.21	110.81
	<u>19.21</u>	<u>110.81</u>
Less:		
Income tax relating to items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plans	6.65	38.35
	<u>6.65</u>	<u>38.35</u>
Total	12.56	72.46

**NOTE – 35****ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2017.****1. Fair Value measurement****(a) Financial Instruments by Category**

(₹ in Crore)

	31 st March 2017			31 st March 2016			1 st April 2015		
	FVTPL	FVT OCI	Amortis- ed cost	FVTPL	FVT OCI	Amortis- ed cost	FVTPL	FVT OCI	Amortis- ed cost
Financial Assets									
Mutual Fund	0.10	-	-	114.36	-	-	137.31	-	-
Loans	-	-	3.83	-	-	5.18	-	-	6.81
Deposits & receivable	-	-	2207.32	-	-	1433.26	-	-	1322.86
Trade receivables	-	-	854.33	-	-	832.13	-	-	672.92
Cash & cash equivalents	-	-	57.15	-	-	402.06	-	-	853.09
Other Bank Balances	-	-	870.53	-	-	2262.01	-	-	3317.22
Financial Liabilities									
Borrowings	-	-	-	-	-	-	-	-	-
Trade payables	-	-	584.13	-	-	418.89	-	-	327.01
Security Deposit and Earnest money	-	-	169.30	-	-	150.58	-	-	123.69
Other Liabilities	-	-	-	-	-	-	-	-	-

(b) Fair value hierarchy

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.



(₹ in Crore)

Financial assets and liabilities measured at fair value – recurring fair value measurement	31 st March 2017			31 st March 2016			1 April 2015		
	Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL									
Investments	-	-	-	-	-	-	-	-	-
Mutual Fund	0.10	-	-	114.36	-	-	137.31	-	-
Financial Liabilities									
If any item	-	-	-	-	-	-	-	-	-

(₹ in Crore)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 st March, 2017	31 st March 2017			31 st March 2016			1 April 2015		
	Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets at FVTPL									
Investments	-	-	-	-	-	-	-	-	-
Equity Shares in JV	-	-	-	-	-	-	-	-	-
Mutual Fund	-	-	-	-	-	-	-	-	-
Financial Liabilities									
Borrowings	-	-	-	-	-	-	-	-	-
Trade payables	-	-	584.13	-	-	418.89	-	-	327.01
Security Deposit and Earnest money	-	-	169.30	-	-	150.58	-	-	123.69
Other Liabilities	-	-	-	-	-	-	-	-	-

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

**(c) Valuation technique used in determining fair value**

Valuation techniques used to value financial instruments include:

- The use of quoted market prices of instruments
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(d) Fair values of financial assets and liabilities measured at amortised cost

(₹ in Crore)

	31 st March 2017		31 st March, 2016		1 April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Loans	3.83	3.83	5.18	5.18	6.81	6.81
Financial liabilities						
Borrowings	-	-	-	-	-	-
Security Deposit and Earnest money	169.30	169.30	150.58	150.58	123.69	123.69

- The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.
- Other Financial assets accounted at amortised cost are not carried at fair value only if same is not material.
- The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy.

Significant estimates: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques. uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

1. RISK ANALYSIS AND MANAGEMENT**Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables directly related to its operations. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.



The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Company is exposed to market risk, credit risk and liquidity risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The company risk management is carried out by the Board of directors as per DPE guidelines issued by Government of India. The Board provides written principals for overall risk management as well as policies covering investment of excess liquidity.

A. Credit Risk: Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as including outstanding receivables.

Credit risk management :

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms



Fuel Supply Agreements

As contemplated in and in accordance with the terms of the NCDP, we enter into legally enforceable FSAs with our customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. 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.

In addition to the FSA forms discussed above, WCL currently supplies coal under certain “cost plus” coal supply agreements.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the MoC.

Provision for expected credit loss: The Company provides for expected 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 31.03.2017

(₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	691.48	74.11	28.54	193.38	56.70	174.48	1218.69
Expected loss rate	31.16%	31.17%	54.87%	11.40%	7.74%	47.96%	29.90%
Expected credit losses (Loss allowance provision)	215.49	23.10	15.66	22.04	4.39	83.68	364.36



As on 31.03.2016

(₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	611.02	122.16	9.01	94.20	3.33	94.92	934.64
Expected loss rate	0.85%	0	35.74%	15.14%	0	84.13%	10.97%
Expected credit losses (Loss allowance provision)	5.17	0	3.22	14.26	0	79.86	102.51

(₹ in Crore)

Ageing	Due for 2 months	Due for 6 months	Due for 1 year	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	642.04	36.76	5.39	0	0	72.54	756.73
Expected loss rate	0.55%	7.34%	89.98%	-	0	100%	11.07%
Expected credit losses (Loss allowance provision)	3.54	2.70	4.85	0.18	0	72.54	83.81

Reconciliation of loss allowance provision – Trade receivables

(₹ in Crore)

Loss allowance on 01.04.2015	83.81
Change in loss allowance	18.70
Loss allowance on 31.03.2016	102.51
Changes in loss allowance	261.85
Loss allowance on 31.03.2017	364.36

Significant estimates and judgments Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable



securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period: (₹ in Crore)

	31.03.2017	31.03.2016	01.04.2015
Expiring within one year (Bank overdraft and other facilities)	-	-	-
Expiring beyond one year (Bank Loans)	-	-	-

Market risk

- Foreign currency risk
- Cash flow and fair value interest rate risk 107(33)(a),

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's 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)

	31.03.2017	31.03.2016	01.04.2015
Equity Share capital	297.10	297.10	297.10
Preference share capital	-	-	-
Long term debt	-	-	-

3. Employee Benefits: Recognition and Measurement (Ind AS-19)

I) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in



permitted securities. The contribution towards the fund during the year is ₹ 382.39 Crore (₹ 392.62 Crore) has been recognized in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded-

- Gratuity
- Leave Encashment

(b) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Medical Benefits
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is ₹ 3019.23 Crore.

The actuarial liability as on 31.03.2017:

(₹ in Crore)

Head	Opening Actuarial Liability as on 01.04.2016	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2017
Gratuity	2176.44	-0.76	2175.68
Earned Leave	418.41	63.70	482.11
Half Pay Leave	68.94	21.14	90.08
Life Cover Scheme	12.72	0.11	12.83
Settlement Allowance Executives	6.54	0.52	7.06
Settlement Allowance Nonexecutives	25.16	0.05	25.21
Group Personal Accident Insurance Scheme	0.17	0.01	0.18
Leave Travel Concession	40.86	2.23	43.09
Medical Benefits Executives	124.54	18.54	143.08
Medical Benefits Non-Executives	4.28	7.99	12.27
Compensation to dependents in case of mine accidental death	26.95	0.69	27.64
Total	2905.01	114.22	3019.23

**iii) Disclosure as per Actuary's Certificate**

The disclosures as per actuary's certificate for employee benefits for Gratuity (funded) and Leave Encashment (funded) are given below: -

**ACTUARIAL VALUATION OF GRATUITY LIABILITY AS AT 31.03.2017
CERTIFICATES AS PER IND AS 19 (2015)**

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	2176.44	2247.26
Current Service Cost	158.86	147.99
Interest Cost	146.68	168.14
Actuarial (Gain) / Loss on obligations due to change in financial assumption	95.89	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	-95.79	-96.05
Benefits Paid	306.40	290.91
Present Value of obligation at end of the period	2175.68	2176.43

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	2173.03	2141.31
Interest Income	157.54	171.31
Employer Contributions	182.10	136.55
Benefits Paid	306.40	290.91
Return on Plan Assets excluding Interest income	19.31	14.77
Fair Value of Plan Asset as at end of the period	2225.58	2173.03

(₹ in Crore)

	GRATUITY	
Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	-49.90	-3.41
Unrecognized actuarial (gain) / loss at end of the period		
Fund Asset	2225.58	2173.03
Fund Liability	2175.68	2176.44
Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	7.25%	8.00%
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.50% for Non-Executives	6.25%
Average Expected Future Service (Remaining Working Life)	10	11
Average Duration of Liabilities	10	11
Mortality Table	IALM 2006-08 ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00%	1.00%



(₹ in Crore)

Expense Recognized in Statement of Profit / Loss	GRATUITY	
	As at 31.03.2017	As at 31.03.2016
Current Service Cost	158.86	147.99
Net Interest Cost	-10.86	-3.16
Benefit Cost (Expense recognised in Statement of Profit/Loss)	148.00	144.83

(₹ in Crore)

Other Comprehensive Income	GRATUITY	
	As at 31.03.2017	As at 31.03.2016
Actuarial (Gain) / Loss on obligations due to change in financial assumption	95.90	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	-95.79	-96.04
Total Actuarial (Gain) / Loss	0.10	-96.04
Return on Plan Asset, excluding Interest Income	19.31	14.77
Balance at the end of the period	-19.21	-110.81
Net (Income) / Expense for the period recognised in Other Comprehensive Income	-19.21	-110.81

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Sensitivity Analysis	Increase	Decrease
Discount Rate (-/+ 0.5%)	2114.76	2240.08
% Change Compared to base due to sensitivity	-2.80%	2.96%
Salary Growth (-/+ 0.5%)	2185.47	2164.80
% Change Compared to base due to sensitivity	0.45%	-0.50%
Attrition Rate (-/+ 0.5%)	2177.42	2173.94
% Change Compared to base due to sensitivity	0.08%	-0.08%
Mortality Rate (-/+ 10%)	2188.30	2163.06
% Change Compared to base due to sensitivity	0.58%	-0.58%



Statement Showing Cash Flow Information	₹ in Crore
Next Year Total (Expected)	208.85
Minimum Funding Requirements	29.33
Company's Discretion	

Statment Showing Benefit Information Estimated Future Payments (Past Service)	
Year	₹ in Crore
1	316.53
2	308.45

Statement Showing Benefit Information Estimated Future payments (Past Service)	
Year	₹ in Crore
1	316.53
2	308.45
3	324.37
4	286.06
5	250.24
6 to 10	985.11
More than 10 years	1139.77
Total Undiscounted Payments Past and Future Service	
Total Undiscounted Payments related to Past Service	3610.52
Less Discount For Interest	1434.84
Projected Benefit Obligation	2175.68

Statement Showing Cash Flow Information	₹ In Crore
Current service Cost (Employer portion Only) Next period	145.65
Interest Cost next period	148.69
Expected Return on Plan Asset	152.70
Benefit Cost	141.65

(₹ in Crore)

Statement Showing expected return on Plan Asset at end Measurement	As at 31.03.2017	As at 31.03.2016
Current liability	305.64	299.58
Non-Current Liability	1870.04	1876.86
Net Liability	2175.68	2176.44



**ACTUARIAL VALUATION OF LEAVE ENCASHMENT BENEFIT (EL/HPL) AS AT 31.03.2017
CERTIFICATES AS PER IND AS 19 (2015)**

(₹ in Crore)

Changes in Present Value of defined benefit obligations	As at 31.03.2017	As at 31.03.2016
Present Value of obligation at beginning of the period	487.34	464.43
Current Service Cost	67.56	40.82
Interest Cost	32.31	33.91
Actuarial (Gain) / Loss on obligations due to change in financial assumption	74.05	-
Actuarial (Gain) / Loss on obligations due to unexpected experience	-5.66	29.32
Benefits Paid	83.41	81.14
Present Value of obligation at end of the period	572.19	487.34

(₹ in Crore)

Changes in Fair Value of Plan Assets	As at 31.03.2017	As at 31.03.2016
Fair Value of Plan Asset at beginning of the period	-	-
Interest Income	0.07	-
Employer Contributions	435.41	-
Benefits Paid	83.41	-
Return on Plan Assets excluding Interest income	-	-
Fair Value of Plan Asset as at end of the period	352.07	-

(₹ in Crore)

Statement showing reconciliation to Balance Sheet	As at 31.03.2017	As at 31.03.2016
Funded Status	-220.12	-487.34
Unrecognized actuarial (gain) / loss at end of the period	-	-
Fund Asset	352.07	-
Fund Liability	572.19	487.34

(₹ in Crore)

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Discount Rate	7.25%	8.00%
Expected Return on Plan Asset	NA	NA
Rate of Compensation Increase (Salary Inflation)	9.00% for Executives and 6.50% for Non-Executives	6.25%
Average Expected Future Service (Remaining Working Life)	11	11



(₹ in Crore)

Statement showing Plan Assumptions:	As at 31.03.2017	As at 31.03.2016
Average Duration of Liabilities	11	11
Mortality Table	IALM/2006-08/ULTIMATE	
Superannuation at Age	60	60
Early Retirement and Disablement	1.00%	1.00%
Voluntary Retirement	Ignored	Ignored

(₹ in Crore)

Expense Recognized in Statement of Profit / Loss	As at 31.03.2017	As at 31.03.2016
Current Service Cost	67.56	40.82
Net Interest Cost	32.23	33.91
Net Actuarial Gain / Loss	68.39	29.32
Benefit Cost (Expense recognised in Statement of Profit/Loss)	168.18	104.05

Mortality Table	
Age	Mortality (Per Annum)
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.0170085
70	0.0258545

Sensitivity Analysis	Increase	Decrease
Discount Rate (-/+ 0.5%)	552.05	593.70
% Change Compared to base due to sensitivity	-3.52%	3.76%
Salary Growth (-/+ 0.5%)	593.42	552.10
% Change Compared to base due to sensitivity	3.71%	-3.51%
Attrition Rate (-/+ 0.5%)	572.65	571.73
% Change Compared to base due to sensitivity	0.08%	-0.08%
Mortality Rate (-/+ 10%)	575.28	569.10
% Change Compared to base due to sensitivity	0.54%	-0.54%



Statement Showing Benefit Information Estimated Future payments	
Year	₹ in Crore
1	49.88
2	53.25
3	60.25
4	62.25
5	62.67
6 to 10	287.35
More than 10 years	468.32
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	1043.98
Less Discount For Interest	471.79
Projected Benefit Obligation	572.19

(₹ in Crore)

Statement Showing expected return on Plan Asset at end Measurement	As at 31.03.2017	As at 31.03.2016
Current liability	48.17	44.76
Non-Current Liability	524.02	442.58
Net Liability	572.19	487.34

1. Unrecognised items:

a) Contingent Liabilities

Claims against the Company not acknowledged as debts (including interest, wherever applicable)

(₹ in Crore)

Claims against the company not acknowledged as debt			
		31.03.2017	31.03.2016
1	Central Govt.	3433.48	3386.76
2	State Govt. and Local authorities	735.76	826.72
3	Central Public Sector Enterprises	9.47	1.20
4	Others	703.71	572.82
	Total	4,882.42	4,787.50

Claims against the Company not acknowledged as debts as on 31st March, 2017 amounting to, ₹4882.42 Crores (Previous Year, ₹ 4787.50 Crores) includes:

1. Claims under Income Tax, Sales Tax, Service Tax and other Acts:

- Demand from Income Tax authorities for ₹ 641.64 Crores towards Corporate Tax, ₹ 2.22 Crores towards Tax on perquisites to employees and ₹ 0.56 Crores U/s 194 J of The Income Tax Act, 1961.
- Demand raised by District Revenue Authorities on account of Surface Rent ₹ 115.50 Crores and Non-Agricultural Assessment Tax of ₹ 69.15 Crores, Central Excise Duty Demand on a/c of Royalty/SED ₹ 2462.22 Crores and Clean energy cess demand of ₹ 32.76 crores



- iii. Demands of Sales Tax Authorities on account of Sales Tax amounting to ₹ 422.58 Crores, CST on surface transportation charges amounting ` 8.60 crores and Entry Tax amounting to ₹ 114.52 Crores on HEMM and ₹ 4.92 Crores on coal.
- iv. Demands of Service Tax Authorities amounting to ₹ 293.99 Crores.

Note: The amount paid under protest against appeal are kept under Loans & Advances / Claim receivables.

2. Other Claims

- i. Claims for enhanced compensation by land owners amounting to ₹ 115.46 Crores.
 - ii. Claims by employees towards remuneration related cases amounting to ₹ 16.49 Crores.
 - iii. Claims by Contractors and others pending decision by Arbitration/ Courts ₹ 272.06 Crores.
 - iv. Claims by customers ₹ 309.17 Crores.
 - v. Claims by Railways for Siding Maintenance Charges ₹ 0.09 Crores
 - vi. There are other claims along with interest by the employees and others where the amounts are not specified and as such, the contingent liability cannot be quantified.
 - vii. Pending finalisation of Purchase consideration by the Central Government for Fixed Assets acquired at the time of assets taken over from the Coal Mines Labour Welfare Organisation and Coal Mines Rescue Station at Pench in the year 1984 and 1986 respectively, amount unascertainable.
3. The Competition Commission of India (CCI), on the basis of complaints by few coal customers (called as 'informant' in the case) against certain conducts of M/s Coal India Limited, M/s Western Coalfields Limited, M/s South Eastern Coalfields Limited, M/s Mahanadi Coalfields Limited (called as 'opposite' party in the case) heard the case and vide its order dated 09.12.2013, had inter-alia imposed a penalty of ` 1773.05 Crores. The appeal against the above order was filed with Competition Appellate Tribunal and as per their judgement dated 17.05.2016 appeal of Coal India Limited has been allowed, impugned orders of CCI have been set aside and the matters are remitted back to the Commission for deciding the issues arising out of the information afresh. The final arguments in the matter concluded on 24th November,2016 and the CCI passed the fresh impugned Order on 24th March,2017 and returned with similar findings as arrived at in the Old Order dated 9th December,2013 with a reduction of penalty from ₹ 1773.05 Crores to ₹ 591.01 Crores. Coal India Ltd. is in the process of preparing an appeal to be filed before the COMPACT against the Fresh Impugned Order.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 592.05 crore , Others (Revenue account) ₹ 3278.54 crores

c) Letter of Credit and Bank Guarantee :

As on 31.03.2017 outstanding letters of credit is Nil (₹ 0.59 crore) and bank guarantee issued is ₹4.16 Crore (₹ 4.74 Crore).



5. Other Information

a) Government Assistance

Subsidy for Sand Stowing & Protective Works includes ₹ 17.55 crore received from Ministry of Coal, Government of India in terms of Coal Mines (Conservation & Development) Act, 1974 towards reimbursement of expenditure incurred for the Sand Stowing & Protective Works.

b) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31.03.2017 are given below:

(₹ in Crore)

Provisions	Opening Balance as on 1.04.2016	Addition during the year	Write back/Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Note 3:-Property, Plant and Equipment: Impairment of Assets :	6.09	2.50	1.56	-	7.03
Note 4:- Capital Work in Progress : Against CWIP :	0.05	0.02	0.03	-	0.04
Note 5:- Exploration And Evaluation Assets : Provision and Impairment:	-	-	-	-	-
Note 6:- Other Intangible Asst	-	-	-	-	-
Note 8:- Loans : Other Loans :	-	-	-	-	-
Note 9:- Other Financial Assets: Current Account with Subsidiaries :	-	-	-	-	-
Claim receivables	5.91	8.10	-	-	14.01
Other Receivables :	0.09	-	-	-	0.09
Note 10- Other Non-Current Assets : Exploratory Drilling Work :	-	-	-	-	-
Capital Advance	0.91	-	-	-	0.91
Against Security Deposit for Utilities	1.09	-	-	-	1.09
Note 10:- Other Current Assets :					
Advances for Revenue	1.51	-	0.16	-	1.35
Advance to Employee	0.12	-	0.01	-	0.11
Advance Others	1.31	-	-	-	1.31
Note 12:-Inventories : Stock of Coal :	0.01	-	-	-	0.01
Stock of Stores & Spares :	15.84	-	0.27	-	15.57



(₹ in Crore)

Provisions	Opening Balance as on 1.04.2016	Addition during the year	Write back/Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
Note 13:-Trade Receivables :					
Provision for bad & doubtful debts :	102.51	268.38	6.53	-	364.36
Note 20 :- Non-Current & Current Provision :					
Performance related pay	460.99	26.28	226.35	-	260.92
NCWA-X	-	322.06	-	-	322.06
Executive 3rd PRC	-	14.05	-	-	14.05
9.84% Superannuation benefit (Exec)	183.22	28.56			211.78
Mine Closure	1633.20	143.84	-	92.04	1869.08

c) Segment Reporting

In accordance with the provisions of Ind AS 108 'operating segment', the operating segment used for presenting segment information are identified based on internal reports used by BOD to allocate resources to the segments and assess their performance. The BOD is the group of Chief operating decision maker within the meaning of Ind AS 108.

The Board of directors consider a business from a prospect of significant product offerings and have decided that presently there is one single reportable segment being sale of Coal. Information of financial performance and net asset is presented in the consolidated information of p/L and Balance sheet.

(₹ in Crore)

	India	Other countries
Revenue from operations	7465.24	NIL

Revenue by customer is as follows

Customer Name	Amount (in Crores)	Country
Name of each parties having more than 10% of Net sales value		
MSPGCL	3202.90	INDIA
Others	3954.39	INDIA
Total Net Sale	7157.29	INDIA

Net current asset by location are as follows

(₹ in Crore)

	India	Other countries
Net Current Asset	5300.45	NIL



**d) Earnings per share
FOR PAT**

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	(777.03)	297.69
ii)	Weighted Average no. of Equity Shares Outstanding	2971000	2971000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹.1000/- per share)	(2615.38)	1001.99

FOR Other Comprehensive Income

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	12.56	72.46
ii)	Weighted Average no. of Equity Shares Outstanding	2971000	2971000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹.1000/- per share)	42.28	243.89

For Total Comprehensive Income

Sl. No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Net profit after tax attributable to Equity Share Holders (₹ in Crore)	(764.47)	370.15
ii)	Weighted Average no. of Equity Shares Outstanding	2971000	2971000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹.1000/- per share)	(2573.11)	1245.88

**e) Related Party Disclosures****(a) Key Managerial Personnel**

Shri Rajiv.R.Mishra	Chairman-Cum-Managing Director
S.S.Malhi	Director (Tech)-Operation upto 31.07.2016
Shri B.K.Mishra	Director (Tech) -Project & Planning
Dr. Sanjay Kumar	Director (Personnel)
Shri S.M.Choudhary	Director (Finance)
Shri T.N.Jha	Director (Tech)- Project & Planning w.e.f.01.08.2016
Shri Rameher	Company Secretary

(b) Independent Directors

Shri Rama Rao
Shri K.N.Shelat
Shri I.Ghose
Shri Mahendrakumar Bhatt

(c) Remuneration of Key Managerial Personnel

(₹ in Crore)

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2017	For the year ended 31.03.2016
i)	Short Term Employee Benefits		
	Gross Salary	2.38	1.06
	Perquisites	0.09	0.10
	Medical Benefits	0.01	0.01
ii)	Post-Employment Benefits	0.16	0.12
	Contribution to P.F. & other fund		
iii)	Termination Benefits (Paid at the time of separation)		
	Leave Encashment	0.22	0.16
	Gratuity	0.10	0.10
	TOTAL	2.96	1.55

Note:

- (i) Provision on the basis of actuarial valuation of defined benefits have not been considered in the Director's remuneration as above.
- (ii) Besides above, whole time Directors have been allowed use of cars for private journey upto a ceiling of 1000 KMs on payment of ₹2000 per month as per service conditions.



(₹ in Crore)

Sl. No.	Payment to Independent Directors	For the year ended 31.03.2017	For the year ended 31.03.2016
1	Sitting Fees	0.19	0.05

Balances Outstanding as on 31.03.2017

Sl. No.	Particulars	As on 31.03.2017	As on 31.03.2016
i)	Amount Payable	Nil	Nil
ii)	Amount Receivable	Nil	Nil

(d) Related Party Transactions

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.

f) Taxation

Accounting for Taxes on Income under Ind AS-12

Calculation of Deferred Tax

(₹ in Crore)

DEFERRED TAX ASSETS/LIABILITY		As on 31.03.2017	As on 31.03.2016
A	Deferred Tax Liabilities- Depreciation	30.01	30.00
B	Deferred Tax Assets		
	Disallowance under I. Tax Act & other Statute	53.82	46.41
	Provision for Doubtful Debts, Advances & Claims	133.03	39.67
	Provision for Leave Encashment & Other Employee Benefits	332.60	456.08
	Provision for Shortage, Obsolescence of stock	8.63	8.72
	Provision for Land Reclamation	(4.49)	-
	Tax Impact on Taxable Loss for 2016-17	312.66	-
	TOTAL	836.25	550.88
	Deferred Tax Assets (net) (B-A)	806.24	520.88

- Explanation of changes in applicable tax rates compared to previous accounting period
- Relationship between tax expense (income) and accounting profit]



Numerical Reconciliation of difference

(₹ in Crore)

Sl. No.	Nature of Adjustments	Year ended 31.03.2017
1	Net Profit/(Loss) as per Statement of Profit and Loss (before tax)	(1056.03)
2	Add permanent Difference	250.70
3	Net Loss	(805.33)
4	Applicable Tax rate	34.608%
	Tax on Net Profit/(Loss) as per Sl.No. (3*4)	(278.71)
5	Net Profit/(Loss) as per Income Tax	(805.33)
6	a) Current year Tax Nil b) Deferred Tax ₹(285.36) c) Tax on OCI ₹ 6.65	(278.71)
7	Difference	Nil

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 is 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) Others

- Against the levy of 5% tax under "Madhya Pradesh Gramin Avsanrachana Tatha Sadak Vikas Adhinyam, 2005" (MPGATSV 2005), some consumers as well as WCL has moved to the Hon'ble High Court of Madhya Pradesh, Jabalpur whereby vide interim order dated 15/02/2006 the Company is being directed not to deposit this tax to the State Government but to keep in a fixed deposit. The matter was later decided by the Jabalpur High Court in favour of MP Government against which the WCL has filed an SLP before the Hon'ble Supreme Court and the matter is still sub judice. The Hon'ble Supreme Court of India vide its interim order dated 02-08-2010 directed the Company to file its returns for all the years under protest as per MPGATSV (2005) and also directed the assessing officer to complete the assessments of returns filed by the Company.

In compliance with the Supreme Court directions, up to 31/03/2017 the assessing officers raised total demand of ₹ 533.55 Crores against the Company (₹ 487.48 Crores) which is paid in



full as per the legal advice. However, the Company has preferred Appeals against the assessment orders / demand notes with Competent Appellate Authority, Jabalpur and Bhopal.

Up to 31/03/2017, an amount of ₹ 562.81 Crores (₹ 518.89 Crores) has been received from customers on account of MPGATSVA Tax (including VAT/CST thereon upto 31st March,2016). Against this ₹ 533.55 Crores is paid under protest (including ₹ 2.86 Crores on accounts of for VAT/CST) against the demand raised by Assessing Officer up to 31/03/2017.

Out of balance amount, ₹ 23.92 Crores has been kept in deposit leaving balance of ₹5.34 Crores to be deposited. The cumulative interest accrued on fixed deposits made on this account is added to liability, part of which is yet to be deposited.

2. Pending decision of Hon'ble Supreme Court of India ₹ 4.52 Crores (₹4.52 Crores) collected from customers in the earlier years being interest on delayed payments on account of enhancement of rate of royalty on coal, continued to appear in account 'Advance & Deposits from Customers' under the head "Other Current Liabilities".
3. By virtue of enactment of Mineral Validation Act, 1992, the Company has raised supplementary bills on customers' up to 4.4.1991 on a/c of Cess and Other Taxes amounting to ₹ 2.96 Crores (₹ 2.96 Crores). Pending outcome of Special Leave Petition in Supreme Court, against the judgment of Ranchi Bench of Hon'ble Patna High Court in favour of the Company the same is shown as liability for Cess on Royalty under the head Other Current Liabilities.
4. The Company had approached MSRDC to construct a bridge over Wardha River near Nakoda in Wani Area to reduce the lead for coal transportation between the mines of Wani Area and Railway Siding at Wani. An agreement was entered into with MSRDC on 23.12.1997 for construction of the bridge and a loan of ₹ 2.35 Crores was agreed to be given by WCL to MSRDC. Out of this ₹ 1.13 Crores was given to MSRDC in 1997-98, carrying a simple interest @ 9% p.a. The remaining amount of loan of ₹ 1.22 Crores has not been released as WCL wants to establish a time bound schedule for repayment of the loan and interest thereon. Negotiations have been initiated with MSRDC for this purpose. The loan is to be repaid by MSRDC after repayment of its other loans. However, till date no amount is repaid by MSRDC.

The bridge is currently being used to transport coal across Wardha River. Since the principal amount of advance is doubtful, necessary provision for ₹ 2.14 Crores (including interest of ₹1.01 Crores accounted for as income up to 31.3.2010) is done.

5. Report of the Tripartite Committee, comprising of WCL, CMPDIL and Explosive Manufacturers, set up to finalise the benchmark powder factor of each mine for the period from April'05 to July'06, is still awaited. In the meantime CIL has directed WCL to review the impact of same considering the powder factor of 2003-04 and 2004-05, whichever is higher vis-à-vis actual achieved during 2005-06 and submit the Company's view to CIL. This review is yet to be finalized. As such no recovery has been made from bills for supply of explosives during that period. Pending finalization of the issue, the Bank Guarantees submitted by the suppliers is not released by CIL.



Subsequent supplies are covered by new rate contracts which specify that recovery on account of powder factor is to be adjusted after final powder factor reports are received from the Areas on quarterly basis. Pending receipt of final reports the deduction of ₹ 3.76 Crores (₹ 3.76 Crores) up to 31.03.2017 is appearing as a liability. Accordingly, the expenditure on account of explosive consumption has not been adjusted since the amount is not ascertainable.

- 6 During the year 1993-94 at Nandgaon Incline of Chandrapur Area a suspected fraud was detected and quantified by the Internal Audit Department to the tune of ₹ 0.12 Crores. Thereafter an amount of ₹ 0.02 Crores has been recovered from the party and for balance figure matching provision was done in books. The same is under CBI investigation
7. During the year 1995-96, a theft case at CWS Stores was suspected and police complaint was lodged. During the course of departmental enquiry many kardex were seized / taken out for investigation. Pending final outcome of the enquiry, the workshop continues to maintain a provision of ₹ 0.14 Crores
8. In case of Non-Agricultural tax assessment cases of land in Chandrapur, Ballarpur, Wani, Nagpur Areas, a common judgment was pronounced on 05.01.2009 by Hon'ble Bombay High Court resulting into demand of land revenue, ZP/GP Taxes and additional taxes of ₹ 62.04 Crores for the period from 1980 to 2009. Against this the Company has filed a Special Leave Petition before the Divisional Bench of Bombay High Court on the ground that such taxes are not payable on lands acquired under Coal Bearing Area Act..
- 9 The Company had preferred appeals against assessments of Income Tax and Sales Tax / VAT / MPVAT. Pending decision, no provision has been considered necessary and the amount paid / recoverable is being continued to be kept under Loans and Advances / Claims Receivables.
- 10 The Rate Contracts (RC) for supply of explosives by different suppliers was expired on 28th February'2006 and pending renewal of the same the suppliers were asked to continue the supplies at the same prevalent rates, subject to the condition that supplies during such extended period would be governed by the rates as may be fixed in the new RC. This continued up to 28th July, 2006.

The new RC was finalised and came into effect from 29th July, 2006 with a reduced price of the explosives and recovery of excess amount paid was made from the suppliers against which some of the suppliers filed a Civil Suit before Hon'ble Calcutta High Court which granted a stay against recovery in December 2006. Accordingly CIL directed WCL to refund the amount deducted from the six suppliers.

The Hon'ble High Court of Calcutta asked these suppliers to deposit the disputed amount in question in an account with the Joint Receiver appointed by the Hon'ble High Court. But the suppliers failed to do so and the Hon'ble Calcutta High Court in July 2008 vacated the stay of recovery of excess payment made to such suppliers.

Hence, CIL directed WCL to restart the recovery of such amount from the running bills of the suppliers as per directives of Court. However, pending disposal of the case since 2008-09 the recovery of ₹ 2.58 Crores is kept under liability in the books of account.



- 11 Revision of Standard Ratio of the following opencast mines is made during the current year after Competent approval . Due to this revision the Loss of the Company has decreased by 107.15 Crores. The Mine wise details are as under :

SI No	Name of the Mine	Old Standard Ratio (Coal: OB) Ratio	Revised Standard Ratio (Coal: OB) Ratio	Increase / (Decrease) in Loss (₹ in Crores)
1	Ukni OCP	4.57	8.92	95.59
2	Umrer OCP	2.71	1.453	(196.90)
			Total	(101.31)

- 12 As per Guideline on Mine Closure provision issued by CIL, Interest accrued during the current year on MCP Escrow Accounts amounting ₹ 102.19 Crores (₹ 90.51 Crores) is credited to Profit & Loss account and an amount of ₹ 80.15 Crores towards interest accrued on MCP Escrow Account prior to 01.04.2015. is credited to retained earnings which was earlier kept under liabilities.
13. As per tripartite Agreement between WCL and Power Utilities companies with CSIR-CIMR, third party sampling agency, coal sampling is carried out by CIMFR during the current year. Based on result of CIMFR duly accepted by WCL & power utilities, credit/debit note is issued to power utilities and accounted for. Further Provision for grade slippage amounting ₹ 238.58 Cr is made, based on past trend on account of quality on coal sampling done by CIMFR for which the report is yet to be received as well report from the Referee in case of dispute.
14. As per Recommendation of committee on uniform accounting treatment, provision on Ratio Variance is not considered in the cost of production for valuation of closing stock of coal. However, in current year cost of Advance stripping is included in the cost of production for valuation of closing stock of coal.
- 15 Prospecting Boring and Development expenses amounting to ₹ 6.84 Crores (₹ 30.33 Crore) along with provision for depreciation have been taken out from accounts during the year after expiry of two years, following the year in which these are fully amortized.
- 16 As per directives of the Government of India through Coal India Ltd, WCL has taken the custody of Gatitoria OCP and Makri Mangoli mines w.e.f. 01.04.2015 .During the current year an amount of ₹ 1.28 Crores as incurred charged to the Statement of Profit and Loss.
- 17 Detail of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016. (₹ in Crore)

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	0.19	0.11	0.30
(+) Permitted Receipt	-	41.34	41.34
(-) Permitted Payments	-	32.58	32.58
(-) Amount deposited in Banks	0.19	08.80	08.99
Closing Cash in Hand as on 30.12.2016	-	0.07	0.07

**l) Apex Office Charges and Interest to Holding Company.**

- i. Apex office charges of Holding Company are allocated to revenue mines on the basis of coal production.
- ii. An amount of ₹ 23.29 Crores (₹ 25.39 Crores) has been charged to P&L A/c being additional Apex Charges @ ₹ 6.00 per ton of coal dispatch to meet the rehabilitation & fire fighting expenses of Jharia and Raniganj areas of BCCL / ECL as per advice of CIL.

m) Balance Confirmations

- i. Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.
- ii. Joint reconciliation with major sundry debtors is done periodically. Joint reconciliation with power house like MSPGL, MPPGCL, GSEB, UPRVNL, HSPGCL, KPCL and SAIL has been completed up to interim period of 2016-17.

n) Value of imports on CIF basis

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(i) Raw Material	-	-
(ii) Capital Goods	-	-
(iii) Stores, Spares & Components	-	4.00

o) Expenditure incurred in Foreign Currency

(₹ in Crore)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	0.06	0.05
Others	0.00	1.40

p) Total Consumption of Stores and Spares

(₹ in Crore)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	0.44	0.04	0.46	0.04
(ii) Indigenous	1020.52	99.96	1056.24	99.96
Total	1,020.96	100.00	1,056.70	100.00



q) Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal

(₹ in Crore and Quantity in ₹000 MT)

	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Qty.	Value	Qty.	Value
Opening Stock- Revenue Mines	8060.98	957.53	5522.04	661.50
- Capital Mines	-	-	69.00	6.99
Production – Revenue Mines	45189.63	-	44976.47	-
- Capital Mines	524.00	-		
Sales - Revenue Mines	39366.82	7157.29	42347.60	7954.98
- Capital Mines	123.98	19.88		
Own Consumption	84.04	10.35	158.93	29.07
Closing Stock - Revenue Mines	13799.75	1649.52	8060.98	
- Capital Mines	400.02	32.15	-	-

r) Significant accounting policy

Significant accounting policy (Note-37) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

Reconciliation of Profit between IND AS and previous Indian GAAP

(₹ in Crore)

Sl. No.	Nature of Adjustments	Year ended 31.03.2016
1	Net Profit as per previous Indian GAAP (after tax)	296.60
2	Remeasurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	85.07
3	Actuarial loss/gain on remeasurement of employee defined benefit plan as per Ind AS 19 recognised in "Other Comprehensive Income" (Net of tax)	(72.46)
	Effect of adjustments relating to Prior period (Net of tax)	(11.52)
	Net Profit as per Ind AS (after tax) attributable to equity shareholders	297.69
	Other Comprehensive Income (after tax)	72.46
	Total Comprehensive Income as per Ind AS (after tax) attributable to equity shareholders	370.15



6. First time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are prepared for the first time by the Company in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Fair value measurement of financial assets or financial liabilities

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the Company has opted to apply Ind AS 109 prospectively.

(ii) Mine Closure, Site Restoration and Decommissioning Obligation in Property, Plant and Equipment

Appendix 'A' to Ind AS 16 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first-time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, a first-time adopter will not need to estimate what provision would have been calculated at earlier reporting dates. Instead, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability (adjusted only for the time value of money) existed when the asset was first acquired/constructed.

As a first time adopter of Ind AS, the Company has calculated the Mine Closure, Site Restoration and Decommissioning Obligation at the date of transition assuming that the same liability (present value) existed when the asset was first acquired/constructed.



(iii) Resettlement & Rehabilitation Policy of CIL

With changing aspirations of Project Affected Persons (PAPs) and for faster acquisition of land, Resettlement & Rehabilitation Policy of CIL was revised in 2012 making it liberal and PAP friendly with more flexibility to the Board of Subsidiary Companies. The Policy provides for conducting baseline socioeconomic survey to identify PAPs enlisted to receive R&R benefits as well as to formulate Rehabilitation Action Plan (RAP) in consultation with PAPs and State Govt. The R&R Policy of Coal India Ltd., provides for payment of land compensation and solatium, employment or lump sum monetary compensation and annuity, compensation for home-stead, lump sum payment in lieu of alternate house site, subsistence allowance to each affected displaced family etc.

Reconciliation of equity as at 1st April, 2015 (Date of transition to Ind AS

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
(A) Non-Current Assets				
(a) Property, Plant & Equipments		1721.63	337.24	2058.87
(b) Capital Work in Progress		221.84	-	221.84
(c) Exploration and Evaluation Assets		197.27	-	197.27
(d) Intangible Assets		9.99	-	9.99
(e) Financial Assets				
(i) Loans		6.81	-	6.81
(ii) Other Financial Assets		968.30	-	968.30
(f) Deferred Tax Assets (net)		464.13	-	464.13
(g) Other non-current assets		81.37	-	81.37
Total Non-Current Assets (A)		3671.34	337.24	4008.58
(B) Current Assets				
(a) Inventories		747.12	-	747.12
(b) Financial Assets				
(i) Investments		137.31	-	137.31
(ii) Trade Receivables		672.92	-	672.92
(iii) Cash & Cash equivalents		853.09	-	853.09
(iv) Other Bank Balances		3317.22	-	3317.22
(vi) Other Financial Assets		354.56	-	354.56
(c) Current Tax Assets (Net)		818.40	-	818.40
(d) Other Current Assets		187.48	-	187.48
Total Current Assets (B)		7088.09	-	7088.09
Total Assets (A+B)		10759.43	337.24	11096.67



(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
EQUITY AND LIABILITIES				
(A) Equity				
(a) Equity Share Capital		297.10	-	297.10
(b) Other Equity		3489.85	90.85	3,580.70
Equity attributable to equity holders of the company		3,786.95	90.85	3,877.80
Total Equity (A)		3,786.95	90.85	3,877.80
(B) Non-Current Liabilities				
(a) Financial Liabilities				
(Other Financial Liabilities)		6.45	-	6.45
(b) Provisions		3929.37	270.21	4199.58
(c) Other Non-Current Liabilities		-	-	-
Total Non-Current Liabilities (B)		3,935.82	270.21	4,206.03
(C) Current Liabilities				
(a) Financial Liabilities				
(i) Trade payables		338.88	-11.87	327.01
(ii) Other Financial Liabilities		117.24	-	117.24
(b) Other Current Liabilities		1510.35	-	1510.35
(c) Provisions		1070.20	-11.95	1058.25
Total Current Liabilities (C)		3,036.67	-23.82	3012.84
Total Equity and Liabilities (A+B+C)		10759.43	337.24	11096.67



Reconciliation of equity as at 31 March, 2016

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustment	Ind AS
ASSETS				
Non-Current Assets				
(a) Property, Plant & Equipments		2541.22	531.69	3,072.91
(b) Capital Work in Progress		227.91	9.49	237.40
(c) Exploration and Evaluation Assets		259.99	-	259.99
(d) Other Intangible Assets		9.99	-	9.99
(e) Financial Assets				
(i) Loans		5.18	-	5.18
(ii) Other Financial Assets		1244.41	-	1244.41
(f) Deferred Tax Assets (net)		520.88	-	520.88
(g) Other non-current assets		87.75	-	87.75
Total Non-Current Assets (A)		4,897.33	541.18	5,438.51
Current Assets				
(a) Inventories		1034.64	-	1034.64
(b) Financial Assets				
(i) Investments		114.36	-	114.36
(ii) Trade Receivables		832.13	-	832.13
(iii) Cash & Cash equivalents		402.06	-	402.06
(iv) Other Bank Balances		2262.01	-	2262.01
(v) Other Financial Assets		188.85	-	188.85
(c) Current Tax Assets (Net)		871.90	-	871.90
(d) Other Current Assets		269.14	-	269.14
Total Current Assets (B)		5,975.09	-	5,975.09
Total Assets (A+B)		10872.42	541.18	11,413.60
Equity				
(a) Equity Share Capital		297.10	-	297.10
(b) Other Equity		2860.10	164.40	3,024.50
Equity attributable to equity holders of the company		3,157.20	164.40	3,321.60
Total Equity (A)		3157.20	164.40	3,321.60
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
Other Financial Liabilities		6.54		6.54



(₹ in Crore)

	FootNote	Indian GAAP	Adjustment	Ind AS
(b) Provisions		4458.59	388.73	4847.32
(c) Other Non-Current Liabilities		-	-	-
Total Non-Current Liabilities (B)		4465.13	388.73	4853.86
Current Liabilities				
(a) Financial Liabilities				
(i) Trade payables		418.89	-	418.89
(ii) Other Financial Liabilities		144.04	-	144.04
(b) Other Current Liabilities		1648.09	-	1648.08
(c) Provisions		1039.07	-11.95	1,027.12
Total Current Liabilities (C)		3,250.09	-11.95	3238.14
Total Equity and Liabilities (A+B+C)		10872.42	541.18	11,413.60



Reconciliation of profit or Loss for the year ended 31.03.2016

(₹ in Crore)

	Foot Note	Indian GAAP	Adjustments	Ind AS
Revenue from Operations				
Sales (including excise duty)		7954.98	-	7954.98
Other Operating Revenue (including excise duty)		281.27	-	281.27
Revenue from Operations (A+B)		7725.81	-	7725.81
Other Income		415.93	90.51	506.44
Total Income (I+II)		8637.62	90.51	8728.13
EXPENSES				
Cost of Materials Consumed		1056.70	-	1056.70
Changes in inventories of finished goods/work in progress and Stock in trade		-290.89	-	-290.89
Excise Duty		510.44	-	510.44
Employee Benefits Expense		4472.87	110.81	4583.68
Power Expense		327.85	-	327.85
Corporate Social Responsibility Expense		65.27	-	65.27
Repairs		53.96	-	53.96
Contractual Expense		1001.83	-	1001.83
Finance Costs		1.18	75.51	76.69
Depreciation/Amortization/ Impairment expense		273.02	98.59	371.61
Provisions		186.13	-167.72	18.41
Stripping Activity Adjustment		242.08	-	242.08
Other Expenses		330.87	-	330.87
Total Expenses (IV)		8,231.31	117.19	8348.50
Profit before Tax (V-VI)		420.87	-26.68	394.19
Tax expense		134.85	-38.35	96.50
Profit for the Period (IX+XII+XIII)		286.02	11.67	297.69
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss		-	110.81	110.81
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	38.35	38.35
Total Other Comprehensive Income		-	72.46	72.46
Total Comprehensive Income for the period (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		286.02	84.13	370.15



s) Miscellaneous

- a) Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.
- b) Note 3 to 21 form part of the Balance Sheet as at 31st March, 2017 and 22 to 34 form part of Statement of Profit & Loss for the year ended on that date. Note-1 gives corporate information; Note-2 represents Significant Accounting Policies and Note-35 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 35.

CA B.K JHA
General Manager (Finance)

RAMEHER
Company Secretary

CA S. M. CHOUDHARY
Director (Finance)
(DIN 07478302)

RAJIV R. MISHRA
Chairman-cum-Managing Director
(DIN 05103300)

As per our report of even date
FOR V. K. SURANA & CO
Chartered Accountants
FRN 110634W

CA. SUDHIR SURANA
PARTNER
(M.No.43414)

Date : 25/05/2017
Place : Nagpur