

Board of Directors

(As on 25.5.2013)

Chairman-cum-Managing Director

Shri T.K.Lahiry	(Additional Charge)
Shri Vinay Kumar Singh	(On long leave)

Functional Directors

Ms. Shantilata Sahu	- Personnel
Shri N. Das	- Technical
Shri A.D. Mathur	- Technical
Shri A.K.Pandey	- Finance

Part-time Official Directors

Dr M.R.Anand	- Economic Advisor, Ministry of Coal
Shri B.K.Saxena	- Director Marketing, Coal India Limited

Part-time Non Official Directors

Dr. Sheela Bhide	- Director
Shri S. R. Upadhyay	- Director
Shri Surinder Jit Sibal	- Director
Shri A.K.Gupta	- Director

Permanent Invitees

Shri N.N.Misra	- Director (Oprns), NTPC Ltd., New Delhi
Shri Deepak Nath	- Chief Operations Manager, East Central Railways, Hazipur,

GM (PA)/Company Secretary

Shri D. H. Lalwani

Board of Directors

(During the year 2012-13)

Chairman-cum-Managing Director

- Shri T.K.Lahiry - (From 20.12.12)
- Shri Shailesh Kumar Singh - (From 20.6.12 to 19.12.12)
- Shri Vinay Kumar Singh - On long leave

Functional Directors

- Ms. Shantilata Sahu - Personnel (Whole Year)
- Shri N. Das - Technical (Whole Year)
- Shri A.D. Mathur - Technical (Whole Year)
- Shri S. K. Rawat - Finance (upto 30.6.12)
- Shri A. K. Pandey - Finance (w.e.f.01.07.12)

Part-time Official Directors

- Shri V. Peddanna - Director, Ministry of Coal, New Delhi (upto 31.5.12)
- Shri D. N. Prasad - Advisor Projects, New Delhi (w.e.f. 1.6.12)
- Shri B. K. Saxena - Director (Marketing), Coal India Ltd., Kolkata (w.e.f 9.8.12)

Part-time Non-Official Directors

- Dr. B. B. Goel - Director (Whole Year)
- Dr. Sheela Bhide - Director (Whole Year)
- Shri S. R. Upadhyay - Director (Whole Year)
- Shri Surinder Jit Sibal - Director (w.e.f 29.8.12)
- Shri A. K. Gupta - Director (w.e.f 29.8.12)

Permanent Invitees

- Shri N.N. Misra - Director (Operations), NTPC Ltd., New Delhi (Whole Year)
- Shri Deepak Chhabra - Chief Operations Manager, East Central Railways, Hazipur, Bihar. (upto 1.5.12)
- Shri Deepak Nath - Chief Operations Manager, East Central Railways, Hazipur, Bihar. (w.e.f 22.08.12)
- Shri Narendra Kumar - Addl. Principal Chief Conservator of Forest (Land Management), Govt. of M.P., Bhopal. (upto 9.4.12)
- Shri M.S.Garbyal - Addl. Principal Chief Conservator of Forest (Land Management), Govt. of M.P., Bhopal (w.e.f. 10.09.12 to 31.3.13)

GM (PA)/Company Secretary

- Shri D. H. Lalwani

Bankers & Auditors

BANKERS

State Bank of India
Allahabad Bank
Union Bank of India
Punjab National Bank
Axis Bank
Bank of Maharashtra
Andhra Bank
UCO Bank
United Bank of India
Corporation Bank
Oriental Bank of Commerce
I D B I Bank
Canara Bank
Bank of India
Bank of Baroda
ICICI Bank

STATUTORY AUDITORS

M/s. Prakash & Santosh,
Chartered Accountants,
Kanpur (U.P.)

BRANCH AUDITORS

M/s. Rupa Sekar & Associates
Chartered Accountants,
Bhopal (M.P.)

M/s. S. K. Lulla & Co.,
Chartered Accountants,
Gwalior (M.P.)

REGISTERED OFFICE

P. O. Singrauli Colliery
Distt. Singrauli (M.P.) – 486 889

To,

- 1 M/s. Coal India Ltd., Member, NCL, Coal Bhawan, 10 N.S. Road, Kolkata.
2. Shri Narsing Rao, Chairman, Coal India Ltd., Member, 10, N.S. Road, Kolkata.
- 3 Shri A. Chatterjee, Director(Fin), Coal India Ltd., Member, 10, N.S. Road, Kolkata.
- 4 Shri T.K. Lahiry, CMD, Member, NCL, PO. Singrauli Colliery, Dist. Singrauli (MP)
- 5 All Directors, NCL Board.
- 6 Dr. Sheela Bhide, Chairperson, Audit Committee, NCL.
- 7 M/s. Prakash & Santosh, Chartered Accountants, Statutory Auditors, NCL, Ronald Complex, Flat No.8, Upper Floor, Westcott Building, 37/17, The Mall Kanpur (UP) 208 001.

NOTICE

TWENTY EIGHT ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Eight Annual General Meeting of the Members of Northern Coalfields Limited will be held at 11.00 A.M. on Saturday, the 25th May, 2013 at the Registered Office of the Company at Singrauli Colliery, Distt. Singrauli (M.P.) 486889 to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013 and Profit & Loss Account for the year ended 31st March, 2013 together with the Directors' Report and Reports of the Statutory Auditors & Comptroller and Auditor General of India thereon.
2. To declare Dividend.
3. To appoint a Director in place of Dr. M. R. Anand, who retires in terms of Article 33(e)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
4. To appoint a Director in place of Shri B. K. Saxena, who retires in terms of Article 33(e)(iii) of the Articles of Association of the Company and is eligible for re-appointment.

By Order of the Board of Directors

Sd/-

Company Secretary

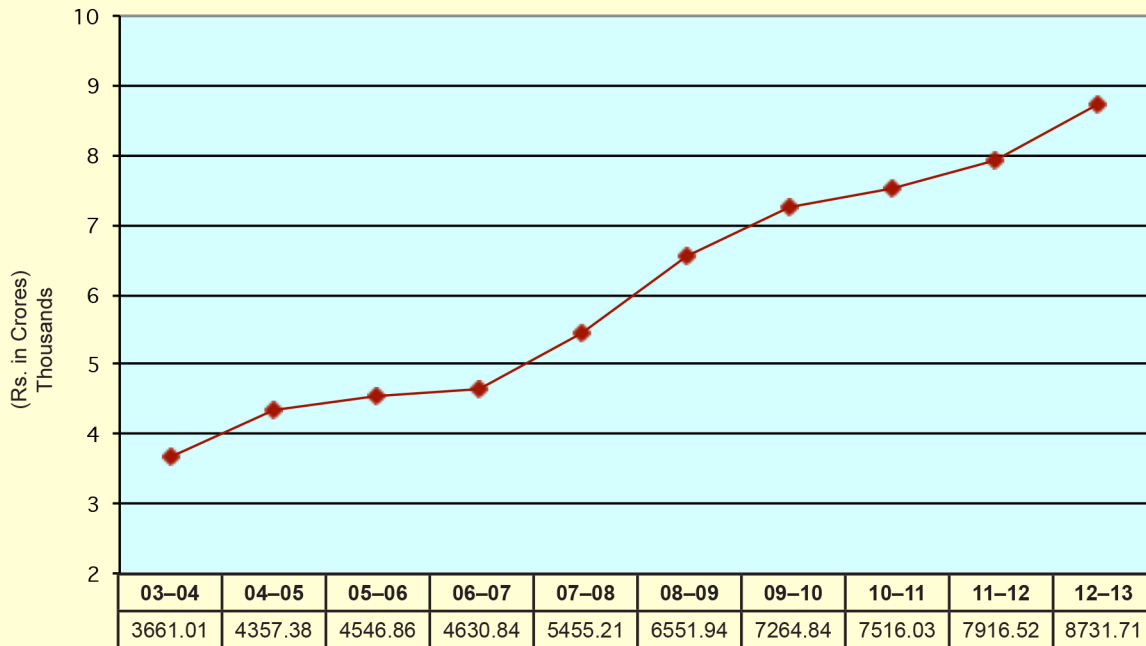
Registered Office :

P.O.Singrauli Colliery,
Distt. Singrauli (M.P.) - 486 889.

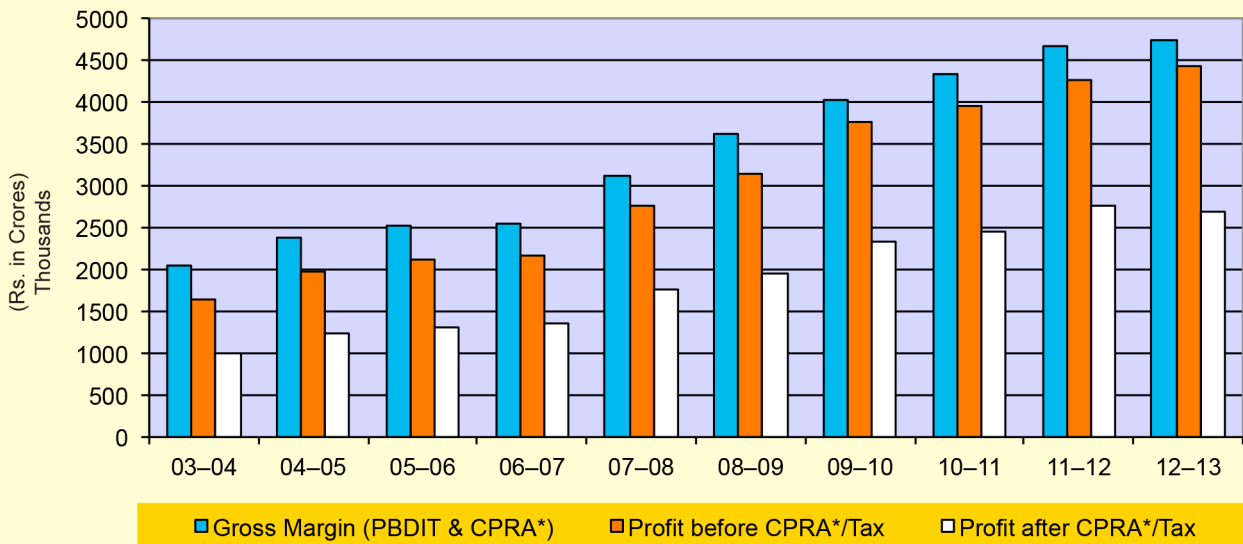
Note:

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 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.
2. Members are also requested to accord their consent for convening the meeting at a shorter Notice under section 171(2)(i) of the Companies Act, 1956.

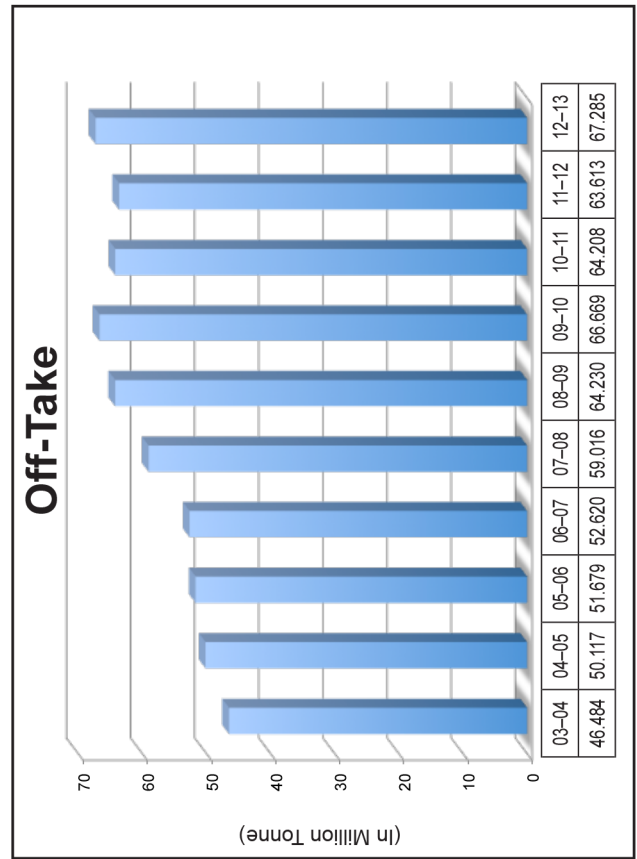
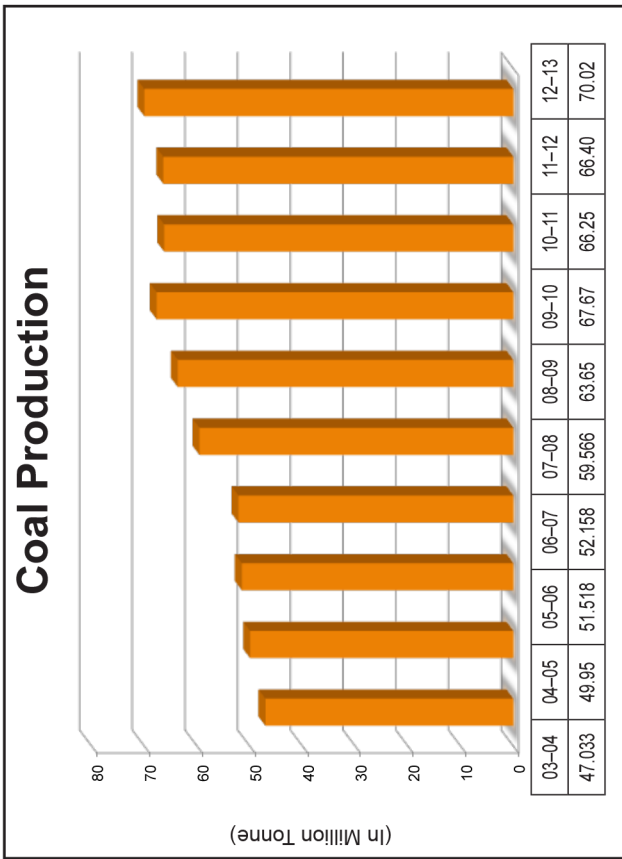
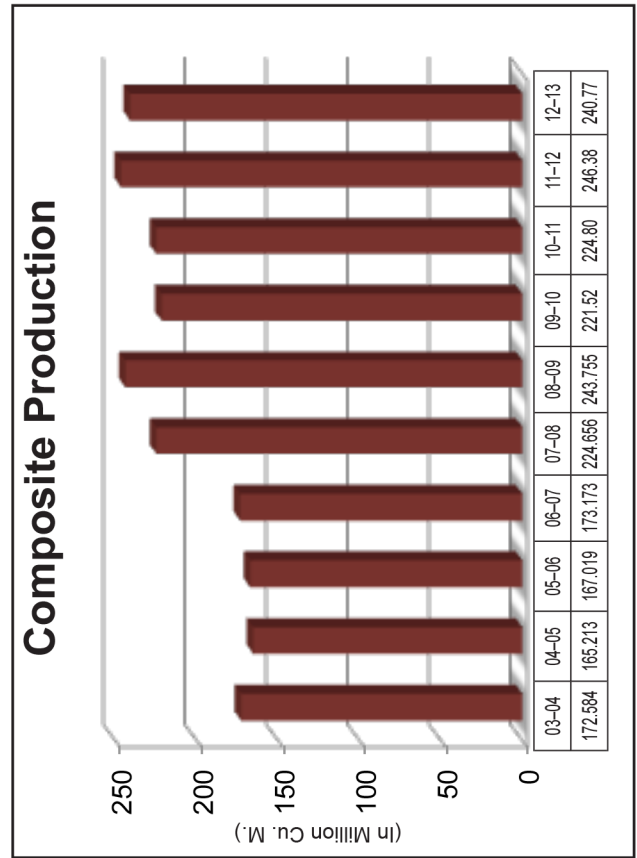
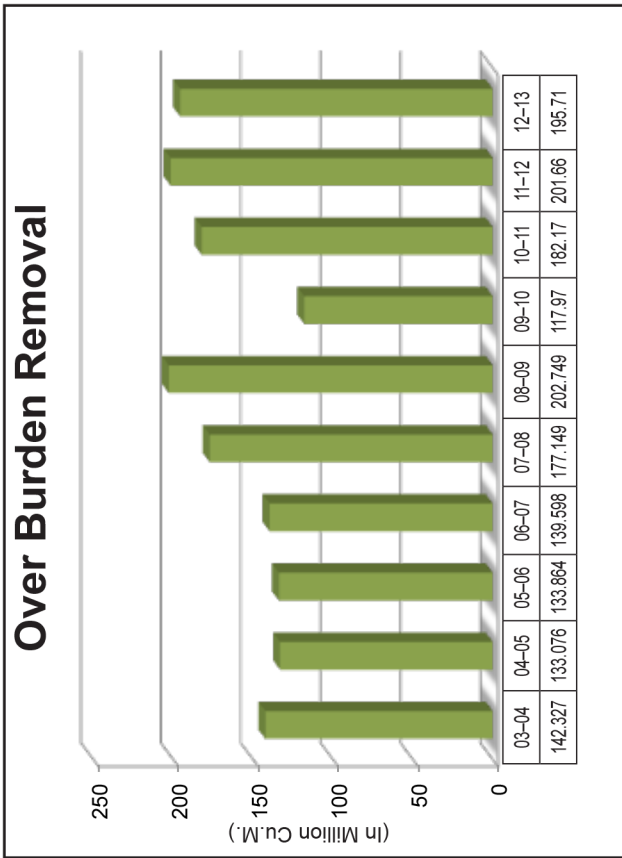
Turnover



Profit



	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13
Gross Margin (PBDIT & CPRA*)	2051.47	2380.82	2512.96	2555.11	3121.64	3612.04	4033.11	4329.97	4665.89	4735.35
Profit before CPRA*/Tax	1647.06	1976.04	2116.26	2177.61	2763.75	3131.01	3766.30	3956.36	4265.67	4420.58
Profit after CPRA*/Tax	1007.66	1235.97	1300.98	1366.48	1771.66	1960.93	2325.09	2445.45	2770.09	2682.13



IMPORTANT FINANCIAL INFORMATION

(Rs. in Crores)

Year	2012-13	2011-12	2010-11	2009-10	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
(A) RELATED TO ASSETS & LIABILITIES:										
(1) Shareholders' funds										
(a) Equity	177.67	177.67	177.67	177.67	177.67	177.67	177.67	177.67	177.67	177.67
(b) Reserves & Suplus	9568.40	8756.62	7918.21	7179.61	6483.20	5898.79	5382.68	4547.59	3839.98	3125.71
(c) Less: Misc. Exp. not W/O	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Worth	9746.07	8934.29	8036.83	7327.81	6660.87	6076.46	5560.36	4725.26	4017.66	3303.38
(2) Redeemable Pref. Shares										
(3) Loan	612.83	735.30	739.50	789.97	963.80	815.04	887.70	977.98	1067.83	1152.39
(4) Capital Employed	13499.54	12038.45	8455.51	7880.77	7366.30	6616.08	6363.82	5684.33	5133.77	4620.24
(5) (i) Net Fixed Assets										
(ii) Current Assets	14211.13	12596.38	12182.38	10473.42	9277.42	7585.25	6459.63	5390.53	3993.76	3263.91
(iii) Net Current Assets(W/Capital)	11364.48	9845.75	6291.37	5676.34	5451.93	4783.80	4466.52	3735.13	2962.82	2239.76
(6) Current Liabilities										
(7) (a) Sundry Debtors (Net)	1738.21	425.70	99.40	123.00	73.73	51.83	50.53	108.91	94.90	143.42
(b) Cash & Bank Balances	8432.77	8738.30	8626.36	6949.63	5506.02	3959.23	3095.74	2428.74	863.45	60.21
(8) Closing Stock of:										
(a) Stores & Spares (Net)	369.05	336.84	294.14	320.26	300.47	204.31	182.35	166.70	157.96	179.32
(b) Coal (Net)	629.32	391.10	199.81	75.05	46.30	75.65	39.52	56.60	60.22	69.90
(c) Other inventories (Net)	0.02	0.03	0.00	12.24	12.58	17.78	3.84	1.26	4.08	6.26
(9) Av. Stock of Stores&Spares (Net)	352.95	315.49	307.20	310.37	252.39	193.33	174.53	162.33	168.64	202.76
(B) RELATED TO PROFIT/LOSS										
(1) (a) Gross Margin										
Less: Depreciation	294.53	378.09	349.84	239.23	433.32	314.84	327.94	349.67	363.92	366.54
(b) Gross Profit	4440.84	4287.80	3980.13	3793.88	3178.73	2806.80	2227.17	2163.28	2016.90	1684.92
Less: Interest & Financial Charges	20.26	22.13	23.77	27.59	47.71	43.05	49.56	47.03	40.86	37.87
(c) Net Profit before Tax	4420.58	4265.67	3956.36	3766.30	3131.01	2763.75	2177.61	2116.26	1976.03	1647.06
(2) Provision for Income Tax										
Contribution to CPRA										
Profit after Tax	2682.13	2770.09	2445.45	2325.10	1960.93	1771.66	1366.49	1300.98	1235.97	1007.66
Pef. Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.25
Profit after Tax & Pref. Dividend	2682.13	2770.09	2445.45	2325.10	1960.93	1771.66	1366.49	1300.98	1235.97	969.41
(2) (a) Gross Sales										
(b) Net Sales(after levies & Dev. etc)	8731.71	7916.52	7516.03	7264.84	6551.94	5455.21	4630.84	4546.86	4357.38	3661.01
(c) Average Net Sales per month	727.64	659.71	626.34	605.40	546.00	454.60	385.90	378.91	363.11	305.08
(3) Cost of Good Sold (Sales - Profit)										
(4) (a) Total expenditure	5565.82	4866.76	4585.01	4374.20	4225.41	3373.28	2994.07	2785.75	2677.11	2310.23
(b) Sal. & Wages(Gross; Rev. only)	1599.87	1397.23	1050.41	970.11	1105.20	631.05	526.04	455.25	511.01	413.96
(c) Stores & Spares(Gross;Rev.only)	1379.16	1270.46	1242.09	1167.28	1208.70	1114.13	1050.98	904.44	740.58	720.47
(d) Power & Fuel(Gross;Rev.only)	295.44	266.75	254.64	229.28	226.47	234.66	234.20	230.08	234.27	240.06
(e) Interest(Gross;Rev.only)	20.26	22.13	23.77	27.59	47.71	43.05	49.56	47.03	40.86	37.87
(f) Depreciation(Gross;Rev.only)	294.53	378.09	349.84	239.23	433.32	314.84	327.94	349.67	363.92	366.54
(5) Av. Cons. of Stores & Spares/month										
Gross Margin (PBDIT) (Rs. Crs.)	4735.37	4665.89	4329.97	4033.11	3612.05	3121.64	2555.11	2512.95	2380.81	2051.46
Profit before Tax (Rs. Crs.)	4420.58	4265.67	3956.36	3766.30	3131.01	2763.75	2177.61	2116.26	1976.03	1647.06
Profit after Tax (Rs. Crs.)	2682.13	2770.09	2445.45	2325.10	1960.93	1771.66	1366.49	1300.98	1235.97	1007.66

Note: Current year figures are derived on the basis of Revised Schedule VI of the Companies Act, 1956.

IMPORTANT FINANCIAL RATIOS/PERCENTAGES

Year		2012-13	2011-12	2010-11	2009-10	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
(A) PROFITABILITY RATIOS											
(1)	As % Net Sales										
	(a) Gross Margin	54.23	58.94	57.61	55.52	55.13	57.22	55.18	55.27	54.64	56.04
	(b) Gross profit	50.86	54.16	52.96	52.22	48.52	51.45	48.09	47.58	46.29	46.02
	(c) Net Profit	50.63	53.88	52.64	51.84	47.79	50.66	47.02	46.54	45.35	44.99
(2)	As % Total Expenditure										
	(a) Sal & Wages (Gross; Revenue)	28.74	28.71	22.91	22.18	26.16	18.71	17.57	16.34	19.09	17.92
	(b) Stores & Spares(Gross; Revenue)	24.78	26.10	27.09	26.69	28.61	33.03	35.10	32.47	27.66	31.19
	(c) Power & Fuel(Gross;Revenue)	5.31	5.48	5.55	5.24	5.36	6.96	7.82	8.26	8.75	10.39
	(d) Interest(Gross; Revenue)	0.36	0.45	0.52	0.63	1.13	1.28	1.66	1.69	1.53	1.64
	(e) Depreciation(Gross; Revenue)	5.29	7.77	7.63	5.47	10.26	9.33	10.95	12.55	13.59	15.87
(3)	As % Capital Employed										
	(a) Gross Margin	35.08	38.76	51.21	51.18	49.03	47.18	40.15	44.21	46.38	44.40
	(b) Gross profit	32.90	35.62	47.07	48.14	43.15	42.42	35.00	38.06	39.29	36.47
	(c) Net Profit	32.75	35.43	46.79	47.79	42.50	41.77	34.22	37.23	38.49	35.65
(4)	Operating Ratio [(Sales-Profit)/Sales]	0.49	0.46	0.47	0.48	0.52	0.49	0.53	0.53	0.55	0.55
(B) LIQUIDITY RATIOS											
(1)	Current Ratio (Current Assets/Current Liabilities)	4.99	4.58	2.07	2.18	2.43	2.71	3.24	3.26	3.87	3.19
(2)	Quick Ratio (Quick Assets/Current Liabilities)	4.64	4.31	1.98	2.10	2.33	2.60	3.13	3.12	3.66	2.94
(3)	Working Capital as % of										
	(a) Capital Employed	84.18	81.79	74.41	72.03	74.01	72.31	70.19	65.71	57.71	48.48
	(b) Net Fixed Assets	532.28	449.02	290.71	257.50	284.79	261.09	235.41	191.62	136.48	94.09
(C) TURNOVER RATIOS											
(1)	Capital Turnover Ratio (Net Sales/Capital Employed)	0.65	0.66	0.89	0.92	0.89	0.82	0.73	0.80	0.85	0.79
(2)	Working Capital Turnover Ratio (Net Sales/Working Capital)	0.77	0.80	1.19	1.28	1.20	1.14	1.04	1.22	1.47	1.63
(3)	Sundry Debtors as no.of months										
	(a) Gross Sales	1.80	0.50	0.13	0.18	0.12	0.10	0.11	0.25	0.22	0.40
	(b) Net Sales	2.39	0.65	0.16	0.20	0.14	0.11	0.13	0.29	0.26	0.47
(4)	As Ratio of Net Sales										
	(a) Sundry Debtors	0.20	0.05	0.01	0.02	0.01	0.01	0.01	0.02	0.02	0.04
	(b) Coal Stocks	0.07	0.05	0.03	0.01	0.01	0.01	0.01	0.01	0.01	0.02
(5)	Stock of Stores & Spares										
	(a) Av. Stock/Annual Consumption	0.26	0.25	0.25	0.27	0.21	0.17	0.17	0.18	0.23	0.28
	(b) Closing Stock as no. of months con.	3.21	3.18	2.84	3.29	2.98	2.20	2.08	2.21	2.56	2.99
(D) STRUCTURAL RATIOS											
(1)	Debt : Equity	3.45	4.14	4.16	4.45	5.42	4.59	5.00	5.50	6.01	6.49
(2)	Debt : Networth	0.06	0.08	0.09	0.11	0.14	0.13	0.16	0.21	0.27	0.35
(3)	Networth : Equity	54.85	50.29	45.23	41.24	37.49	34.20	31.30	26.60	22.61	18.59
(4)	Net Fixed Assets : Networth	0.22	0.25	0.27	0.30	0.29	0.30	0.34	0.41	0.54	0.72
(E) SHAREHOLDER'S INTEREST											
(1)	Earnings Per Share (Rs.) (N.P. after tax & Pref.Div/No. of Equity)	15095.90	15590.96	13763.78	13086.39	11036.72	9971.49	7691.02	7322.35	6465.64	5456.15
(2)	Book Value per Share (Rs.) (Networth/No. of Equity)	54854.05	50285.09	45233.90	41243.28	37489.55	34200.28	31295.48	26595.29	22612.66	18592.49
(3)	Dividend Per Share (Rs.)	9057.55	9354.56	8258.27	7851.83	6622.03	5982.90	3076.41	2928.90	2586.30	2182.50

OPERATIONAL STATISTICS

Year		2012-13	2011-12	2010-11	2009-10	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
A.	Operational Statistics:										
(1)	(a) Total Coal Production (Lakh Tes)	700.21	664.01	662.53	676.70	636.50	595.66	521.58	515.18	499.50	470.33
	(b) Revenue Coal Prodn.(Lakh Tes)	700.21	664.01	662.53	676.70	636.50	595.66	521.58	515.18	499.50	470.33
	(c) Total O.B. Removal(L. CuM)	1957.06	2016.64	1822.16	1779.76	2027.49	1771.49	1395.88	1338.64	1330.76	1423.27
	(d) Revenue O.B. Removal(L. CuM)	1957.06	2016.64	1822.16	1779.76	2027.49	1771.49	1395.88	1338.64	1330.76	1423.27
(2)	Raw Coal Despatch (Lakh Tes):										
	Power	645.48	613.47	642.31	642.31	612.83	567.25	514.78	508.62	490.41	454.08
	Cement	1.70	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Others	25.67	18.48	20.29	20.29	25.16	19.11	11.42	8.17	10.76	10.76
	Total	672.85	632.07	662.60	662.60	637.99	586.36	526.20	516.79	501.17	464.84
(3)	Manpower:										
	As on 1st April	16329	16209	16373	16450	16697	16726	16914	17174	17292	17278
	As on 31st March	16073	16329	16209	16373	16450	16697	16726	16914	17174	17294
	Average	16201	16269	16291	16412	16574	16712	16820	17044	17233	17286
(4)	Productivity:										
	(a) Average per man per year (Tes)	4322.02	4081.44	4066.85	4123.20	3840.35	3564.27	3100.95	3022.65	2898.51	2720.87
	(b) Output per Manshift (Tes)	13.65	13.55	13.52	13.19	14.58	13.81	10.97	10.60	10.24	10.56
B.	Related to Cost Sheet:										
(1)	Earning per Manshift (Rs.)	2816.71	2323.99	2038.97	1786.44	2065.80	1203.42	1004.55	837.99	931.68	744.42
(2)	Av. Cost of Production of Net Saleable Coal (Rs. per Te.)	802.13	719.21	639.07	593.91	629.45	537.07	550.83	514.09	492.05	451.01
(3)	Av. Sale Value of Net Saleable Coal produced (Rs. per Te.)	1253.76	1193.76	1130.18	1059.48	1005.47	904.20	872.59	865.55	854.56	775.53

Chairman's Statement

Dear Shareholders,



On behalf of the Board of Directors of Northern Coalfields Limited (NCL) and on my behalf, I welcome you to the 28th Annual General Meeting of NCL and present before you the Annual Report of your Company for the Financial Year 2012-13.

Your Company produced 70.02 Million Tonnes of Coal during the year 2012-13 with a growth of 5.45% over previous year. Your Company achieved the target of coal production for the year 2012-13 due to special efforts in the 4th Quarter when the growth and jump in coal production was excellent

On the Financial front, however, your Company recorded better performance in as much as that the Profit Before Tax (PBT) of your Company during 2012-13 was Rs. 4420.58 crores registering a growth of 3.63% over PBT of Rs. 4265.67 crores during the year 2011-12. The Company proposes to pay dividend of Rs. 1609.28 crores (total) for the year 2012-13 which works out to 905.77% of the paid –up Equity Share Capital.

Off-take of coal during the year 2012-13 was 67.285 MT against the previous year's off-take of 63.613 MT registering a growth of 5.77%.

Your Company followed the concept of workers participation in management and maintained cordial industrial relations. Your Company also paid due attention on employees welfare and social amenities. Corporate Social Responsibility (CSR) activities undertaken by your Company during the year included construction of roads, water supply, community hall, skill development, healthcare, education.

The physical and financial results achieved by NCL have been possible due to relentless efforts made by the employees of the Company. I am sure, all employees will continue to put in concerted efforts to scale newer heights and thus achieve the targets set for the Company not only for coal production but also on all fronts.

Coal being the prime source of energy, demand for the same is ever increasing. For the year 2013-14, your Company has been assigned a target of 72.40 MT for coal production and 73.70 MT for off-take. We also need to focus our attention on liquidation of coal stocks so as to maximize sales realization and in turn to achieve much better financial results.

I am confident that with sustained efforts of all concerned, NCL will grow at desired pace in the Financial Year 2013-14 and years ahead.

I also take this opportunity to convey our sincere thanks to the Government of India, Ministry of Coal, Coal India Limited and all Stakeholders for the trust reposed on us and opportunity given for further growth.

Sd/-

(T.K. LAHIRY)

Chairman-cum-Managing Director
Northern Coalfields Limited

DIRECTORS' REPORT

To

The Members/Shareholders,
Northern Coalfields Limited

On behalf of the Board of Directors, I have great pleasure in presenting the 28th Annual Report of Northern Coalfields Limited (NCL) together with the Audited Accounts for the Financial Year ended 31st March, 2013.

PERFORMANCE HIGHLIGHTS OF THE YEAR

The highlights of performance for the year 2012-13 are as under :

- NCL has achieved coal production of 70.02 million tonnes during the year 2012-13 with a growth of 5.45 percent over actual production of 66.40 million tonnes during the year 2011-12. The over burden removal of 195.71 million cu.m. was 2.95% less than OB Removal of 201.66 million cu.m during the year 2011-12.
- Offtake at 67.285 million tonnes during the year 2012-13 registered a growth of 5.77 percent over the offtake of 63.613 million tonnes during the year 2011-12.
- Record turnover of Rs. 8731.71 crores during the year 2012-13 is 10.30 percent higher than last year's turnover of Rs. 7916.52 crores (including incentive from customers).
- NCL recorded Profit before Tax (PBT) of Rs. 4420.58 crores during the year 2012-13, and has registered a growth of 3.63 percent over previous year's PBT of Rs. 4265.67 crores. Profit after Tax (PAT) was Rs. 2682.13 crores compared to previous year's PAT of Rs. 2770.09 crores.
- Total Dividend for the year 2012-13 being 905.77% of paid up equity share capital, amounting to Rs. 1609.28 crores against 935.47% of paid up equity share capital amounting to Rs.1662.05 crores for the year 2011-12.
- Earning per Share (EPS) during the year 2012-13 was Rs.15095.90 against EPS of Rs. 15590.96 of previous year.
- Efforts for greening the environment and pollution control continued during the year. During 2012-13, 4.52 lakh saplings have been planted. The total saplings planted upto 31st March, 2013 reached 217.23 lakhs.
- NCL continued to practice the Worker's participation in management, as a result industrial relations remained healthy and harmonious.
- Employees' welfare, community development and human resource development continued to be focus areas.

1.0 FINANCIAL REVIEW

1.1 The Company has achieved a turnover of Rs. 8731.71 crores during the year 2012-13 against Rs. 7916.52 crores (including incentive from customers) during the year 2011-12 recording a growth of 10.30%. The financial results for the year 2012-13, as compared to previous year, are given in the following table:

(Rs. in crore)		
Description	2012-13	2011-12
Gross Margin	4735.37	4665.89
Less: Depreciation	294.53	378.09
Gross Profit	4440.84	4287.80
Less: Interest & other financial charges	20.26	22.13
Profit before Tax	4420.58	4265.67
Less: Provision for Tax	1738.45	1495.58
Profit after Tax	2682.13	2770.09
Less: Transfer to CSR Reserve	40.16	35.24
Transfer to General Reserve	268.21	277.01
Dividend on Equity Share Capital	1609.28	1662.05
Provision for Tax on Distributable Profit	261.07	269.63
Provision for Sustainable Development Reserve	3.17	-
Surplus carried to Balance Sheet	500.24	526.16

1.2 Share Capital

1.2.1 The Authorized Share Capital of the Company as on 31st March, 2013 remained at Rs. 1,400.00 crores comprising of 40,00,000, 10% Cumulative Preference Shares of Rs. 1000/- each and 1,00,00,000 Equity Shares of Rs. 1000/- each. The paid-up Share Capital too as on 31st March, 2013 remained at Rs. 177.67 crores comprising of 17, 76,728 Equity Shares of Rs. 1000/- each.

1.3 Transfer to Reserve

1.3.1 An amount of Rs. 268.21 crores, equivalent to 10% of Profit after Tax, have been transferred to General Reserve.

1.3.2 An amount of Rs.40.16 crores has been transferred to Corporate Social Responsibility Reserve, equivalent to 5% of retained earnings of the previous year, subject to minimum of Rs. 5/- per tonne of coal production of the Previous Year.

1.3.3 An amount of Rs.3.17 crores has been transferred to Sustainable Development Reserve, equivalent to Rs.50 lakh plus 0.1% of profit after tax of previous year exceeding Rs.100 crores.

1.4 Dividend

1.4.1 In addition to the interim dividend already paid @ 562.84% amounting to Rs. 1000.00 crores, Directors are pleased to recommend a final dividend @ 342.93% amounting to Rs.609.28 crores on the Equity Share Capital. The total dividend amounting to Rs.1609.28 crores (previous year Rs.1662.05 crores) work out to 905.77 % of the paid-up equity share capital (previous year 935.47%) i.e. Rs.9057.55 per share against Rs.9354.55 in previous year.

1.4.2 The pay out on account of dividend would be Rs.1870.35 crores i.e. Rs.1609.28 crores towards dividend and Rs.261.07 crores for payment of income tax on distributable profits.

1.5 Borrowings

1.5.1 The Company has not taken any loan from CIL, Government or any Financial Institution during the year.

1.6 Assistance under Coal Sector Rehabilitation Project (CSRP)

1.6.1 The Company had received a loan of USD 142.165 million from International Bank for Reconstruction and Development (IBRD) i.e. World Bank and Yen equivalent of USD142.165 million from Japan Bank for International Co-operation (JBIC) for financing the CSRP. The total disbursement under CSRP was Rs.1234 crores (USD 279.06 million).

1.7 Discharge of Liability towards loans and deferred payment.

1.7.1 During the year, JEXIM (JBIC) loan amounting to Rs. 68.72 crores (JPY 1075.21 million) and Rs.51.67 crores (USD 9.56 million) towards IBRD loan has been repaid. The balance against loan account with CIL under CSRP as on 31st March 2013 stood at Rs.612.83 crores.

1.8 Capital Expenditure

1.8.1 During the year 2012-13, NCL has made a capital expenditure of Rs.444.19 crores against the budget of Rs.600 crores. The expenditure has been mainly on acquisition/ addition of HEMM, other Plant & Machinery and on Buildings etc.

1.9 Sales Realisation

1.9.1 The status of billing and sales realization for the year 2012-13 as compared to previous year is given below:

Year	Billing (Rs. in crore)	Realisation including receipt against dues of earlier years (Rs. in crore)	% Realisation against billing
2012-13	11403.04	10163.47	89.13
2011-12	10176.94	9756.19	95.87

Note : Incentive bills for the year 2012-13 has been included in net billing and previous year figures are also regrouped accordingly.

1.10 Coal Sales Outstanding Dues

1.10.1 The position of coal sales dues outstanding as on 31.03.2013 as compared to 31.03.2012 is given hereunder:

(Rs. in crore)		
Consumer	As on 31.3.2013	As on 31.3.2012
UPRVUNL	167.03	77.99
NTPC	1525.29	423.06
Others	48.95	24.36
Total	1741.27	525.41

1.10.2 Total outstanding of Rs.1741.27 crore as on 31.03.2013 represents 15.27% of gross sales turnover for the year 2012-13 as compared to 5.16% for the previous year. The outstanding of NTPC has increased substantially as compared to last year. The details of outstanding a/c NTPC are as under:

- (a) Dues against coal supplies beyond Monthly Scheduled Quantity during March'13 resulting into shortfall in advance payment.
- (b) NTPC had not accepted GCV based grading and pricing since introduction of the system from 01.01.2012 till Oct. 2012. NTPC was releasing advance payments on the basis of erstwhile UHV System. However, in the month of Oct. 2012, they agree to pay on the basis of GCV system and released all the outstanding dues till Oct. 2012. However, from Nov. 2012 onwards they have started making unilateral deductions on the basis of analysis results arrived at their end which has resulted in the accumulation of high outstanding.
- (c) Incentive bills for 2012-13 amounting to Rs.232.86 crores have been included in the billed figure. Incentive amount is yet to be paid by NTPC and other consumers.

1.10.3 The disputed outstanding a/c NTPC as on 31.03.2013 is Rs.2.66 crore. The dispute

relates to shortage of coal supplied to RhSTPP during March 1996 which is under investigation and the matter is also subjudice.

1.10.4 With regard to interest on delayed payment of coal sales dues against coal supplied to UPRVUNL, Hon'ble Umpire passed an award directing UPRVUNL to pay Rs.132.67 crores to NCL against which an appeal was made by UPRVUNL before Secretary (Law), Ministry of Law & Justice, Government of India. The said appeal was rejected by Secretary (Law) in the month of June, 2006.

1.10.5 Subsequently, UPRVUNL preferred to file a Petition before Hon'ble High Court of Allahabad, Lucknow Bench against (i) Office Order issued by Ministry of Coal, Government of India regarding appointment of Umpires, (ii) Award passed by Umpire for payments of Rs.322.96 crores by UPRVUNL to subsidiary companies of Coal India Ltd.; towards interest on delayed payment of coal bills which included NCL's share of Rs.132.67 crore and (iii) Order passed by Secretary (Law), rejecting the appeal filed by UPRVUNL against award of umpire.

1.10.6 A short counter affidavit challenging the maintainability of the Writ Petition has been filed before Hon'ble High Court of Allahabad Bench. The matter is still pending before the Hon'ble High Court.

1.11 Securitization of Coal Sales Dues

1.11.1 In the report for the year ended 31st March, 2004, it was informed that under the Scheme for One Time Settlement of SEBs' dues to Central Public Sector Undertakings (CPSUs) introduced by the Central Govt., 8.5% tax free bonds of the State Government for an amount of Rs. 114.56 crores were issued by Reserve Bank of India against the outstanding dues of UPSEB / UPRVUNL as on 30.9.2001. Out of Rs. 114.56 crores, Rs. 80.19 crores (14 Nos. of Bonds @ Rs. 5.73 crores) have been redeemed upto 31.3.2013.

1.12 Payment of Central/State Exchequer

1.12.1 Information in regard to contribution made by the Company towards the Central and State Exchequer is furnished hereunder :

(Rs. in crore)

Particulars	2012-13			2011-12		
	MP	UP	Total	MP	UP	Total
Royalty	854.99	236.98	1,091.97	609.99	181.94	791.93
Central Sales tax & State Sales	180.60	174.63	355.23	164.38	155.88	320.26
Clean Energy cess	177.59	139.06	316.65	181.16	132.95	314.11
Excise Duty	281.28	222.91	504.19	176.97	149.40	326.37
Sales tax on Works & Scraps	3.78	2.85	6.63	3.02	2.10	5.12
Entry Tax	6.40	29.54	35.94	5.24	19.81	25.05
Service tax	4.09	1.79	5.88	1.32	0.52	1.84
Stowing Excise Duty	49.63	17.09	66.72	44.87	17.75	62.62
SSADA Cess	0.00	13.24	13.24	0.00	14.13	14.13
Property Tax	1.76	0.00	1.76	0.68	0.00	0.68
Forest Fee /Transit fee	26.22	28.37	54.59	11.63	0.00	11.63
Professional Tax	2.33	0.00	2.33	2.29	0.00	2.29
MPGATSVVA	288.35	0.00	288.35	1,152.86	0.00	1,152.86
Total	1,877.02	866.46	2,743.48	2,354.41	674.48	3,028.89

1.12.2 The Company has paid an amount of Rs.1639.01 crores towards corporate advance income tax (including TDS) and Rs.269.63 crores towards dividend tax during 2012-13, as against Rs.1580.93 crores and Rs.335.37 crores respectively, paid during 2011-12.

1.12.3 Earning per share (EPS) during the year 1012-13 has been reduced to Rs.15095.90 from Rs. 15590.96 of previous year.

2.0 PRODUCTION PERFORMANCE

2.0.1 Production Performance for the year 2012-13 against target and in comparison with previous year is given below :

Production		2012-13		2011-12	% Achievement against target	% Growth over previous year
		Target	Actual	Actual		
Coal Production (Mill. Tes)	Dept.	70.00	70.02	66.40	100.03	5.45
Coal Offtake (Mill. Tes)		69.25	67.28	63.61	97.16	5.77
Over Burden Removal (Mill.Cum)	Dept.	110.0	83.98	86.87	76.35	-3.32
	Outsourcing	120.0	111.72	114.79	93.10	-2.68
	Total	230.0	195.71	201.66	85.09	-2.95
Composite Prodn. (Mill.Cum.)	Total	275.07	240.77	246.38	87.53	-2.28

2.0.2 There was shortage of explosives supply during the period of April'12-July'12. The materialization percentage was 78% only against our requirement during the above period resulting in to shortage of 11742 Tes. of bulk explosives. The shortage of explosives affected the total OB removal performance during the above period.

2.0.3 Non-commencement of OB Removal work by outsourcing agency M/s. Sushee Infra Pvt. Ltd for which LOA was issued on 26/04/2012. Later on, it was debarred on 19/11/2012. Due to non-commencement of work by M/s Sushee Infra Pvt. Ltd., there was loss of at least 10 Mill. Cum of OB Removal.

2.0.4 For the work of OB Removal (by HOE) at Khadia, retendering was finalized and again LOA was issued in favour of M/s Monte Carlo Ltd. on 8th Feb'13. The work could not be started by M/s Monte Carlo Ltd till 31st March'13.

2.0.5 Geological constraint (presence of hillock in eastern side) at Jhingurda lead to constrained operation and limited OB Removal. The LOA for OB removal by HOE at Jhingurda was issued on 29.12.12 to M/s AMR-Saishudhir, Hyderabad, but the work was not started by 31st March'13 affecting the OB removal programme for 2012-13.

2.0.6 Excessive rainfall during July'12-Sept'12 is one of the factor due to which the OB Removal performance could not be achieved to the desired level during 2nd quarter.

2.0.7 The Draglines of NCL during April'12 to Dec'12 were under continuous maintenance. Continued poor performance of newly supplied BEML equipment and poor after sales service is one of the constraints for less OB Removal during 2012-13.

2.0.8 Less off-take due to less coal handling capacity at Jayant resulting in it limitations.

2.1 Production Programme for the year 2012-13

2.1.1 The company has finalized a programme for Coal Production of 72.40 Mill. Tes. and OB Removal of 265.0 Mill. Cum. out of which 109.00 Mill. Cum. of OB Removal has been planned through departmental means and 156.00 Mill. Cum. through outsourcing during the year 2013-14.

2.2. Productivity

2.2.1 The productivity in terms of Output per Man shift(OMS) for the year 2012-13 has been 13.65 tonnes with a growth of 0.71% in comparison to last year OMS which was 13.55 tes.

3.0 POPULATION AND PERFORMANCE OF HEAVY EARTH MOVING MACHINES (HEMMS)

3.0.1 The population of major HEMM for the last five years is given below:

Sl No	HEMM	2008-09 (As on 31.03.09)	2009-10 (As on 31.03.10)	2010-11 (As on 31.03.11)	2011-12 (As on 31.03.12)	2012-13 (As on 31.03.13)
1	Dragline	19	19	19	19	19
2	Shovel	99	103	105	96	94
3	Dumpers	551	570	569	558	515
4	Dozer	173	157	157	136	138
5	Drill	133	130	130	91	122

3.1 Percentage Capacity Utilization for NCL

3.1.0 It can be seen from the table below that the downward trend in %age Mine Capacity utilization and %age Capacity Utilization of Shovel-Dumper System has been reversed in the year 2012-13. Number of preventive repair activities have been undertaken for Draglines and it is expected that the %age Capacity Utilization of Dragline System shall increase in the year 2013-14.

(% Capacity Utilisation Figures)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Dragline System	69.97	67.67	76.68	79.56	87.11
Mine Capacity Utilisation	68.81	67.29	73.90	77.31	81.03
Shovel/ Dumper system	66.20	67.13	72.72	76.31	78.54

3.2 Performance of HEMM

Sl. No.	Equipment	%Achievement of availability against standard		%Achievement of utilisation against standard	
		2012-13	2011-12	2012-13	2011-12
1	DRAGLINE	84.62	88.45	84.44	90.51
2	SHOVEL	81.15	80.66	70.21	60.42
3	DUMPER	94.60	92.57	70.88	69.63
4	DOZER	92.66	97.75	49.14	45.49
5	DRILL	102.43	102.34	36.51	45.28

3.2.1 There is positive growth in percentage availability in case of Shovel, Dumper and Drill in the period April 2012 to March 2013 compared to same period last year. Availability of Draglines and Dozers has suffered due to ageing. Actions have been taken for rehabilitation of aged Draglines. Action for Draglines, which have covered their rated life both in terms of years and hours, have also been initiated. Replacement action for Dozers has also been taken. With these actions, availability of Draglines and Dozers is expected to increase in next year.

3.2.2 There is increase in percentage utilization of Shovel, Dumper and Dozer in the period April 2012 to March 2013 compared to same period last year.

3.2.3 17 nos. surveyed off Excavators and 44 nos. surveyed off Dumpers having annual capacity of 20.12 million cum and 7.517 million cum respectively are working at NCL. Replacement action have been taken both at NCL and CIL level.

3.2.4 There is marginal decrease in number of equipments in the category of more than 3 months breakdown as given below.

Number of equipment under Breakdown more than 3 months

As on 31.03.2013	As on 31.03.2012
162	165

Further reduction is expected in the next year.

3.3 Rehabilitation details of HEMM (2012-13)

3.3.1 The following Rehabilitation works were completed during the year 2012-13:

- (1) 120T Dumpers – 10 Nos
- (2) 85T Dumpers – 02 Nos

Total : 12 Nos

3.4 Central Workshop, Jayant (CWS)

3.4.1 Central Workshop, Jayant caters to the need of highly sophisticated heavy earthmoving machineries of diversified origin having wide variety of technologies by way of ready float assemblies of overhaul engines, transmissions, wheel motors, Electrical motors, generators, transformers and Magnetorque assembly. Also, repair of mechanical assemblies by shafting /deshafting, reclamation by welding/manufacturing which includes import substitution, Heat Treatment etc. are undertaken by CWS/Jayant.

3.4.2 General output from CWS, Jayant in last four years is as follows:

Year	Engine		Transmission		Wheel Motor		Dipper Handle
	Over-hauled	Re-paired	Over-hauled	Re-paired	Com-plete	Arma-ture	
09-10	171	28	193	19	87	38	4
10-11	205	29	200	10	80	46	9
11-12	194	30	172	11	74	27	11
12-13	167	35	135	13	74	45	17

3.5 Repairing jobs of complicated nature undertaken for the first time in 2012-13

3.5.1 One no. Magnetorque Assembly (5-Segment) of P&H -1900 AL shovel was made ready as float assembly for the first time in the month of December 2012 for needy projects. This assembly is an imported one and is of very complicated design.

3.5.2 17 nos. Dipper Handle Assemblies were repaired in the year 2012-13. Special type of jigs & fixtures were required for repairing of this heavy item. Through repairing of this assembly, CWS/JNT could meet the requirement of Projects.

3.5.3 Pinion Shaft used in 24/96 Draglines is of very complicate design. Projects were facing problems in case of breakage of this Shaft. CWS has developed its drawing and made the shaft on its own. This effort has contributed towards solving a long standing problem of non-availability of this assembly.

3.6 Innovative jobs carried out by CWS/JNT leading to minimization of downtime

3.6.1 Balancing machine installed at CWS could not be utilised as its analogue controls were obsolete and was not available with the manufacturer. The same has been re-commissioned by retrofitting the controls from analogue to computerized mode. NCL could get immediate result by way of re-commissioning of one of the BE-195 Shovels at Nigahi Project, in which Rotors of MG Set required balancing.

3.7 In situ repair of final drive shaft was undertaken for re-commissioning BD-355 Dozer

3.7.1 BD-355 (410HP) Dozer sl. No. 11077 was under breakdown due to failure of its Final Drive Shaft. Because of the integral nature, there was every possibility of permanent damage to the shaft at the time of dismantling from Bearing area. A special fixture was developed to accomplish the

job by rotating the same manually and the Shaft was repaired. The Dozer could be re-commissioned with this repaired Final Drive Shaft in a short span of time.

3.8 Help rendered to other subsidiaries of CIL

3.8.1 The following repaired subassemblies were delivered to other Subsidiaries of CIL.

A. ECL

SI No	Description	Qty
1	Engine KTA-38 C(85T)	2
2	Transmission BH-85-1	4

B. MCL

SI No	Description	Qty
1	Magnetorque assembly	2

C. SECL

SI No	Description	Qty
1	Armature of Hoist/ Drag Motor	1

D. WCL

SL No	Description	Qty
1	Fuel Injection Pump of S6D170 Engine	1
2	Nozzle of S6D170 Engine	6

3.9 Capacity Utilisation

3.9.1 The capacity utilization during the year under report as compared to previous year is given below: -

Description	2012-13	2011-12
Capacity in M.cum.	200.82	206.78
Production in M.cum.	138.17	139.55
Capacity Utilization (%)	68.80	67.50

4.0 SALES AND MARKETING

4.0.0 Performance

The off-take vis-à-vis the target and Annual Contracted Quantity (ACQ) for the year 2012-13 in comparison to the previous year is furnished below:

2012-13 (in Mill Tes)			2011-12 (in Mill Tes) Actual	% Achieve of Target	% mtn of linkage/ ACQ	% Growth over previous year
Target	Link-age/ ACQ	Actual				
69.250	69.250	67.285	63.613	97.16	97.16	(+)5.77

4.0.1 Power Sector continued to remain the main consumers for NCL, accounting for more than 96% of the total dispatches. Information in respect of coal supplies to major consumers of power sector is given below:-

Consumer	2012-13 (in Mill Tes)		Mat. of linkage/ ACQ(%)	2011-12 (in Mill Tes)	Growth over previous year (%)
	Link-age/ ACQ	Actual			
NTPC	38.700	41.467	107.15	38.711	(+)7.12
UPRVUNL	14.641	11.962	81.70	12.853	(-)6.93
Total Power Sector	63.449	64.548	101.73	61.752	(+)4.52

4.1 Supply of Deshald coal from Bina Deshaling Plant

4.1.1 Against the target of 3.750 Mill Tes, Bina Deshaling Plant dispatched 3.956 Mill Tes to Rajghat, Hissar, Kota, Suratgarh, Singrauli, Vindhyachal, Rihand, Obra, Anpara and Paricha Thermal Power stations during 2012-13 as compared to 3.671 Mill Tes during 2011-12, thus registering a growth in supplies of deshald coal to the extent of 7.76%.

4.2 Spot e-Auction Scheme

4.2.1 Spot e-Auction scheme was formulated under the provision of New Coal Distribution Policy (NCDP) circulated by the Ministry of Coal during Nov.'07. For procurement of coal under the said scheme, buyers are to bid for the desired quantity at prices above the "Floor Price". CIL notified that w.e.f. Jan'12, "Floor Price" of coal with GCV upto 5500 Kcal/Kg is to be fixed at 20% above notified price and for coal with GCV above 5501 Kcal/Kg " Floor Price' will be same as notified price.

4.2.2 Quantity booked along with financial gain

under the above scheme during 2012-13 is placed below:

Scheme	Period	Quantity Booked	Financial gain above notified price (approx)
e-auction scheme (Spot) (Coal by Road)	April'12 to March'13	19.50 Lakh Tes	Rs. 236.21 Crores
e-auction scheme (Spot) (Coal by Rail)	April'12 to March'13	6.23 Lakh Tes	Rs. 71.42 Crores
e-auction scheme (Spot) (Reject by Road)	April'12 to March'13	2.57 Lakh Tes	Rs. 15.11 Crores
Total		28.30 Lakh Tes	Rs. 322.74 Crores

4.3 Sector-wise and Mode-wise Offtake.

4.3.1 The sector-wise and Mode-wise offtake of coal during the year 2012-13, in comparison to 2011-12 is given below:-

(Fig in Mill Tes)

Sector/ Mode	2012-13	2011-12
Sector-wise Offtake		
Power	64.813	61.752
Cement	0.170	0.012
Others	2.302	1.849
Total	67.285	63.613
Mode-wise Offtake		
Rail (wagon of Indian Railways)	22.468	21.390
MGR (wagon of power houses)	37.710	33.2
Ropeway	0	0.311
Road (External)	5.886	4.635
Road (Internal)*	4.221	4.077
Total	67.285	63.613

*Raw coal transported by road to Bina Deshaling Plant has been considered as 'Road (Internal)'.

4.4 Wagon Loading

4.4.1 Information in regard to average wagon loading through I/R rakes against target and as compared to previous year is placed below:-

2012-13(Box/Day)		2011-12 (Box/day) Actual	Target Achievement (%)	Variance from last year (%)
Target	Actual			
1103	1101	1045	99.82	(+)5.36

4.5 Coal Price Revision

4.5.1 Coal prices were not revised during 2012-13.

5.0 QUALITY CONTROL

5.0.1 To enhance the level of customer satisfaction. NCL has been continuing its efforts to supply sized quality of coal to the linked customers and e-Auction buyers. During the year 2012-13 the realization price of coal has been less than that of 2011-12 by Rs.177.83 per tonne. The drop in realization per tone has been on account of outstanding dues to the tune of Rs.1485.16 crores as on 31.03.2013. After realization of the same the per tonne realization will be Rs.1236.18 which will be Rs.42.91 per tonne more than that of last year 2011-12.

Target and actual realization (per tonne) in comparison to the last year is shown below:

Year 2012-13		Year 2011-12	Decrease over previous year (Rs./ Tonne)
Target (Rs./Tonne)	Actual (Rs./Tonne)		
1153.00	1015.44	1193.27	177.83

5.1 Sampling Arrangement

5.1.1 The arrangement of joint sampling and analysis is prevailing for the coal supplies to NTPC, Anpara, Obra and Paricha TPSs of UPRVUNL, Kota and Suratgarh Power Station of RRVUNL, Rajghat of IPGCL, Hissar TPS of HPGCL at loading end. The joint sampling arrangement is governed by terms and conditions of Fuel Supply Agreement (FSA) signed between different power stations and NCL. Presently Power Houses viz., Kota TPS, Suratgarh TPS, Hissar TPS & Rajghat TPS are signing the joint analysis reports. But power houses of NTPC and UPRVUNL are not signing the Joint Analysis Reports (JAR) even after witnessing joint sample collection and analysis at Loading End.

5.2 Sizing of Coal

5.2.1 The entire dispatch of coal during the year 2012-13 was made after proper sizing as detailed below:-

Means of sizing of coal	2012-13 (in %age)	2011-12 (in %age)
Through CHP/Feeder Breaker	83.50	87.92
Through Dozer	16.50	12.08
Total	100	100

5.3 Weighment of coal

5.3.1 During 2012-13 almost 100% coal supplies have been weighed on electronic weighbridges to the full satisfaction of consumers. For the period April 2012 to March 2013, 1 rake from Krishnashila and 2 rakes from Jayant were passed unweighed. At Block B Project, during the aforementioned period, 27 rakes passed unweighed despite repeated requests from NCL to railways to weigh the rakes at an alternative weighbridge of NCL.

5.4 Quality complaints and action taken thereon

5.4.1 During 2012-13 approx. 73 nos. of complaints were received from power houses. The nature of complaints were primarily on account of oversized/uncrushed coal supplied to the power houses in rakes loaded from wharfwall sidings at Krishnashila, Dudhichua (Jayant) and Spur Siding (Block 'B'). Details of complaints received during the last three years are given below:-

Year	Nature of complaints (Fig. in nos.)			
	Oversized Coal	Poor Quality	Foreign Materials	Total
2010-11	40	15	Nil	55
2011-12	56	10	1	67
2012-13	40	33	Nil	73

5.4.2 Coal was loaded at Spur Siding (Block B) after passing through an Interim CHP and Dozer crushing. Krishnashila Project is

having two Feeder Breaker for sizing the coal. However, in order to ensure maximum sizing and crushing, manual labourers were also deployed. Loading at Dudhichua Wharfwall (Jayant Project) is made by pay loaders after crushing the coal by means of dozer. Adequate measures were taken at these projects while loading Railway rakes so as to ensure proper sizing and quality of coal, free from stone/shale and extraneous materials. However, since sizing through Dozer crushing and manual breaking is not fully effective, it was difficult to achieve sizing to the full satisfaction of the consumers particularly when loading from the above sidings was done round the clock including nights shifts to maximize coal supplies

6.0 STOCK OF COAL

6.0.1 The Measured stock of raw coal as on 31.03.2013 was 9.38 Million Tes. equivalent to 48 days of coal production in terms of average daily target for 2013-14. The stock of raw coal as on 31.03.2012 was 6.843 Mill Tes.

6.1 Stock of stores and spares.

6.1.1 Information in regard to inventory of stores and spares as on 31.3.2013, as compared to 31.3.2012 is tabulated as under:-

Sl.No.	Description	As on 31.3.2013	As on 31.3.2012
(i)	Value of Inventory (Rs. in crores).	412.46 Crores	380.07
(ii)	Inventory in terms of months' consumption.	3.21 months	3.58 months

6.2 Disposal of Scraps

6.2.1 In the year 2011-12 the disposal of scraps was of value Rs.18.21 Crores. The scrap disposal target of the year 2012-13 was enhanced by 20% to the last year i.e.,Rs. 22.00 Crores. Against the target NCL have finalized sale of scrap value of Rs.26.00 crores i.e., 37% increase over the year 2011-12.

6.2.2 Compared to realization of Cash against scrap sale value of the previous year (2011-12) of Rs.11.35 Crores, the cash realized in 2012-13 was Rs.14.15 Crores which was 27.75% increase over the previous year (2011-12).

6.2.3 In the year 2012-13 the Burnt oil disposed-off was 1787.50 KL in comparison to previous year's burnt oil disposal of 1261.61 KL.

7.0 SAFETY

7.0.1 NCL is committed to highest standards of Safety in its operations keeping 'Zero Harm Potential' as its objectives. The accidents statistics for the year 2012-13 as compared to previous year furnished below.

Sl. No.	Particulars	2012-2013	2011-2012
1	No. of fatal accidents	3	6*
2	No. of fatalities	3	6*
3	No. of serious accidents	13	9
4	No. of serious injuries	13	11
5	Fatality rate per MT output	0.043	0.090
6	Fatality rate per 3 lakh manshifts	0.229	0.442
7	Fatality rate per 1000 persons employed	0.186	0.367
8	Serious injury rate per MT output	0.186	0.166
9	Serious injury rate per 3 lakh manshifts	0.991	0.810
10	Serious injury rate per 1000 persons employed	0.807	0.674
11	Fatality rate per MM3 output	0.012	0.025
12	Serious injury rate per MM3 output	0.053	0.045

*The figure of fatal accident for the FY-2011-12 changed due to one fatal accident of Amlohri Project in the month of Jan.2012 is included under the behest of DGMS.

7.1 Safety Measures & Training

7.1.1 Measures taken for improvement in SAFETY STANDARD in mines of NCL:

1. In monthly CGM co-ordination meetings with CMD and Directors of NCL safety matters is discussed as first agenda and all corrective measures are taken accordingly.
2. Statutory rules and regulations implemented religiously and strenuous efforts have been made for achieving highest standards of safety.
3. Simulator for 100 Te. Dumper and 85 Te. Dumper was installed on 28.11.2012 in CETI for training of Dumper operators of the company. Training Programme for Dumper operators in simulator started.
4. Operations and systems have been planned and designed and monitored to materially reduce mining hazards.
5. Provision made for material and monetary resources needed for the smooth and efficient execution of safety plan and distribution of all safety appliances regularly.
6. Provide appropriate forums with employees representatives for joint consultations on safety matters and to secure their motivation and commitment in safety management through Bipartite, Tripartite committee meetings at Area and corporate level and Seminar/Workshop addressed by Dir. (Tech), CMD NCL.
 - a. Tripartite Safety committee meeting consisting of DGMS Officials, Trade Unions & Management held on 28.09.2012 at Bina Project, 29.09.2012 at Khadia Project, 17.10.2012 at Amlori Project, 18.10.2012 in Block-B Project, 19.10.2012 Dudhichua Project and on 20.10.2012 at Jayant Project.
 - b. Bipartite Safety Committee Meeting between Trade Union representatives and NCL Management were held during the year at Kakri, Block-B, Khadia, Amlori, Bina, Jayant, Dudhichua, Jhingurda, Nigahi and at Krishnashila Projects.
7. The mine inspection by Bipartite Inspection

- team consisting of Trade Union leaders, Director (Tech) alongwith Project official and ISO members is done at regular interval.
8. Task force has been constituted consisting trade union senior official and CGM(S&R) separately for mine inspection every month surprisingly.
 9. Multi-level monitoring of the implementation of the Safety Plans through Internal Safety Organization at company level and also at Area level.
 10. Continuous education, training and retraining of the employees with the Modern Training Aid/Electronic Media/spot training and lectures at MTK office.
 11. Safety Audit by Internal Team Conducted for all mines in the month of December 2012 (03.12.2012 to 30.12.2012) and in the month of January-February 2013(31.01.2013 to 05.02.2013) and concerned projects have been advised to do necessary rectification.
 12. Inter mine inspection by workmen Inspectors along with Area Safety Officers to observe best practices and implementation of the same in their mine.
 13. All executives and Safety Board Members have been provided with CUG Mobile Phone for better communication.
 14. Code of practice for Electrical shut down procedure and for working at Electric Pole/over Head Line has been prepared & circulated.
 15. Monitoring of Dragline Dumps:-
 - (i) Measurement of corridors of Dragline OB dump (Dragline sitting level, and Coal Roof of Turra seam level) by HQ. team.
 - (ii) Scheme for Development of guidelines for safe dragline dump profile under varying geo-engineering conditions in opencast coal mines of NCL for implementation by BIT Mesra, Ranchi under R&D programme of CIL has been taken up and is in going on.
- (iii) Six no. of targetless total station are in use for all the 6 Dragline projects of NCL.
 - (iv) One no. of 3D Laser Scanner is in use for Jayant Project.
 16. Health Check-up of total Number of 5967 outsourced workers were conducted in June 2012 by our team of Doctors of NSC during the year in order to check the fitness of workers in addition to IME/PME.
 17. Family counseling of workers and their family members on 'SAFETY' was done at Khadia on 13.10.2012 and at Bina on 23.11.2012.
 18. Inter area First-Aid Competition was held at Block –B Project on 30.12.2012.
 19. Work-shop on the Risk Management was conducted for 3 projects i.e. Kakri, Bina and Krishnashila project on 31st August 2012 at Bina project. In which DMS, Varanasi, DT(Oprn), DT(P&P), CGM Safety also participated.
 20. Coal India Limited awarded 2nd prize to Northern Coalfields Limited for best Safety record during 2011-2012 on Coal India foundation day, 1st November 2012. Award was given by Coal Secretary in presence of Honourable Minister of Coal, Govt. of India.
- 7.2 Annual Mines Safety Week**
- 7.2.1 Like every year, Annual Mines Safety Week 2012 was celebrated from 14th January 2013 to 20th January 2013. During Safety Week special safety drive is conducted on different subjects.
- 8.0 PROJECT PLANNING AND DEVELOPMENT.**
- 8.1 Completed Projects:**
- 8.1.1 There are fourteen completed coal mining projects in NCL, In addition there are three completed OBR Augmentation Schemes and Seven Non Mining completed projects costing Rs. 5 Crores and above. The details of above projects are given below:-

S.N	Name of the Project	Capacity (Mty)	Sanctioned Capital (Crs.)	Sch. dt. of Completion	Actual date of Completion
MINING					
1	Bina	4.50	168.64	3/87	3/88
2	Jayant	10.00	375.04	3/91	3/90
3	Amlohri	4.00	527.11	3/93	3/93
4	Kakri	2.50	137.80	3/91	3/93
5	Dudhichua Phase-I (Merged with Dch Expn. 10Mty)	5.00	289.68	3/93	3/93
6	Jhingurda	3.00	63.11	3/87	3/87
7	Gorbi (Closed)	1.00	7.70	3/76	3/76
8	Gorbi-B (Closed)	0.60	19.18	3/90	3/90
9	Gorbi Expn. (Merged with Gorbi) - Closed	1.50	19.26	3/89	3/89
10	Nigahi Phase-I (Merged with Nigahi Phase-II 10Mty)	4.20	648.04	3/95	3/95
11	Khadia	4.00	588.75	3/94	3/97
12	Dudhichua Expn. OC (RCE)	10.00	1281.39 #	3/04	3/04
13	Nigahi Expansion, OC	10.00	1846.49 #	3/04	3/04
14	Kakri Coal Aug. Scheme, OC	0.50	48.79	3/04	3/06
OBR AUGMENTATION SCHEMES					
1	Jayant OBR Scheme		41.26	3/96	3/96
2	Jhingurda OBR Scheme		42.98	3/96	3/96
3	Bina OBR Scheme		48.28	3/01	3/00
NON-MINING					
1	Central Workshop		68.72	03/02	3/02
2	Integrated Water Supply Scheme		18.87	3/89	3/89
3	Nehru Shatabdi Chikitsalaya		19.91	4/97	8/02
4	Communication Scheme		5.04	4/96	3/96
5	Water Supply Scheme Phase-I&II		9.28	4/99	06/98 & 04/99
6	Bina Deshaling Plant		16.69	8/97	08/97
7	132 KV SS Madhauri(RCE)		5.43	03/01	03/01

Including the sanctioned capital of Nigahi Phase-I (4.2 Mty) and Dudhichua Phase-I (5.00 mty).

8.2. On-going Projects and Schemes.

8.2.1 At present six mining projects costing Rs.100 Crs. and above are under implementation as mentioned here under:

S.N.	Name of the Project	Capacity (Mty)	Sanctioned Capital (Crs.)	Sch. dt. of Completion	Act. dt. of Completion
MINING					
1	Krishnashila OCP	4.00	741.62	3/2013	3/2014
2	Amlohri OCP(4 to 10Mty)	6.00	1143.54	3/2016	3/2016
3	Block-B OCP	3.50	535.10	3/2015	3/2015
4	Bina Extn.	6.00	168.97	3/2014	3/2014
5	Nigahi Expn (10 to 15Mty)	5.00	259.40	3/2012	3/2015
6	Khadia Expansion(4 to 10Mty))	6.00	1131.28	3/2018	3/2018

8.3. Future Programme & New Projects:

8.3.1 Five nos. of new Opencast Projects have been identified in NCL command area during the XII five year plan. Out of these five projects, three projects are expansion, one number formed due to amalgamation of two existing projects and one number is greenfield project.

1. Jayant Expansion OCP (10.0 to 15.0 mtpa)
2. Dudhichua Expansion OCP (10.0 to 15.0 mtpa)
3. Semaria OCP (2.00 mtpa)
4. Bina-Kakri Amalgamation OCP (10.0 mtpa)
5. Block-B Expansion OCP (3.5 to 6.00 Mtpa)

8.3.2 The Status of Approval these projects and their forestry & Environmental clearance is as given below:

1. Jayant Expansion OCP (10.0 to 15.0 mtpa):

- a. EPR of Jayant 10 to 15 mtpa was approved by NCL Board meeting held on 07/6/08, PIB note submitted to MoC vide a letter dt.08/02/09. As per new guidelines of Ministry of Coal,

CIL is empowered to evaluate and sanction the project.

- b. EMP & Forestry clearances for expansion project are to be obtained before final approval of the Project.

2. Dudhichua Expansion OCP (10.0 to 15.0 mtpa)

- a. EPR of Dudhichua 10 to 15 mtpa was approved by NCL Board in its meeting held on 20-7-08 with outsourcing option with an capital outlay of Rs.326.57 Crs.
- b. EMP & Forestry clearances for expansion Projects are to be obtained before final approval of the Project.

3. Semaria OCP (2.00 mtpa)

NCL Board in its 159th meeting held on 14th May 2011 has accorded In-Principle approval (i.e. Stage-I approval) for Semaria Opencast(2.00Mtpa) Project Report with Variant-III i.e. Coal & OB Both Outsourcing for capital outlay of Rs 141.49 Crores. EMP and Forestry clearances required for Final approval.

4. Bina-Kakri Amalgamation OCP (10.0 mtpa)

NCL Board in its 163rd meeting held on 5th Nov'2011 has accorded Stage-I approval for Bina-Kakri Amalgamation Project (10 Mty) for option-III (partial OB outsourcing i.e. outsourcing of total OB above Purewa top seam) on cost plus basis with estimated capital outlay of Rs1291.98 Crores (Rs 545.94 crores already sanctioned and additional capital for sanction being Rs.746.04 crores). EC and FC to be obtained before final approval.

5. Block-B Expansion OCP (8.00 Mtpa)

Project Report is under finalization by CMPDIL.

8.4 EXPLORATION & DRILLING:

The drilling for geological exploration is done through CMPDI, RI-VI.

(in Meters)

	2011-12	2012-13		2013-14 (Proposed)
	Actual	Target	Actual	Target
CMPDI	18435	23200	21204	30850
MECL	23081	48000	32734	40000

8.5 Status of Excavation of Overburden by Hiring of Equipment as on 31.03.2013 is as under:-

Project	Awarded Quantity (Million Bank cum)	Date of Com-mence-ment	Scheduled date of completion	Contract awarded to
Amlohri	97.80	01.03.2011	29.02.2016	M/s BGR Mining & In-fra Pvt. Ltd.
Bina Extension	45.369	17.01.2011	16.01.2014	M/s Montecarlo Ltd.
Block-B	64.43	01.06.2010	31.05.2015	M/s National Construction Co.
Dudhichua East	49.00	03.12.2010	02.03.2014	M/s JP-ASD-DHOLU (JV)
Kakri *	29.24	28.02.2010	27.02.2013	M/s Rungta Projects Ltd.
Khadia West **	29.17	16.03.2010	15.03.2013	M/s Sadbhav Engineering Ltd.
Nigahi ***	54.00	20.02.2011	19.02.2014	M/s Saumya Mining Ltd.
Jayant West	105.00	03.06.2012	02.06.2019	M/s Sainik Mining & Allied Services Ltd.
Krishnashila	59.36	21.01.2013	20.01.2018	M/s Montecarlo Ltd.
Dudhichua West	33.50	25.01.2013	24.01.2018	M/s Sainik Mining & Allied Services Ltd.
Jhingurda	19.41	LOA issued on 29.12.2012, work likely to be started in April'13.		M/s AMR-Saisudhir (JV)
Khadia East & Central Section	66.54	LOA issued on 08.02.2013, work likely to be started in April'13.		M/s Montecarlo Ltd.

- Note: * Provisional time extension granted up to 30.9.2014.
 ** Additional Quantity of 2.50 Million Bank Cum along with time extension granted up to 26.6.2013.
 *** Provisional time extension granted up to 30.9.2014.

9.0 ENVIRONMENTAL PROTECTION

9.1 Management of NCL's Economic, Environmental, Energy and Social Concerns:

NCL has well defined and documented Manual, policy, procedures and guidelines for Sustainable Development under its Integrated Management System (IMS) complying with international standards of ISO 9001, ISO 14001, OHSAS 18001, and SA 8000. In addition CMD, NCL on 21/03/2012 has approved, authorized and released for use of all a manual for Energy Management System and Information Security Management system which is addendum to Integrated Management Manual of NCL. This Manual defines NCL's additional system under its IMS for compliance with international standards ISO 50001 and ISO/IEC 27001.

9.2 NCL's CORPORATE MANAGEMENT POLICY

9.2.1 We have voluntarily chosen to implement a comprehensive system for simultaneous management of our economic, environmental, and social concerns as a part of our business agenda.

9.2.2 NCL is committed to:

1. Assured quality of our coal supplies.
2. Optimum utilization of available resources.
3. Continual improvement in the management and performance of our system.
4. Ensuring prevention of pollution, injury and ill health due to our work activities.
5. Comply with all applicable legislations and other subscribed obligations.
6. Respect all ILO and other international charters on social and labour issues.

7. Promoting importance of the concept of sustainable development.
8. Ensure that this policy is effectively implemented, maintained, and communicated.
9. Review this policy regularly to ensure its continual improvement and relevance.
10. Make this policy accessible in a comprehensible form to all personnel engaged for NCL in any manner.
11. Make this policy publicly available in an effective form and manner to all interested parties, upon request.

9.2.3 NCL's Energy Management Policy

We are committed to continually improve the energy performance of all our process and systems .so we ensure that.

1. Adequate information and resources always remain available to achieve our energy objectives and targets;
2. We always comply with all our energy related obligations, whether legal or otherwise subscribed; and
3. We always promote the purchase of energy efficient products, services, and designs.

9.2.4 NCL's ISMS Policy

We are committed to protect all our information assets from all threats, whether internal or external, intentional or unintentional.

So, we ensure that

1. Our information is accessible only to authorized users whenever they require it;
2. Our information remains accurate and complete throughout the concerned processing;

3. Our information remains protected from modification by unauthorized persons;
4. Our information security complies to all legal and contractual obligations;
5. Our information is evaluated and managed in view of the frameworks of our business and strategic risks;
6. Our information and process-continuity are safeguarded even during interruptions or failures of our communication systems.

9.3 Environmental Conservation Measures:

- a. Compensatory Afforestation:** The compensatory afforestation is the afforestation done in lieu of the diverted forest land for mining. Earlier compensatory afforestation was done over equivalent area of non-forest land. There is a special provision for Central Govt./Central Govt. Undertaking projects, according to which compensatory afforestation is to be raised on de-graded forest land twice in extent of forest area being diverted. The State Govt. is to identify 'blank forest' or "degraded forest lands" for compensatory afforestation and the user agency has to deposit the amount for compensatory afforestation with the concerned State Govt.

During the year under report, no further land was identified by NCL for the purpose of compensatory afforestation and it remained at last year's level of 4320 ha.. Payment of Rs. 150.59 lakhs was made to Forest Department for compensatory afforestation, NPV etc. and the total amount deposited up to 31.3.2013 remains Rs. 60.51crore.

- b. Social Afforestation:** This Company has taken up massive afforestation in mining areas, residential colonies, along road side etc. As a result the

entire area has turned into a lush green field and has been playing a vital role in checking air, water and noise pollution.

- c. Technical and Biological Reclamation:** Most of the mines of NCL are being backfilled and after achieving the planned height, Over Burden dump's slopes are technically/physically reclaimed by making terraces/steps in slopes and then dumps are biologically reclaimed by planting suitable soil binder saplings for the stability, control soil erosion and eco-restoration.

9.3.1 During the year 2012-13, an area of 94.65 ha. has been reclaimed, as a result the total area reclaimed in NCL up to 31.3.2013 reached to 3073.21 ha.

9.3.2 Under Social afforestation in plain areas viz. colonies, roadside etc. and biological reclamation on Over Burden dumps, total 4.52 lakhs sapling were planted during the year 2012-13. The total number of plants planted up-to 31.3.2013 reached to 217.23 lakhs.

9.4 Pollution Control Measures

(I) Air Pollution Control Measures

- (i) Automatic sprinklers have been installed at coal receiving pits and are actuated through sensors. Fixed sprinklers have been installed at coal bunkers, transfer points and loading points and are operated through control valves.
- (ii) Dust cyclones are provided at the bottom of receiving pit of the crusher house.
- (iii) All the Coal Handling Plants (CHPs) are fully enclosed to reduce coal dust emission outside CHP.
- (iv) Drills are provided with dust extractors.
- (v) Approach roads to mines and service roads are provided with black topping to reduce dust generation.

- (vi) Mobile water sprinklers are deployed for dust suppression on haul roads on continuous basis.
- (vii) Thick green belts; tall plants with broader leaves have been provided as curtain at mine boundary to arrest air borne dust. The total numbers of trees planted till 2012-13 is 217.23 lakhs.
- (viii) Non-active Over Burden (OB) dumps are provided with vegetative cover to prevent dust emission under OB Dump reclamation plans.
- (ix) Dust proof cabins have been provided for operators in Heavy Earth Moving Machines (HEMM). Dust masks have been provided to employees exposed to dust.
- (x) Fire hydrants system has been installed for CHPs and coal dumps.
- (xi) Moist coal is loaded to Merry Go Round (MGR) through Rapid Loading System.
- (xii) Routine maintenance and periodic overhauling of HEMMs are done to reduce gaseous emission.
- (xiii) Regular ambient air quality monitoring is being done to monitor the air quality and corrective actions are being taken in case of any adverse report.

(II) Water pollution control measures

Water pollution control has been done through Silt Arrestors, 10 Effluent Treatment Plants (ETPs) for effluent generated from Mine, Workshops, CHPs and 8 Domestic Sewage Treatment Plants (DSTPs) for colony sewage of working mines are in operation.

- (a) **Effluent Treatment Plants:** Integrated Effluent treatment Plants have been designed for treatment of discharge from mine, workshop and CHP. The plants contain oil and grease recovery system through traps, removal of suspended solids through

clarifiers after chemical dosing at flush mixer, sludge drying beds, pipeline and pumping arrangements. Clean treated water is re-used for water sprinkling on haul roads, sprinklers and industrial purposes.

- (b) **Construction of new ETPs:** Three more ETPs are proposed to be constructed as detailed below:

- (i) Scheme of ETP construction for Krishnashila Project has been approved by NCL. NIT/Tender document is under preparation by CMPDI, Ranchi.
- (ii) Scheme of ETP construction for Block-B Project has been prepared by CMPDI, Ranchi.
- (iii) Two ETPs already exist at Nigahi Project for treatment of effluent generated from CHP's & workshops. Construction of another ETP for treating Mine's effluent is under consideration.

- (c) **Domestic Sewage Treatment Plants (DSTPs):** Eight Domestic Sewage Treatment Plants have been constructed in townships with activated sludge process. The plants contain aeration units for oxidation, clarifiers for removal of suspended solids, sludge drying beds, grit removal facilities, sewer lines, manholes, pump houses, control room, etc. Treated water is re-used in horticulture/ agriculture and construction activities. Dried sludge, a valuable manure is used in agriculture.

- (d) **Construction of new STPs:** Two more STPs are proposed to be constructed as detailed below:

- (i) Scheme/ design of STP for Singrauli Township submitted by CMPDI, Ranchi has already been approved by competent authority of NCL. NIT is under preparation by CMPDI, Ranchi.

- (ii) Final scheme for construction of STP for Block-B Project is under preparation by CMPDI, Ranchi.
- (iii) Modification of Old STP:
 - (a) Scheme/ design for modification of existing STP at Khadia Project submitted by CMPDI, Ranchi has been approved by competent authority of NCL. NIT is under preparation by CMPDI, Ranchi.
- (e) **Silt Arrestor:** Substantial amount of silt is carried along with the run off water. Catch drains with silt arrestors are provided in mine areas and are cleaned at regular intervals. Check dams and siltation ponds are provided to arrest silt flowing to the water course. Gabions (loose stones packed in wire crates) with filter pad at toe of the active dumps and across water course, protect against escape of silt into the water body.
- (f) **Oil recovery:** Floating oil, recovered from Oil and Grease traps is collected in drums which are stored in a raised paved area having drains to collect back spillages. Used Oil collected during maintenance of vehicles and HEMMs are collected and stored in lid tight leak proof drums. Authorization from State Pollution Control Board is duly taken for each individual Project for storage of used oil which is Hazardous waste (Cat. 5.1). This used oil is disposed by e-auction through authorized recyclers.
- (g) **Disposal of Hazardous solid waste containing oil:** This comes under Hazardous Waste Category 5.2. Authorization from State Pollution Control Board is duly taken and these wastes are stored in specifically constructed sheds and disposed off through authorized Common Treatment Storage & Disposal Site, available in the state.

(III) Noise Pollution Control Measures

- i. Blasting operations are carried out between 13:00 to 14:00 hours only i.e. during change of shifts.
- ii. Ear-muffs and ear-plugs are provided to employees wherever required.
- iii. Curtain plantations have been provided in and around colonies and along mine boundaries.
- iv. Routine maintenance of all equipments.

9.5 Impact of above measures on pollution

Air Pollution Control Measures and Water Pollution Control Measures have been adopted to maintain air and water quality within permissible limit as per guidelines stipulated by State Pollution Control Board (SPCB) and Ministry of Environment & Forest (MOEF), statutes and legislation applicable to coal mines. Noise Pollution Control Measures have been adopted to maintain noise level within permissible limit. The results of monitoring have been found within permissible limits.

9.6 Environment Clearances

All the Open cast Projects are operating with Environmental Clearance from Ministry of Environment & Forest, New Delhi. The consent for Air and Water is also taken from the Pollution Control Boards.

10.0 ISO ACCREDITATION

Integrated Management System certificates:

NCL is having an Integrated Management System Certification as follows:

“Your company continue holds the latest version of ISO 9001 :2008 , ISO 14001:2004 , OHSAS 18001: 2007 and SA 8000:2008 Certifications for whole company in respect of the following activities;

Mining and Supply of Coal including related

field support, corporate Management services, and provision of diagnostic, curative, rehabilitative & preventive health care services.”

These Certifications indicates NCL’s commitment to Quality, Environment, Health, safety and Social Accountability at par with Global Standards.

11.0 HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

11.1 Manpower

11.1.1 Manpower strength of the company (excluding apprentices under the Apprentices Act, 1961) as on 31st March, 2013 was 16073 against 16329 as on 31st March, 2012. The breakup of manpower strength is given below:

(Fig. in Nos.)

Sl.No.	Particulars	As on 31.3.2013	As on 31.3.2012
1	Executives	1832	1746
2	Supervisors	2105	2011
3	Clerical Staff	1098	1123
4	Highly Skilled/Skilled	7814	7929
5	Semi Skilled/Unskilled	3224	3420
Total		16073	16329

11.2 Human Resource Development

11.2.1 The training and skill development part of HRD is looked after by GM (CETI) and the details of which is as follows:

- Providing learning opportunities to the employees to narrow down performance gaps.
- Assessment of training needs of employees and review/ revise training programmes accordingly.
- To develop training/ reference materials and to organize special programmes on new equipment for all level of employees.
- To organize training programmes, seminars, workshops for all levels of executives of the Company to address the contemporary issues.

11.2.2 NCL has a Central Excavation Training Institute (CETI) at Singrauli and nine Vocational Training Centers (VTCs) in different projects. Need based training is provided to workmen, operators, supervisors and front line managers. The major training programmes conducted centrally at CETI are as under:-

- Basic courses for HEMM (Dumper, Shovel, Drill, Pay loader and Dozer) Operators, technicians and unskilled workers
- Refresher courses for HEMM (Dumper, Shovel and Dozer) Operators and technicians.
- ‘Original Equipment Manufacturers’ Programmes on technology upgradation.
- Supervisory Development Programmes.
- Technical development programmes for executives.
- Basic Computer Learning courses for executives, supervisors & other staff.
- Workers’ Development Programmes including Leadership Development Programmes.
- Structured Training Programme for Mining, Excavation and E&M Supervisors.
- Training Programmes for Safety Committee Members and Workmen’s Inspectors.
- Special programmes on contemporary issues.
- Dumper simulator 85T/100T at CETI is an upgraded tool of training for Dumper operators (Basic & Refresher both).

11.2.3 CETI organised 55 workshops and seminars during the year 2012-13 for middle and senior level management groups and staff focusing on contemporary

issues. The statutory training requirements are met by VTCs. Senior executives of the Company were sent to Indian Institute of Coal Management (IICM), Ranchi, an Apex Training Institute of CIL, for meeting their training requirements.

11.2.4 Information about the persons who underwent different training programmes during the year 2012-13 as compared to the year 2011-12 is given hereunder:-

Sl. No.	Particulars	2012-13	2011-12
i)	Number of persons trained through Vocational Training Programmes at VTC.	15746	15577
ii)	Number of persons trained at CETI: -		
	(a) Regular training programmes	1928	2325
	(b) Workshops & Seminars	2666	1827
	TOTAL	4594	4152
iii)	Number of persons trained through outside company programmes in India.		
	a) General / Advanced Management courses	357	438
	b) Techno-managerial courses	190	45
	TOTAL	547	483
iv)	Number of persons trained abroad: -		
	a) General / Advanced Management courses	NIL	2
	b) Techno-managerial courses	1	1
	TOTAL	1	3

11.3 Reservation for Scheduled Castes (SCs)/Scheduled Tribes (STs) and other Backward Classes (OBC) in recruitment and promotion.

(i) **Recruitment** :The Presidential Directives in the matter of recruitment of Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Castes (OBCs) have been implemented in NCL.

(ii) **Promotion** : A total of 387 candidates

belonging to SC community and 166 candidates belonging to ST community were promoted during 2012-13.

The representation of SC and ST candidates in total manpower is as under:

As on	Total Man-power	SC Candi- dates Number in %		ST Candi- dates Number in %	
31.3.2013	16073	2631	16.37	1106	6.88
31.3.2012	16329	2569	15.73	1079	6.61

11.4 Appointment of Land Oustees.

11.4.1 During the financial year 67 Land Losers were appointed.

11.5 Workers' Participation in Management

The worker's participation in management in NCL is encouraged at all levels and is operative to every possible extent. There is system of bipartite dialogue to discuss and address not only the grievances but also the issue pertaining to the entire Management of the Mine. The meeting of Joint Consultative Committees (JCC) takes place at regular intervals at Project/ Unit level as well as Corporate Level. Further meeting of Safety Committee, Welfare Board, Medical Advisory Board, House Allotment Committee, Canteen Committee etc. are also held regularly. In all above forums the Trade Union Representatives do actively participate and contribute.

11.6 Industrial Relations

Industrial Relations in our Company continue to be highly cordial and harmonious. The participative way of functioning of management facilitates settling the disputes/grievances amicably through discussions, which in turn has resulted in maintaining overall healthy ethos of relations at Northern Coalfields Limited. However, few instances of

Industrial Relation disturbances during 2012-13 are as under :

Sl. No.	Particulars	2012-13	2011-12
1.	No. of Strikes -		
	a) Complete	0	1
	b) Partial	4	3
2.	Law & Order disturbances -		
	a) Relay Hunger strike	NIL	NIL
	b) Dharna/Demonstration	13	20
	c) Assault	NIL	NIL
	d) Rowdism	NIL	NIL
	e) Gherao	NIL	1
	f) Obstruction	2	2
	g) Non Co-operation activities	NIL	NIL
3.	Man-days Lost	5912	11505
4.	Loss of Production -		
	Coal (Tonne)	73500	116000
	O.B. (Cu.M.)	505260	550000

12.0 EMPLOYEES WELFARE AND SOCIAL AMENITIES.

12.0.1 In NCL proper attention is given towards employees, welfare and efforts are made for improvement in welfare and social amenities like Housing, Water supply, Medical, Education, recreational facilities etc.

12.1 Housing & Township

12.1.0 The total number of standard houses as on 31.3.2013 are 16649, which provided 100% housing satisfaction. However, taking into account the 1241 Non-standard houses also, the total number of houses is 17890. Excluding 1110 houses allotted to different agencies, balance available houses are being 16780, provides 100% housing satisfaction to the employees.

12.2 Water Supply

12.2.0 The total population of 83900 has been covered under the water supply arrangements upto 31.03.2013. In regard to availability of water, there is 100% satisfaction to the employees in the company.

12.3 Educational Facilities.

12.3.1 The company has established 7 DAV Public Schools, 2 Central Schools and 1 Delhi Public School is also running in Nigahi Project. Other Schools in this area are also supplementing the education facilities. The number of School going children was 24587 and 65 schools buses were available for them. An amount of Rs.725.00 lakh was incurred on educational facilities during the year. An amount of Rs.30.03 lakh only was paid towards Higher Technical Educational re-imburement for employee's wards.

12.4 Medical Services

12.4.1 With the mission of achieving a healthy workforce by physical, mental, social and occupational health of coal mine workers and their dependent family members through preventive, curative, community and quality healthcare approach, medical discipline of the company is presently being developed from secondary to a tertiary center with the help of excellent infrastructure.

12.4.2 NCL is having three hospitals with a bed strength of 200 as indicated below:

- (i) Nehru Shatabdi Chikitsalaya (NSC) - 150 beds
- (ii) Singrauli Hospital - 35 beds
- (iii) Bina Hospital - 15 beds

12.4.3. *Nehru Shatabdi Chikitsalaya (NSC)*

NSC is functioning as a Referral Specialized Hospital with secondary care in most of the disciplines and tertiary care in few of the fields like Nephrology, Non-invasive Cardiology, Diagnostic upper GI Endoscope, Diabetes Mellitus and Laparoscopy, etc. NCL has achieved milestones in the fields like MRI, CT scan, Ultra-sound, Mammography, Dialysis, Emergency Medical Treatment, Laparoscopic Surgery, Endoscopy, TMT, etc. Apart from the above, the few of the remarkable facilities are being added in NSC for the benefit of the patients-CT scan, MRI, Dialysis, Pacemaker implantation, Laparoscopy,

Gynecology and Obstetrics, Pediatrics, Orthopedics, Dental, ENT, Eye & Minimal Invasive Surgery, etc. Patients from all the project dispensaries and nearby villages are being referred to this hospital for taking treatment related to above diseases.

12.4.4 **Central Diabetic Clinic**

Considering the increase of Diabetic patients, Central Diabetic Clinics have been started in NSC and Central Hospital, Singrauli where patients are treated with Diabetic Foot care System, one of the ultra-modern methods in diabetics. Since the diet control is very important for any sugar patients, the patients are advised/ counseled for a controlled diet by a qualified Dietitian. In addition to that, Speciality Respiratory clinic, Kidney/ renal are also held on specific days at NSC.

12.4.5 **Project Dispensaries**

Beside the above Hospitals, each Project is having one Dispensary (in total 10 dispensaries with Dudhichua having two) to cater the need of the employee and their dependent family members.

12.4.6. NCL is organizing various camps, free cost of the patient, i.e., (IOL) Eye Camp (4 camps, 253 operations), Deafness reduction Camp (1 camp, 31 operations), Family Planning Camp (8 camps, 127 operations), Cancer Detection Camp (4 camps, 421 beneficiaries), Hypertension Detection Camp (2 camps, 398 beneficiaries), Diabetes Detection Camp (3 camps, 235 beneficiaries), Life Style Modification camps (2 camps, 189 beneficiaries), Filariasis Camp (3 camps, 67 operations), Plastic Surgery Camp (1 camp, 44 operations), Urology Camp (1 camp, 28 operations) Pediatric Health camp(4 camps, 860 beneficiaries) Camp for Heat Disease (1 camps, 209 beneficiaries) Camp for Senior Citizens (1 camps, 46 beneficiaries) and Respiratory Disease Detection Camp(1 camps, 56 beneficiaries) throughout the year. In some of these camps very renowned

Surgeons, Physicians, Experts from reputed hospitals like, SGPGI-Lucknow, IMS- BHU, AIIMS-New Delhi, Max Heart-New Delhi, CMCH, Vellore etc. are invited to perform surgeries and consultations as well as to give lectures. To extend medical benefit to the downtrodden, a team of Doctor's and para medical staff from NSC visited 15 villages under different projects. 6152 poor people of the villages including PAPs were benefited in these camps free of cost. Out of the the total patients in these camps, 22.04% were SC, 16.68% ST and 30.82% OBC. Mobile Dispensary from Singrauli Hospital made 93 visits and number of patients attended its services were 2219. Other than these, various awareness camps were organized throughout the year like, Water borne diseases and their prevention, HIV-AIDS awareness, Nutrition of pregnant ladies, Promotion of Breast Feeding, Awareness and prevention of heart disease, diabetes, cancer, backache etc. All these were done under Corporate Social responsibility (CSR).

12.4.7 Company as a corporate citizen spent a sum of Rs.9,43,390.30 only towards providing free treatment to 175 patients who are under privileged, needy and people who are living below poverty line.

12.4.8 Number of 2113 major operations and 643 minor operations have been carried out in NCL successfully for various diseases during the year under review by our expert Surgeons.

12.4.9 Initial Medical Examination (IME), Master Health Check up & Periodical Medical Examinations (PME) are being done regularly for all the employees of the company as per recommendation of 10th Safety Committee to prevent life style diseases and to take timely action for the diseases so detected. Against the target of 4170, PME achievement of NCL was 4192 which is 100.5% of the target. NCL has also undertaken a unique programme for medical examination of Contractual

workers free of cost at worksite. A team of doctors visited all the mines & workshop and examined 5907 contractual workers. Refraction (Eye testing) of 1156 number of Operators and Drivers was done following 10th Safety Committee recommendation.

12.5 Social Activities

12.5.1 Sports & Games

Adequate infrastructure has been developed in the company for promoting games and sports. There are four stadium one each at Bina, Jayant, Nigahi and Singrauli with necessary physical fitness amongst employees. Few multi-gyms have been established at different projects/units. NCL has been conducting 13 different activities for its employees. NCL is also organising various camps for sports events such as Football, Cricket, Badminton, Kabaddi and Volleyball etc. to the employees dependents and for children from nearby villages. Some of the invitation Competitions has also been organised in which National and International level sportsmen have participated.

12.5.2 Recreational Facilities

In NCL adequate recreational facilities for the employees and their family members have been developed. Each Project/unit have their own Officers, Workers Institute with well-equipped material such as furniture, utensil, indoor sports material etc. and matching grant are also provided.

12.6 Socio-economic contribution

12.6.1 The company had already developed six rehabilitation sites viz. 3 in UP State (Rehta, Ambedkar Nagar and Jawahar Nagar), 3 in MP State (Chandrapur, Nandgaon and Jaitpur) and one more new site is under approved for development for resettlement of Project Affected Persons (PAPs) with necessary civic amenities linked with block-B Project.

12.6.2 During the year, 2 pattas were issued and 56 families were paid cash in lieu of plot

@ of Rs 1 Lakhs to each family. The total no. of pattas issued and cash paid in lieu of plot upto 31st March, 2013 reached 2006 and 1160 respectively. Total number of families rehabilitated is 3166 out of 4032 and 2820 families are shifted upto 31st March 2013.

12.6.2 To impart greater responsibility towards social and economically upliftment of the displaced, package concept for offer of employment is evolved and practiced since 2008-09 in NCL. In this system 2 or more land oustees, who are not eligible for offer of employment due to less than 2 acres of land holding may come together and make a package for offer of an employment to one of them or one of their nominee. This has enhanced the chance of getting employment against land and also enhanced the coherence among the land oustees as well as helping in solving the R&R issues.

12.6.3 In 2012-13, total 67 employments have been given out of which 60 employment is offered under package deal system in which 239 land oustees added their share of land to make those 60 packages for offer of employment.

12.6.4 Compensation of Land and House Payment

During the year, compensation of 78.493 Ha. of Tenancy land and compensation against 18 cases of houses, amounting total Rs. 4.43 Crores has been disbursed.

12.7 Mahila Mandal

12.7.1 Mahila Mandal is a social organisation of ladies of NCL is also actively participating in the fields of social work. It has been conducting Adult Education Classes at Ambedkar school, Singrauli and providing uniforms and books to the participating ladies, Masala Udyog and Handloom training Centre are also being run with the help of Mahila Mandal also made drinking water arrangement at various places during the summer season. A Computer

- Educational Centre for the women is also being run by Mandal.
- 12.8 Family Welfare**
- 12.8.1 During the year under review, 321 operations were conducted successfully under the Family Welfare Programme of NCL covering entitled and non-entitled patients of NCL and nearby areas.
- 13.0 RAJBHASA IMPLEMENTATION (OFFICIAL LANGUAGE POLICY)**
- 13.1 The Annual Programme 2012-13 issued by the Government of India, Ministry of Home Affairs, Rajbhasa Deptt., in which the emphasis was given on sustainable and maximum use of Hindi by employees in the official work in Central Govt. and State Govt. resulted in significant improvement in Rajbhasa Implementation.
- 13.2 Keeping with tradition, 'Rajbhasa Pakhwara' was organised from 14 to 18 September, 2012, during which an appeal of CMD, NCL was issued to do the official work in Hindi. During the Rajbhasa Pakhwara various competitions viz. Essay Writing, Noting Drafting, Prashan Manch, Typing Competition were held and prizes were distributed to the winners. For 2012-13, 20 Employees were honoured with Appreciation letter and Cash prize for their best contribution in the field of Hindi.
- 13.3 CMD, GM(P/IR) and Rajbhasa Incharge, NCL participated in the meeting of Hindi Consultative Committee of Coal Ministry orgained on 17.1.2013 at Chennai and the decisions/suggestions in the meeting were implemented.
- 13.4 In high level meetings of the Company such as meetings of Joint Consultative Committee, Welfare Board and in Meetings with Trade Unions, the proceedings were held in Hindi and minutes of the meetings were also issued in Hindi.
- 13.5 A review meeting of Rajbhasa Implementation Committee headed by Director (Tech/P&P) was organized on 30.1.2013.
- 13.6 Emphasis was laid to ensure implementation of Section 3(3) and Rule-5 of Rajbhasa Act, 1963 in which the reply to letters received in Hindi were sent in Hindi only.
- 13.7 To promote and sustain growth of Rajbhasa in NCL, All India Hindi Kavi Sammelan was organized.
- 13.8 Three Rajbhasa Workshops were organized during the year. 35 employees were nominated for advance Hindi Training at Central Hindi Training Organisation, New Delhi. Training in Hindi and other related languages were also given in CETI.
- 13.9 During the inspection of progress of Rajbhasa implementation in NCL, Dy. Director (Implementation), Regional Implementation Office (Central), Bhopal, expressed his satisfaction and as per his suggestion for implementation of Rajbhasa Policy, competition were organized in Company Level and in all Units/Projects and cash awards were distributed among the winners.
- 13.10 NCL Website is both in Hindi and English.
- 13.11 All 1043 computers in the company were provided with the facility of UNI Code to do the work in Hindi.
- 13.12 In the recruitment and departmental examinations conducted, bilingual question papers were provided and relaxation was given to the candidates to reply in Hindi during the Interview.
- 13.13 Inspections were done by the Rajbhasa Inspection Committee in the Units/ Projects to see the progress of implementation of the policy and suggestions were given for its development.
- 13.14 Company Library was enriched with the books of eminent writers and poets.
- 13.15 Home Magazine in Hindi of your Company 'Khanij Urja' was published and distributed.

14.0 ACTIVITIES OF VIGILANCE DEPARTMENT

14.1 Vigilance Set-up:

14.1.1 The Vigilance set –up at Northern Coalfields Limited is headed by a Chief Vigilance Officer, a Director level officer appointed by the Government of India. Eight executives belonging to different disciplines assist the CVO in carrying out the activities of the Vigilance Department. Three Senior Personnel Assistants and two Clerks are also posted in the Vigilance Department.

14.1.2 Corruption prone areas have been the focus of attention. Any preventive or punitive action in these areas is bound to have a demonstrative as well as multiplier effect on the entire organization.

14.2 Observance of Vigilance Awareness Week 2012

14.2.1 As per the directives of Central vigilance Commission vide circular no. 012/VGL/063 dated 28/09/2012, Vigilance Awareness week was observed in Northern Coalfields Limited from 29.10.2012 to 03.11.2012.

Shri S.K. Singh, Joint Secretary, MOC and CMD, NCL administered pledge to the executives and staff at Singrauli on 29.10.12 at 11.00 AM signaling the beginning of the observance of Vigilance Awareness week 2012. Ms Shantilata Sahu, Director (Personnel), NCL read out the message of His Excellency President of India Shri Pranab Mukherjee on the occasion. The message of Hon'ble Vice President of India Shri Hamid Ansari was read out by Shri N.Das Director (T/P&P), NCL. The message of Shri Manmohan Singh, the Prime Minister of India was conveyed to the assembled employees by Shri A.D.Mathur, Director (T/Op) NCL. The message of Smt. Sushma Swaraj, Leader of opposition was conveyed to the assembled employees by Shri A.K.Pandey, Director(F), NCL. Shri K.P.Venkateshwar Rao, IPS, DIG/CVO,

NCL had conveyed the message of the Central Vigilance Commission to the executives and employees. In a similar fashion the observance of Vigilance Awareness week 2012 was commenced with the administration of pledge and reading out of messages at different projects of NCL. This year the theme of observing Vigilance Awareness Week was "Transparency in Public Procurement".

The Inaugural day function of the Vigilance Awareness Week 2012 was held at Officers' Club Auditorium on 29.10.2012 at 3.00 PM. Shri S.K. Singh, Joint Secretary, MOC and CMD, NCL was the Chief Guest of the function. Ms. Shantilata Sahu, Director (P) NCL, Shri N.Das, Director (T/P&P) NCL, Shri A.D.Mathur, Director (T/O) NCL and Shri A.K.Pandey, Director (F) were present on the occasion. The proceedings of the function was started with a welcome song presented by the students of Kendriya Vidyalaya, Singrauli. Shri K.P.Venkateshwar Rao, IPS, DIG/CVO, NCL had welcomed to the guests and expressed his views on transparency in public procurement and emphasized to introduce e-tendering, e-procurement etc. by leveraging technology in NCL. A vigilance magazine of NCL-2012 "SPHOORTHY" was released by Shri S.K. Singh, Joint Secretary, MOC and CMD, NCL on the occasion. Ms. Shantilata Sahu, Director (P) NCL, Shri N.Das, Director (T/P&P) NCL, Shri A.D.Mathur, Director (T/O) NCL and Shri A.K.Pandey, Director (F) had expressed their views on awareness regarding rules regulations, manuals etc. of the company. The Chief Guest Shri S.K. Singh, Joint Secretary, MOC and CMD, NCL had expressed his views on a sound procurement system essential for any organization and had emphasized transparency, accountability and probity in public procurement.

First time NCL has introduced to give "Vigilance Excellence Award" to the person or group of persons who have done excellent work in the field of innovative

technique to save the company's fund. The details are given below:

A. Shri R.K. Ambasta, Chief Manager (Excv), Incharge Electrical Shop, CWS Jayant:

- i. He has adopted innovative process first time at CWS, Jayant during repairing / maintenance on series connections of stator coils of high tension induction motors used in shovels / Draglines. He has used Silicon sleeve over insulating paint on series connection of stator coils instead of conventional method of doing it by multiple layers of nomex, micanite and glass tape.

With new process, the same job can be completed in one day with two skilled manpower instead of 10-12 days required in conventional method. Superior quality of dielectric strength is maintained on series connection with use of insulating paint than conventional method. This method has saved costly man hours and improve the quality of repair / maintenance of motors with enhance in life of the repaired motors.

- ii. He has started repairing of high capacity transformers (33 KV rated) at CWS, Jayant and developed few tactical testing with available instrument and repaired 5 such transformers with minimal cost of repair, which were previously outsourced to out side agency at higher cost (about 20 to 40 lacs).
- iii. He has developed arrangement to check the healthy status of core of armature/ stator of DC / AC motors by modifying a faulty welding transformer & available items at workshop. This testing has avoided post repair generation of high temperature and avoid early failure of repaired motors.

B. Shri S.R.P. Ambastha, Sr. Manager (Excv), CMC, CWS, Jayant:

- i. He has repaired electronic circuit & water circuit of Bomb Calorimeters of different projects of NCL using very less resources and saving of about 12.00 lacs if these

were outsource to Indian agent of this imported machine.

- ii. He has repaired the LDCC Card of Marian 182 M Shovel of Muraidih OCP, of BCCL using new technique of repair of PCB cards 2 nos. and saving of about Rs. 27.42 lacs of new cards to be imported from OEM as these cards are not repairable as per OEM. This has saved down time of two shovels considerably by early repairing.

- iii. He has repaired three nos. Back Plan cards of 120 T electrical dumpers, which are not repairable as per OEM, i.e. GE, USA in India and saved about Rs. 15.85 lacs.

In case, these jobs would have been repaired from outside agency, they would have charged huge amount and chances of performing to the satisfaction is very less.

C. Shri Arjun Kumar Singh, Chief Manager (System), NCL, Singrauli:

- i. He has developed and implemented the package as per requirement of Income Tax department for TDS of the employees and reports as per their requirement instead of giving the software package developed by outside agency & operate or get the above job out sourced regularly since 2005-06.

- ii. He is maintaining Payroll package after 2007-08 as previously it was maintained by CMC at annual cost of Rs. 6.00 Lacs per year.

- iii. Due to above works, he has saved lot of money for one time jobs of outsourcing and yearly charges of their maintenance/ operation.

An exhibition of the drawing and paintings made by the school children on the issues related to honesty, corruption etc. was held at the same venue. The message conveyed through these paintings was crystal clear – "Corruption and Corrupt must be dealt on zero tolerance terms". The creative outpouring of the children

on canvas struck an instantaneous chord with the Chief Guest, executives, staff and others.

As always has been the endeavor of NCL / Vigilance, this year too Vigilance Awareness week was utilized to involve employees from the top of the hierarchy to the grass root level of the organization. Like last years, this year also NCL has spread the message of the need to fight corruption. As the adage "Catch them Young" goes, Management Trainees & children of Schools in NCL were involved to express their thoughts and views on issues like honesty, integrity and the need to fight and expose the corrupt. This move was inspired by the thought to sow the seeds of truthfulness in the nation builders of tomorrow. The children were asked to draw and paint their feelings on the topics "Corruption free ideal society from my point of view" The spellbinding paintings of the School going children must be seen to be believed. Through their colours and brushes the children have very emphatically revealed their anger against and opposition to corruption. Children were also asked to express their thoughts on the topic " No legacy is so rich as honesty " through an essay competition.. The overwhelming participation of the students in these competitions and their innocent but firm depiction of belief in honesty and the need to eradicate corruption made our efforts worthwhile. Their paintings and essays give us the hope that the future of this country is safe in their hands.

On this occasion a cultural programme was organized, under the direction of South Central Zone Cultural Centre Nagpur, Shri Krishna Lok Sanskritik Vikas Sansthan, Sagar (M.P.) had presented Adivasi Folk Dance.

On the afternoon of 30/10/2012 at CETI, Singrauli a seminar was organized in which Shri K.P.Venkateshwar Rao, IPS, DIG/CVO, NCL, Shri N.Das, Director (T/P&P) NCL, Shri A.D.Mathur, Director

(T/O) NCL had delivered their lectures. Shri K.P.Vekatেশwar Rao, IPS, DIG/CVO, NCL, had expressed his view on the topic of " Vigilance: The Emerging Trends and New Approaches in Public Procurement." Shri N.Das, Director (T/P&P) NCL had delivered his lecture on the topic of "Vigilance and Innovative Managerial Practices" Shri A.D.Mathur, Director (T/O) NCL had expressed their views on the maintenance of records specially log book of HEMM.

On 31.10.12 in first half at CETI, a debate competition of Management Trainees was organized on the topic of " Corruption free India will remain a dream only."

Same day on the afternoon a seminar was organized at CETI, Singrauli, in which Shri A.K.Pandey, Director (F), NCL and Shri S.K.Ghosh, CM(MM) had delivered their lectures. Shri A.K.Pandey, Director (F), NCL had delivered his lecture on the topic of " How to maintain Financial Procedure and Prudence in a tender." Shri S.K.Ghosh, CM(MM) had delivered his views on Purchase manual.

On the afternoon of 01.11.12 seminar was organized at CETI, Singrauli in which Shri A.D.Mathur, Director (T/O) NCL and Shri A.K.Pandey, Director (F) NCL were present. Shri M.Selvendran, District Magistrate, of Singrauli district, and Shri Irshad Wali, S.P. of Singrauli district had also graced the occasion with their valuable presence. They had expressed their views regarding achievement of NCL. The GM (Civil) NCL had delivered his lecture on Civil Engineering Manual.

On 02.11.12 in the first half Skit/dance drama competition was organized for school children at officer's club, Singrauli on the topic "fight against corruption /ethics and moral values in day to day life." On the afternoon of same day a seminar was also organized in CETI, Singrauli, in which Prof. (Dr) Devendra Mohan, BHU, Varanasi had delivered his lecture on "Industrial growth

and Ethics". It was very interactive session. Shri S.K.Singh, DFO, Singrauli was also present as guest on the occasion.

On 03.11.12 concluding day ceremony was organized at Jayant Project where Shri K.P. Venkateshwar Rao, IPS, DIG/ CVO, NCL, Shri N.Das, Director (T/P&P) NCL, Shri A.D.Mathur, Director (T/O) NCL and Shri A.K.Pandey, Director (F) were present. The proceedings of the function was started with a welcome song presented by the school children. In their address on the occasion, Dir. (T/P&P), Dir. (T/O), Dir. (Fin) and Chief Vigilance Officer, NCL were expressed their views. The prize winners from the School Children as well as employees were felicitated.

The various activities carried out by NCL during the Vigilance Awareness Week were widely covered

14.3 Systems Improvement undertaken

14.3.1 Action required for system improvement in various fields are recommended with the aim to increase transparency in Northern Coalfields Limited, Policy on Publicity/ Advertisement of Northern Coalfields Limited has been formed . The same has been displayed on the NCL website. Another portal in the Sales & Marketing link has been added for the benefit of customers which is related to lodging of complaints and their redressal. CVO's corner has been introduced in NCL website. An awareness programme on e-procurement was conducted on 22.03.13 wherein 170 executives were participated.

14.4 Extent of IT usage and e-governance

(A) 1. Vide notice no.NCL/SGR/sales/08/2334 dt.06.03.09 the extant procedure regarding refunds through RTGS/CBS to linked consumers/ e-auction buyers was circulated. Despite being located in remote area, NCL has introduced e-payment in a big way.

2. NCL website has been linked to CVC website for ensuring easy access to CVC instructions relating to different matters.
3. A link called CVO's corner has been introduced in NCL website.
4. E-publication of "SPHOORTHY", a compendium on Vigilance matter has been done.
5. Case studies based on major vigilance cases have been compiled and uploaded in NCL websites as a part of "Vigilance Perspective".
6. A summary of CVC instructions on tendering procedure has been compiled and uploaded in NCL websites as a part of "Vigilance Perspective".
7. System improvement circulars issued as a result of Vigilance activity has been compiled and uploaded in NCL website as a part of "Vigilance Perspective".
8. The status of contractors/ suppliers bills pending for payment are uploaded & updated in NCL websites at periodic intervals.
9. CIL does not have any manual for repair of HEMMs. On account of vigilance activities, a committee was constituted and based on the committee's recommendations, a circular for emergency repair of HEMMs has been circulated. The circular will govern emergency repair of HEMMs till such time CIL formulates a manual for the same.
10. The NCL website has been uploaded with information related to Sales & Marketing and Quality Control. The website is a mine of information which is very helpful to the customers as to a layman. The website has the product details as well as the details of coal supply as on date. It contains statistics of the following :-

- * Project wise Production
- * Project wise Dispatch
- * Project wise Stock
- * Consumer wise Dispatch
- * Mode wise Dispatch
- * Dispatch/Off-take
- * Wagon Loading
- * Details of Spot e-Auction
- * List of existing valid linked consumers
- * Entitlement vis-a-vis Dispatch (Erst while linked consumers)
- * Net Coal Sale Balance
- * Pricing of NCL coal
- * Base Price as per notification
- * NCL's prices including levies.

The following information has been uploaded for customers;

- * New Coal distribution Policy from ministry of Coal, Govt. of India
- * Status of verification of linked Consumers
- * Grievance Redressal System Cell (GRSC)
- * Spot e-Auction
- * Scheme
- * Terms & Conditions
- * Forward e-Auction
- * Scheme & Terms & Conditions
- * Letter of Assurance (LOA)
- * Scheme on Issuance of LOAs under NCDM for non-SLC(LT) category of consumers with lapsed linkages having BIFR referred status.

- * Draft models of (LOA)
- * Draft letter of Assurance (LOA) for state owned power utilities
- * Draft letter of Assurance (LOA) for Cement Plants
- * Draft letter of Assurance (LOA) for captive Power Plant (CPPs)
- * Draft letter of Assurance (LOA) for IPP & Pvt. Generation Company.
- * Draft letter of Assurance (LOA) for sponge Iron Plants.
- * Model FSA
- * Details of LOA as on 5.6.09

The website also contains the following notices;

- * Notices for the customers
- * List of Suspended Units
- * Collection of Coal Sale value through RTGS/Core Banking system
- * Regarding issuing of LOAs
- * Notice for scheme on issuance of LOAs under NCDP for non - SLC(LT) category of consumers with lapsed linkages having BIFR referred status.
- * Notice for new consumers regarding ceiling on commitment guarantee (CG) for issuance of LOA.
- * Regarding execution of FSA
- * Notice for linked consumers who have executed FSA
- * Notice dated 18.3.09 for linked consumers who have executed FSA
- * Regarding spot e-auction

(B) An ERP package named as Integrated Business Solution (IBS) has been implemented at NCL i.e. HQ and all projects. This IBS system covers Materials Management Module, Maintenance Module, Sales & Production Modules.

Central Store Jayant and all Regional Stores of NCL are online and interconnected.

Payroll is processed centrally at HQ for all the Projects. Executive Information System (EIS) and Non Executive Information System are in use at NCL.

Operator Independent Truck Dispatch System (OITDS) is in use at Jayant which basically monitors the functioning of Shovel and Dumper combination at the project. OITDS is being implemented at four Projects of NCL i.e. Amlohri, Nigahi, Khadia & Dudhichua.

Mine Planning & Surveying Software(SURPAC) is in use at all projects of NCL except Block B & Krishnshila Projects.

Existing IT Infrastructure:

All projects except Block B & Krishnshila projects are equipped with FO based Local Area Network (LAN). All project LANs are linked with HQ through FO cable. Thus facility for data transfer, data sharing are available to the users.

14.5 Agreed List & ODI List: As required Agreed list and ODI list have been prepared.

14.6 Rotation of executives from sensitive posts: As required Agreed list and ODI list have been prepared.

14.7 Rotation of Executive from sensitive posts:

A total number of Sixty Six (66) executive holding sensitive posts have been moved during the period from 1.4.2012 to 31.03.2013.

14.8 Surveillance and Detection:

(i) No. of cases added for investigation during the period of report:

Opening balance as on 01.04.13	:	95
No. of cases added during the period for investigation	:	29
Disposed during the period	:	75

(ii) No. of cases under departmental inquiry during the period of report:

No. of case under Departmental Inquiry	:	16
Disposed during the period	:	05

(iii) Inspections: A total no. of 46 surprise inspection/regular inspections were made during the period in question.

14.9 Punitive Vigilance:

Charge-sheets issued	Penalty imposed									
	Minor Penalty Proceedings (under Rule 31)	Major Penalty Proceedings (under Rule 29)	Dismissal/Removal	Reduction to lower rank	Reduction to lower stage in pay	Post-ponement/with holding of increment	Withholding of promotion	Censure	Others (caution, Warning etc.)	No Action (exoneration)
2	04	NIL	NIL	NIL	NIL	NIL	NIL	12	--	4

No. of officials suspended : 4 (one executive and three non-executive have been suspended)

CBI Cases :

(a) No CBI case is pending for prosecution sanction for more than three months.

(b) No reference received from CBI for concurrence of the Department/ Government u/s 6A of the DSPE Act, for registration of RC/PE is pending.

14.10 Details of Vigilance Training:

14.10.1 Details of the training programme held at CETI in which matters related to service conditions and vigilance has been taken up:

Sl. No.	Name of Programme	Date	No. of participants
01.	Contract Management and Vigilance Awareness	17.04.12	43
02.	Contract Management and Vigilance Awareness	23.05.12	55
03.	Contract Management and Vigilance Awareness	27.06.12	34
04.	Contract Management and Vigilance Awareness	12.09.12 to 14.09.12	15
05.	Contract Management and Vigilance Awareness	19.09.12 to 21.09.12	33
06.	Contract Management and Vigilance Awareness	24.09.12 to 26.09.12	41
07.	Vigilance Awareness Programme	30.10.12	71
08.	Vigilance Awareness Programme	31.10.12 (F/N)	14
09.	Vigilance Awareness Programme	31.10.12 (A/N)	64
10.	Vigilance Awareness Programme	01.11.12	93
11.	Vigilance Awareness Programme	02.11.12	44

An awareness programme on e-procurement was conducted on 22.03.13 wherein 170 executives were participated.

14.11. Important Achievement.

14.11.1 Vigilance Awareness Week was observed at NCL from 29/10/2012 to 03/11/2012. Joint Secretary, Ministry of Coal had administered the pledge to all the executives and non-executives on the first day. A magazine called "SPOORTHY" was released by the Joint Secretary, Ministry of Coal on the same day.

For the first time in NCL "Vigilance Excellence Award" has been introduced. The officials who have done excellent work in the field of innovation techniques to save the company's fund have been honoured with Vigilance Excellence Award.

For the first time in NCL, NCL Vigilance has introduced "Vigilance Metrics" to bring over all development in NCL

A blue print for refresher training course for all 1700 executives of NCL has been drawn up. The training course called MDP

(Management Development Program) for two weeks will be organized at ASCI (Administrative Staff College of India) Hyderabad initially for top management. This course includes Management Module plus Vigilance Module. This course will help increase the core- competency of the executives apart from sensitizing them on vigilance issues. The Course will start from 29th April 2013 for the first batch of 25 senior executives.

15.0 COMPUTERISATION

15.1 In NCL, a steady progress has been achieved in the field of computerization. The functional areas of Payroll, Cash Accounting, Personnel Information System and Mine Planning & Surveying have been computerized. Materials Management, Maintenance Management, Production. Sales and MIS Modules of Integrated Business Solution (IBS), an ERP package, have been implemented in NCL Hqrs. and all projects except Block-B & Krishnashila Projects. Operator Independent Truck Dispatch System (OITDS) is functional at Jayant Project.

15.2 F.O. based Local Area Network (LAN) is functional at Hqtrs. and all projects. All the LANs of project are connected with LAN at HQ through F.O. cable. Maintain Internet & e-mail Services and NCL Website updation.

15.3 Implementation of Operator Independent Truck Dispatch System (OITDS) is in final stage of completion at Amlohri, Nigahi, Dudhichua & Khadia Projects.

15.4 Future Programme

15.4.1 Implementation of Biometric Based Attendance Recording System at NCL HQ.

15.4.2 Implementation of Online Vigilance Complaint System, Online Recruitment System and Online Annual Property Return.

15.4.3 Conversion of Financial Accounting Package from COBOL to Oracle.

- 15.4.4 E-Procurement & E-Services.
- 15.4.5 Replacement of Operator Independent Truck Dispatch System (OITDS) at Jayant Project.
- 15.4.6 Implementation of New ERP covering Finance Module, Materials Module, Maintenance Module, Sales Module, Production Module, Personnel Information System & Payroll.
- 15.4.7 Implementation of Integrated Business Solution (IBS) at Block-B and Krishnashila Projects.
- 15.4.8 Implementation of Document Digitization & Document Management System.
- 15.4.9 Re-structuring of NCL Website
- 15.4.10 Integration of Weighbridges with Integrated Business Solution (IBS)

16.0 COMMUNICATION FACILITIES

- 16.1 Efficient telecommunication network has been developed in the projects and NCL HQ to provide the communication facilities right from the corporate office to the Pit office.
- 16.2 Wide area network through OFC has been established from NCL HQ to projects and within the projects to provide voice and high speed data communication facility for IBS.
- 16.3 10 Mbps high speed internet connectivity has been established at NCL HQ for Internet and e-mail facility.
- 16.4 New IP based telephone exchanges have been installed in all projects/units of NCL. Facility for close user group numbering scheme has been established for voice commutation between subscribers of HQ/projects/units. This has improved telecommunication between HQ and projects/units.

The improvements made during the year 2012-13 are given below :

1. Numbers of wireless sets have been added to improve the commutation facility in the mines.

2. The existing mobile communication under closed user group (CUG) scheme has been extended to more number of executives and emergency/essential staff facilitating better communication in NCL.

17.0 CORPORATE SOCIAL RESPONSIBILITY

- 17.1 Following Corporate Social Responsibility activities have been undertaken in NCL during the year 2012-13:

NCL has done CSR activities in areas of roads, water supply, community halls, skill development, healthcare, education etc. within a total expenditure of Rs.17.64 crores. The broad heads and expenditure under those heads are as follows:-

- (1) Roads – NCL has constructed 4.5 kms of roads in the year 2012-13 with a total cost of Rs. 204 Lakhs.
- (2) Water Supply- NCL has installed 172 handpumps in different villages around NCL and its projects with a total cost of Rs. 85.18 Lakhs.
- (3) NCL distributed 3200 blankets to poor villagers to protect them from extreme cold with a cost of Rs. 14.56 Lakhs.
- (4) Skill Development- NCL has imparted different types training for employment generation through qualified trainers to the unemployed youths of the nearby villages with a cost of Rs. 18 Lakhs.
- (5) Community Halls- NCL has constructed one community hall in Birkunia village and another community Hall in Piparkhad village is going to be completed by May 2013 with approximate cost of Rs. 47.80 Lakhs.

- (6) Health Camps- Besides healthcare facilities provided to poor villagers in different project dispensaries, NCL has organized health camps like family planning camp, cancer detection camp, urology camp, diabetic camp, eye camp in different projects, Central Hospital and NSC. The expenditure incurred by NSC in these camps is Rs. 19.52 Lakhs. Also Rs. 5.33 Lakhs were spent by Central Hospital, Singrauli in different health camps and mobile dispensaries.
- (7) Education- NCL is providing subsidised education facilities to all the children of nearby villages and have incurred an expenditure of Rs.914 lakh.
- (8) NCL has contributed Rs.10.00 lakhs to National Foundation for Communal Harmony which is an autonomous body under Ministry of Home, GOI, which is engaged in extending help to people affected by Communal Violence.

Apart from these major heads, NCL has contributed to the society in the field of education, sports, culture etc.

18.0 SUSTAINABLE DEVELOPMENT IN NCL

- 18.1 Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.
- 18.2 NCL has already made progress in sustainable development activities with Waste Management, Water management, Energy Management and Bio Diversity Conservation.
- 18.3 10 nos. Effluent Treatment Plants (ETPs) and 08 nos. Sewerage Treatment Plants (STPs) are functioning in NCL Projects. 03 nos. additional ETPs, 2 nos. additional STPs and modification of existing STP at Khadia Project have been planned. Rain water harvesting pit and water conservation ponds have also been constructed in many projects of NCL.

18.4 Sustainable Development activities of NCL during 2012-13.

1. **Waste Management:** In 2012-13, 1787.50 KL of used oil has been disposed off to CPCB authorized Registered Recycler through auction. Similarly 117.76 MT of oil soaked solid waste has been disposed off to MPPCB / UPPCB authorized Treatment Storage and Disposal Facility (TSDF) for its treatment and disposal.
2. **Seminar on E-waste:** One day seminar on "E-Waste Management" was held on 22nd June 2012 at CETI, Singrauli. Officers from Project and HQ attended this Seminar.
3. **Drainage Study:** Detailed area drainage study on the magnitude of the open cast operations of NCL Mines and the impact of mine operations on the siltation of Gobind Vallabh Pant Sagar was completed by CMPDI through remote sensing and other tools.
4. **Training on SD:** Training of 1104 NCL employees and contractor labours on the aspect of SD was completed.
5. **Rain water harvesting:** 3 Check dams completed in Jayant and Block-B.

19.0 STATUTORY INFORMATION

- 19.1 Information in regard to Energy Conservation, Technology Absorption and Foreign Exchange Earning & Outgo.
- 19.1.1 Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given in Annexure-I to this report.

19.2 Particulars of Employees

19.2.1 There was no employee of the Company who received remuneration in excess of the limits prescribed U/s 217(2A) of the Companies Act, 1956 read with Companies' (Particulars of Employees) Rules, 1975, as amended.

20.0 AUDITORS' REPORT

20.1 Replies of the Management on the observations made in the report of the Statutory Auditors and comments of the Comptroller and Auditor General of India (CAG), as required under section 217(3) of the Companies Act, 1956 are given in the Addendum forming part of this Report.

21.0 AUDITORS

21.1 The Statutory and Branch Auditors appointed by the Comptroller and Auditor General (CAG) of India for the year 2012-13 vide letter No.CA.V/COY/CENTRAL GOVT. NCFL (3)/648 dated 24.08.2012 under section 619 (2) of the Companies Act, 1956 along with remuneration as fixed by the Board in exercise of powers conferred by the Company in 17th Annual General Meeting held on 23rd September, 2002, pursuant to provisions of section 224(8) of the Companies Act, 1956 is given hereunder:-

Statutory/Branch Auditors	Audit Fee (Rs.)	TA & Out of pocket expenses (Rs.)	Reimbursement of Service Tax (Rs.)
M/s.Prakash & Santosh, Chartered Accountants, Kanpur (U.P.).	492188.00	At actual subject to the limit of Rs. 1, 57,500.00	At actual.
M/s. Rupa Sekar & Associates, Chartered Accountants, Bhopal (M.P.).	180469.00	At actual subject to the limit of Rs. 57,750.00	-do-
M/s. S.K.Lulla & Co., Chartered Accountants, Gwalior (M.P.).	180469.00	-do-	-do-

22.0 CORPORATE GOVERNANCE

22.1 Board of Directors

- | | |
|---|--|
| <p>(i) Shri Vinay Kumar Singh, Chairman-cum-Managing Director, NCL is on long leave w.e.f.20.06.2012.</p> | <p>(ii) Shri Shailesh Kumar Singh, Joint Secretary, Ministry of coal held additional charge as Chairman-cum-Managing Director, NCL from 20.06.2012 to 19.12.2012.</p> |
| | <p>(iii) Shri T. K. Lahiry, Chairman-cum-Managing Director, BCCL has been assigned additional charge of Chairman-cum-Managing Director, NCL from 20.12.2012.</p> |
| | <p>(iv) Ms. Shantilata Sahu, Shri N. Das and Shri A. D. Mathur continued to be Director(Personnel), Director(Tech/P&P) and Director(Tech/Operation), respectively during the year.</p> |
| | <p>(v) Shri S. K. Rawat Director (Finance), NCL retired on 30.06.2012 on attaining the age of superannuation.</p> |
| | <p>(v) Shri A.K. Pandey joined NCL as Director (Finance) w.e.f.01.07.2012.</p> |
| | <p>(vii) Shri V. Peddanna, Director, Ministry of Coal, New Delhi was appointed as Part Time Official Director, NCL Board w.e.f. 12.3.2012 and ceased to be Director w.e.f 01.06.2012.</p> |
| | <p>(viii) Shri D.N.Prasad, Director, Ministry of Coal, New Delhi was appointed as Part Time Official Director, NCL Board w.e.f. 01.06.2012 and ceased to be Director w.e.f 03.04.2013.</p> |
| | <p>(ix) Dr. B.B. Goel, Dr. Sheela Bhide and Shri S.R. Upadhyay continued to be Part-time Non-official Directors of Company during the year.</p> |
| | <p>(x) Shri B.K.Saxena, Director(Marketing), CIL was appointed as Part Time Official Director, NCL w.e.f 09.08.2012.</p> |
| | <p>(xi) Shri Surendra Jit Sibal and Shri A.K.Gupta appointed as Part-time Non-official Directors w.e.f 29.08.2012.</p> |
| | <p>(xii) Shri N.N.Misra continued to be Permanent Invitee, NCL Board during the year.</p> |

(xiii) Shri Narendra Kumar and Shri Deepak Chhabra ceased to be Permanent Invitees on NCL Board w.e.f. 10.4.2012 and 2.5.2012 respectively.

(xiv) Following were appointed as Permanent Invitees on NCL Board with effect from the dates shown against their respective names :-

(a) Shri Deepak Nath - w.e.f. 22.08.2012

(b) Shri M.S.Garbyal - w.e.f. 10.09.2012

(xv) Shri M.S.Garbyal ceased to be Permanent Invitee, NCL Board w.e.f. 31.03.2013.

(xvi) Dr.M.R.Anand, Economic Adviser, Ministry of Coal was appointed Part Time Official Director, NCL Board w.e.f 03.04.2013.

(xvii) Dr.B.B.Goel ceased to be Part Time Non-official Director, NCL w.e.f. 27.04.2013.

22.2 Board Meetings

22.2.1 During the year 9 (Nine) Meetings of the Board of Directors of NCL were held.

22.2.2 Attendance of Directors and Permanent Invitees in Board Meetings:-

BOARD MEETING NO. AND DATE									
Name of Directors	167 24.4.12	168 20.5.12	169 6.7.12	170 26.7.12	171 14.9.12	172 6.11.12	173 13.12.12	174 5.2.13	175 1.3.13
Shri Vinay Kumar Singh, CMD	P	P	(On long leave from 20.06.2012)						
Shri S.K.Singh, CMD (Additional Charge)	(w.e.f 20.06.2012)		P	P	P	P	P	Ceased to be CMD,NCL w.e.f. 19.12.2012	
Shri T.K.Lahiry, CMD (Additional Charge)	(w.e.f 20.12.2012)							P	P
Ms. Shanti lataSahu, D(P)	P	P	P	P	P	P	P	P	P
Shri N. Das, D(T/P&P)	P	P	P	P	P	P	P	P	P
Shri A.D. Mathur, D(T/O)	P	P	P	P	P	P	P	P	P
Shri S. K. Rawat, D(F)	P	P	Retired on Superannuation on 30.06.2012						
Shri A.K.Pandey, D(F)	(Appointed on 01.07.2012)		P	P	P	P	P	P	P
PART TIME OFFICIAL DIRECTORS									
Shri V. Peddanna	P	P	Ceased to be Director w.e.f 01.06.2012						
Shri D.N.Prasad	Appointed as Director w.e.f 01.06.2012		P	P	P	P	P	NP	NP
Shri B.K.Saxena	Joined on 09.08.2012				P	NP	P	P	P
PART TIME NON OFFICIAL DIRECTORS / INDEPENDENT DIRECTORS									
Dr. B.B. Goel	P	P	P	P	NP	P	P	P	P
Dr.Sheela Bhide	P	P	P	P	NP	P	P	P	P
Shri S.R. Upadhyay	P	P	P	P	P	P	P	P	P
Shri Surindar Jit Sibal	Appointed on 29.08.2012				P	P	NP	P	P
Shri A.K.Gupta	Appointed on 29.08.2012				P	P	P	P	P
PERMANENT INVITEES									
Shri Deepak Chhabra	P	Ceased to be permanent invitee w.e.f 02.05.2012							
Shri Deepak Nath	Appointed on 02.05.2012				P	NP	P	P	NP
Shri N.N.Misra	NP	NP	P	P	P	P	P	NP	NP
Shri M.S.Garbyal	Appointed on 10.09.2012				NP	NP	NP	NP	NP

P = Present, NP = Not Present

22.2.3 Attendance of Directors in Annual General Meeting.

In the 27th Annual General Meeting of Members of NCL held on 26th May, 2012, Chairman-cum-Managing Director, Director (Personnel), Director (Technical/P&P) and Director (Technical/Operations) were present.

22.3 Audit Committee

22.3.1 In pursuance of the guidelines of Corporate Governance for Central Public Sector Enterprises received from Department of Public Enterprises issued vide office Memorandum No. 18(8)/2005-GM dated 14th May'2010, Board of Directors of NCL in its 166th Meeting held on 26th March'2012 at Varanasi, re-constituted the Audit Committee of NCL as under:

- | | | |
|--|---|-------------|
| (a) Dr. Sheela Bhide, Independent Director | - | Chairperson |
| (b) Dr. B.B.Goel, Independent Director | - | Member |
| (c) Shri V.Peddanna, Part Time Official Director | - | Member |

22.3.2 Director(Pers.), Director(Tech / P&P), Director(Fin) and Director(Tech/Oprns), NCL will also attend and participate in the meetings of Audit Committee as Invitees.

22.3.3 As Shri D. N. Prasad, Advisor (Projects), Ministry of Coal was appointed as Part time official Director on the Board of Directors of NCL in place of Shri V.Peddanna, the NCL Board in its 170th meeting held on 26.07.2012 at New Delhi vide item No. 170/C-2 reconstituted the Audit Committee as under:

- | | | |
|--|---|-------------|
| (a) Dr. Sheela Bhide, Independent Director | - | Chairperson |
| (b) Dr. B.B.Goel, Independent Director | - | Member |
| (c) Shri D.N.Prasad, Part Time Official Director | - | Member |

22.3.4 Shri A.K. Gupta, a Practicing Chartered Accountant/ Part-time Non-official Director, NCL was also appointed as Member of Audit Committee of NCL in 172nd meeting of NCL Board held on 6.11.2012.

22.4 Role of Audit Committee

The role of the Audit Committee shall include the following :

- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending to the Board the fixation of Audit fees.
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (d) Reviewing the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act'1956.
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting, entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Qualifications in the draft audit report.
- (e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- (f) Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.

- (g) Reviewing the adequacy of the Internal Audit functions, if any, including the structure of Internal Audit Department, staffing and seniority of the official heading the Department, reporting structure, coverage and frequency of Internal Audit.
- (h) Discussion with internal Auditors and/or Auditors any significant findings and follow up there on.
- (i) Reviewing the findings of any internal investigation by the internal Auditors/Auditors/Agencies into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matters to the Board.
- (j) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- (k) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, share holders (in case of non payment of declared dividends) and creditors.
- (l) To review the functioning of the Whistle Blower Mechanism.
- (m) To review the follow up action on the audit observations of the C&AG audit.
- (n) To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
- (o) Provide an open avenue of communication between the independent Auditor, Internal Auditor and the Board of Directors.
- (p) Review all Related Party transactions in the company. For this purpose the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.
- (q) Review with the independent Auditor, the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- (r) Consider and review the following with the independent Auditor and the Management:
- The adequacy of Internal controls including computerized information system controls and security, and
 - Related findings and recommendations of the independent Auditor and Internal Auditor, together with the management responses.
- (s) Consider and review the following with the management, internal Auditor and the independent Auditor:
- Significant findings during the year, including the status of previous audit recommendations.
 - Any difficulties encountered during audit work including any restriction on the scope of activities or access to required information.
- (t) Carrying out any other function as is mention in the terms of reference of the Audit Committee.

22.5 During the Financial Year 2012-13, 5 (Five) Meetings of Audit Committee were held and the attendance of the Chairperson and Members were as under:

Audit Committee Meeting held on	Name				
	Dr. Sheela Bhide Chairperson	Dr. B. B. Goel Member	Shri V. Peddanna Member	Shri D. N. Prasad Member	Shri A. K. Gupta Member
19.05.2012	P	P	P	-	-
26.07.2012	P	P	-	P	-
06.11.2012	P	P	-	P	-
13.12.2012	P	P	-	P	P
05.02.2013	P	P	-	NP	P

- Shri D. N. Prasad, Advisor (Projects), MoC, attended the Audit Committee Meeting on 26.07.2012 as a Special invitee.

22.6 Training of Board Members

- 22.6.1 Ms. Shantilata Sahu, Director (Personnel), NCL attended a Seminar on Coal Vision 20-20, Corporate Plan of CIL, at Kolkata on 12.06.2012.
- 22.6.2 Ms. Shantilata Sahu, D(P), NCL attended 31st Annual Conference on NIPM, NCOM at Kochi, Kerala from 06.08.2012 to 08.08.2012.
- 22.6.3 Ms. Shantilata Sahu, D(P), NCL attended Directors Conclave towards, values aiding Board, at Greater Noida from 28.09.2012 to 29.09.2012.
- 22.6.4 Ms. Shantilata Sahu, D(P), NCL attended Conference on Perspective on Employment Relation at IRPM, Behrampur, Orissa from 22.12.2012 to 23.12.2012.
- 22.6.5 Ms. Shantilata Sahu, D(P), NCL attended Hi-Power Workshop on CSR at Green Tech, Mumbai on 25.02.2013.
- 22.6.6 Shri A.K. Pandey, D(F) attended Directors Conclave towards, values aiding Board at Greater Noida from 28.09.2012 to 29.09.2012.
- 22.6.7 Shri A. D. Mathur, D(T/Oprns), NCL attended Sixth edition of Indian Energy Summit at New Delhi on 09.11.2012.
- 22.6.8 Dr.B.B.Goel attended "Master Class for Director" at Institute of Director at Ahmedabad from 21.12.2012 to 23.12.2012.
- 22.6.9 Shri N. Das, Director (Tech/P&P), participated in Minexpo 2012 at Las Vegas and visit to manufacturing facilities at Milwaukee/Peoria Mine, visit at Wyoming state by CIL officials from 21.09.2012 to 28.09.2012.

22.7 Directors' Responsibility Statement

- 22.7.1 Pursuant to section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed:
- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable

accounting standards had been followed along with proper explanation relating to material departures;

- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts for the financial year ended 31st March, 2013, on a going concern basis.

23.0 PERFORMANCE AGAINST MOU PARAMETERS

- 23.1 The Memorandum of Understanding (MOU) between CMD, NCL and Chairman, CIL for the year 2012-13 was signed on 16th May 2012 as per guidelines of Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India.
- 23.2 The performance of NCL during 2012-13 against MOU 2012-13 parameters has been prepared and audited by Statutory Auditors of NCL. Parameter-wise details of performance are enclosed as Annexure-II. The overall MOU rating of NCL for 2012-13 will be awarded by Task Force/ DPE.

24.0 AWARDS

- 24.1 Jayant, Dudhichua and Bina Projects of NCL have been awarded Greentech Environment Gold Award 2012 by Greentech Foundation, New Delhi.

25.0 AVAILABILITY OF ANNUAL ACCOUNTS OF NCL AT HEADQUARTERS OF THE COMPANY.

25.1 The Annual Accounts of Northern Coalfields Limited for the year 2012-13 will be available at the Headquarters of NCL at Singrauli (MP) for providing information to the Shareholders of Coal India Limited on demand.

26.0 ACKNOWLEDGEMENT

26.1 The Board of Directors place on record their deep gratitude for the continued support and valuable guidance received from Ministry of Coal and Coal India Ltd. The Directors also acknowledge with thanks the co-operation and help extended by different wings of Govt. of India particularly Ministry of Environment & Forest and Ministry of Finance, as well

as from Planning Commission, Director General of Mines Safety, Comptroller & Auditor General of India, Chairman and Members of Audit Board, Statutory Auditors, Registrar of Companies, State Governments of MP and UP and Local Administrative Authorities.

26.2 The Directors are also thankful to the valued customers particularly NTPC and UPRVUNL and Bankers, Contractors and Suppliers for the valuable assistance and help received from them.

26.3 The Directors wish to place on record their appreciation for the commitment, devotion and hard work put in by the employees at all levels, which contributed a great deal towards achievement of excellent performance by the Company during the year.

For and on behalf of the Board of Directors
(T. K. Lahiry)
Chairman-cum-Managing Director

Date 25th May, 2013

Place: Singrauli.

ANNEXURE- I TO DIRECTOR'S REPORT

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo.

(A) CONSERVATION OF ENERGY

1.0 Steps taken for conservation of Energy during the year 2012-2013.

(a) *Electrical Energy.*

(i) NCL has earned a bonus of Rs. 1.99 crore both from MPPKVVCL and UPPCL points of supply put together towards power factor and load factor rebate during year 2012-13 against bonus earned of Rs. 1.62 crore during 2011-12 .

(ii) The following energy conservation measures have been taken in 2012-2013:-

Compact fluorescent lamps and other energy efficient lamps have been installed at Khadia, Dudhichua, Kakri, Bina ,CWS, Block-B, Jayant and Nigahi Projects of NCL.

Time switches have been used for streetlights in CHP, Mines and residential Areas at HQ,Khadia,Block –B, Jayant, Amlohri, Kakri,Bina, Dudhichua and Nigahi Project.

Energy meter and PF meters have been installed at Khadia, Dudhichua, CWS Jayant, Kakri and Amlohri Projects.

(b) *Fuel & Lubricants*

(i) Strict compliance of approved comprehensive guidelines for monitoring of diesel consumption in all projects of NCL.

(ii) The actual diesel consumption of mines is being compared with the benchmark data of CMPDI on monthly basis for monitoring purpose.

2.0 Investment and proposals implemented for reduction of consumption of energy.

(a)	Use of energy efficient lamp (SVL) for street & flood lighting, and use of CFL.	Rs.9.55 Lakh
(b)	Installation of energy meter, P.F. meter in mines and townships.	Rs 6.80 Lakh
(c)	Time switches for streetlights in CHP, Mines and residential areas and others	Rs 19.36 Lakh
Total		Rs.35.71 Lakhs

Achievements:

NCL has earned a bonus of Rs. 1.99 crore both from MPPKVVCL and UPPCL points of supply put together towards power factor and load factor rebate during year 2012-13.

(c) Impact of measures taken at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods.

SL No.	Description	2012-13	2011-12	% increase/decrease
A.	Electrical Energy:			
(i)	Consumption of energy /Tonne of coal production (KWH/Tonne)	5.36	5.68	(-) 5.63
(ii)	Consumption of energy per cu.m. of composite production i.e. coal plus OB& R.H.(KWH/Cu.m.composite)	2.68	2.65	(+) 1.13
B.	Fuel & Lubricant:			
(i)	Consumption of HSD per Cu.m. of composite production excluding dragline production (Ltr/cu.m.)	1.13	1.12	(+) 0.89
(ii)	Consumption of Lubricant per Cu.m. of composite production (Ltr/cu.m.)	0.040	0.043	(-)6.90

TECHNOLOGY ABSORPTION : Form 'B' is enclosed

(C) FOREIGN EXCHANGE EARNING & 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) Total Foreign Exchange used and earned.

(Rs. in Crores)

		Current Year	Previous Year
(A)	Foreign Exchange earned	NIL	NIL
(B)	Foreign Exchange used		
(i)	C.I.F. Value of Imports		
	(a) Raw materials	NIL	NIL
	(b) Components, Stores & Spare Parts	115.34	87.28
	(c) Capital Goods	36.60	49.71
(ii)	Repayment of JBIC Loan	68.72	64.56
(iii)	Repayment of IBRD Loan	51.67	42.79
(iv)	Travelling Expenses	0.12	0.05
(v)	Interest/Commitment/Agency charges etc. of IBRD/JBIC	10.96	10.90
	Total	283.41	255.29

FORM 'B'**Disclosure of Particulars with respect to Technology Absorption****RESEARCH & DEVELOPMENT (R&D)**

1	Specific areas in which R&D carried out by Company.	i.	Utilisation of Ants as bio-indicators to monitor environmental pollution in spoils of mines (4 yr. project)
		ii.	Preparation and submission of Final Report on Development of guideline for safe dragline dump profile under varying geo-engineering condition in Opencast Coal Mines (Dragline) of NCL.
		iii.	Digital Image Analysis for fragmentation assessment for 5 mines of NCL by CMPDIL.
		iv.	Study of Vibration Monitoring and its control measures in 4 mines of NCL by CIMFR, Dhanbad.
2.	Benefits derived as a result of the above R&D	i.	Under Process.
		ii.	Final Report Submitted.
		iii.	Under Process.
		iv.	Under Process
3.	Further Plan of Action:	i.	A site specific study on distance between toe of Shovel Dumper Dump and Dragline Dump with consideration of Safety and Economical Design of both Shovel-Dumper Dump and Dragline Dump by BIT, Mesra Ranchi (3 yr. project)
		Activity during 2013-14: Study of Geo-engineering Parameters and completion of Draft Report of study.	
		ii.	Optimisation of Blasting in Dragline Benches.
		iii.	Conversion of Mine Water to Potable Water in one mine of NCL.
		iv.	Ecological Restoration Study by IFRI.
		v.	Study of ill-health of employees due to presence of Mercury in water and measures to control it.
4.	Expenditure on R&D:		
	(a) Capital	Record maintained at CIL level.	
	(b) Recurring		
	(c) Total		
	(d) Total R&D expenditure as percentage of total turnover.		

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1.	Efforts in brief, made towards technology absorption, adaptation and innovation:	(i) 3d Laser Scanner has been procured for Dump Slope Monitoring at Jayant OCP.
		(ii) OITDS is being installed at Nigahi, Dudhichua, Amlohri and Khadia OCPs.
2	Benefits derived as a result of the above efforts	(i) Dump slope monitoring is being done with 3D Laser Scanner.
		(ii) Installation under Progress.
3	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) the requisite information given below:-	N I L
	(a) Technology imported:	N I L
	(b) Year of Import:	N I L
	(c) Has technology been fully absorbed:	N I L
	(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan and actions:	N I L

MEMORANDUM OF UNDERSTANDING : 2012 - 13
NORTHERN COALFIELDS LIMITED
ANNEXURE II

	Evaluation Criteria	Unit	Weight (in %)	MoU Target					Actual 2012-13	Raw Score	Composit Score	Means of Verification
				Excellent	Very Good	Good	Fair	Poor				
1	Static / Financial Parameters			1	2	3	4	5			Annual Report including Annual Accounts, Director's Report & Auditor's Report	
(a)	Financial Indicators - Profit related ratios											
	(i) Gross Margin / Gross Block		2	0.4354	0.4269	0.4056	0.3853	0.3660	0.6990	1		0.0200
	(ii) Net Profit / Net Worth		10	0.2314	0.2265	0.2152	0.2044	0.1942	0.2801	1		0.1000
	(iii) Gross Profit / Capital Employed		10	0.2431	0.2378	0.2259	0.2146	0.2039	0.3546	1		0.1000
(b)	Financial Indicators -Size related											
	(i) Gross Margin	Rs Crs	8	3756.39	3683.67	3499.49	3324.51	3158.29	4795.95	1		0.0800
	(ii) Net Sales	Rs Crs	4	8025.04	7927.24	7530.88	7154.33	6796.62	8731.71	1		0.0400
(c)	Financial Returns- Productivity related											
	(i) PBDIT / Total Employment		7	0.2160	0.2118	0.2012	0.1911	0.1816	0.2960	1		0.0700
	(ii) Added Value / Net Sales		9	0.3009	0.2956	0.2808	0.2668	0.2534	0.3356	1		0.0900
	Sub Total		50									

Points relating to Financial Parameters of MOU 2012-13 :

- Net Sales have been calculated based on GCV methods of pricing (Pricing as appearing in CIL Website is attached). Impact of any revision will be excluded from Net Sales, Gross Margin, Gross Profit, Net Profit and its effect Balance Sheet at the time of evaluation.
- Salary and Wages of Rs. 1,478.76 Cr. (V.G.) and Rs. 1,478.76 Cr. (Exc.) has been considered while calculating Gross Margin, Gross Profit and Net Profit. Any decrease in Salary and Wages upto 3% will only be accepted. Decrease beyond 3% will not be accepted in calculating Gross Margin, Gross Profit, Net Profit and its effect in Balance Sheet at the time of evaluation.
- Other Expenses (as mentioned in Annex-VII) but excluding OBR as indicated in point 4 of Rs. 1,867.89 Cr. (V.G.) and Rs. 1,870.96 Cr. (Exc.) has been considered while calculating Gross Margin, Gross Profit and Net Profit. Any decrease in other expense (excluding OBR) up to 3% will only be accepted. Decrease beyond 3% will not be accepted in calculating Gross Margin, Gross Profit, Net Profit and its effect in Balance Sheet at the time evaluation.
- Overburden Removal (OBR) : OBR adjustment of Rs. 97.62 Cr. (V.G.) and Rs.120.43 Cr. (Exc) has been considered as normal expense. Any variation in OBR adjustment upto 7% will only be considered for evaluation. Variation beyond 7% will be disallowed in Gross Margin, Gross Profit, Net Profit and its effect in Balance Sheet at the time of evaluation.
- Other income of Rs.979.57 Cr. (V.G.) and Rs. 981.09 Cr. (Exc.) have been consider in MOU Target. It includes surface transportation charges recovery, interest, stowing Subsidy and Dividend from Mutual Fund. This income over and above Rs.979.57 Cr. (V.G.) and Rs.981.09 Cr. (Exc) will be excluded from Gross Margin, Gross Profit, Net Profit and its effect in Balance Sheet.
- Financial Parameters and statement have been calculated as per revised scheduled VI.
- Financial Parameters and statements may undergo change in case DTC/IFRS is implemented.
- Impact MMDR bill, if becomes in Act and implemented, its impact will be excluded.
- Impact of Presidential Directive to Coal India Ltd. to supply atleast 80% of the quantity committed to Power Houses has not been considered.

MEMORANDUM OF UNDERSTANDING : 2012 - 13
NORTHERN COALFIELDS LIMITED
ANNEXURE II

	Evaluation Criteria	Unit	Weight (in %)	MoU Target					Actual 2012-13	Raw Score	Composit Score	Means of Verification
				Excellent	Very Good	Good	Fair	Poor				
2	Dynamic Parameters			1	2	3	4	5				
(d)(e)	Quality / Customer Satisfaction		3									
	(i) Despatch covered under agreed sampling to power sector	%	1	98.5	98.0	97.0	96.0	95.0	100.0	1	0.0100	E & M, Sales records
	(ii) Sized coal Despatch to power sector by Rail	%	1	99.5	99.0	98.0	97.0	96.0	100.0	1	0.0100	E & M, Sales records
	(iii) Establishing mechanism through website for handling of complaint & no complaint should be kept pending for more than 3 months	%	0.5	90	80	70	60	50	100.0	1	0.0050	Sales & Q.C. depts.
	(iv) Circulation of Model FSA for new Power Plants having PPA as per Govt. decision	Date	0.5	07.05.12	22.05.12	07.06.12	22.06.12	07.07.12	24.04.12	1	0.0050	Sales & Q.C. depts.
(f)	Human Resource Management (HRM)		5									
	(i) Human Resource Management (HRM)		3	As per Annexure XIV (Enclosure 01)							0.042	
	(ii) Certified Training in Project Management	No of Executives	1	6	5	4	3	2	12	1	0.0100	HRD
	(iii) Certified Training in Contract Management	No of Executives	1	6	5	4	3	2	10	1	0.0100	HRD
(g & h)	R & D / Adoption of Innovative Practices		5	As per Annexure XII (Enclosure 02)					Scores to be awarded by the Task Force / DPE			
(I & J)	Project Implementation		8									
i1	Approval of project											
	(i) Incremental Production from on-going Projects	Mt	1	2.10	2.00	1.95	1.90	1.85	5.15	1	0.0100	C.P. Deptt
i2	(i) Issuance of notification u/s 9(1) of CBA (A&D) Act 1957 from MoC	Date of Issue		Not required during 2012-13								
	(ii) Acquisition of land u/s 11 of CBA Act	Ha	0.5	990.05	970.94	922.51	876.00	832.69	1504.16	1	0.0050	Forest Deptt.
	(ii) Possession of Land	Ha	0.5	25	23	21	19	17	125.50	1	0.0050	Forest Deptt.
i3	Capital Expenditure- AP 2012-13	Rs. Cr.	1	850	765	723	680	638	444.19	5	0.0500	C.P. Deptt

**MEMORANDUM OF UNDERSTANDING : 2012 - 13
NORTHERN COALFIELDS LIMITED**

ANNEXURE II

	Evaluation Criteria	Unit	Weight (in %)	MoU Target					Actual 2012-13	Raw Score	Composit Score	Means of Verification
				Excellent	Very Good	Good	Fair	Poor				
i4	Major Project Activities / Milestones		5	1	2	3	4	5				
	(i) Project Completion of Krishnashila	Date	1	15.03.13	31.03.13	-	-	-	5	0.0500		
	(ii) Supply & Commissioning of 1st.. Dragline (New) at Amlohri Exp.	Date	1	Feb'13	Mar'13	-	-	-	5	0.0500		
	(iii) Construction & Completion of CHP (70%) at Amlohri Exp.	Date	1	Feb'13	Mar'13	-	-	Feb'13	1	0.0100	CHP Const. Deptt.	
	(iv) Tendering & Award of CHP (4 mtpa) at Block-B	Date	1	Jan'13	Feb'13	Mar'13	-	-	5	0.0500		
	(v) Erection & Commissioning of 32/72 Dragline-1 no.at Krishnashila	Date	1	Feb'13	Mar'13	-	-	-	5	0.0500		
(i)	Corporate Social Responsibility (CSR)		5									
	(i) Corporate Social Responsibility (CSR)		4	As per Annexure XI (Enclosure 03)					Scores to be awarded by the Task Force / DPE			
	(ii) CSR Expenditure (0.5%age of PAT)	%age	1	100	90	80	70	60	127.36	1	0.0100	Audited account from finance
(k)	Sustainable Development		5	As per Annexure XIII (Enclosure 04)					Scores to be awarded by the Task Force / DPE			
(l)	Corporate Governance		5									
	(i) Grading on the basis of Compliance with Guidelines on Corporate Governance issued by DPE (Enclosure 05)	%	4	85 & above	75 to 84	60 to 74	50 to 59	less than 50	75 out of 86	1	0.0400	Company Sectt.
	(ii) Date of submission to DPE of completed data-sheet for PE Survey	Date	1	15.09.12	1.10.12	15.10.12	31.10.12	After 31.10.12	14.09.12	1	0.0100	DPE
3	Sector Specific Parameters:		6									
	(i) Off-take (commensurate with 18.70 Rake requirement in line with AAP Target 2012-13)	Mt.	3	69.94	69.25	65.79	62.50	59.37	67.285	2.568	0.0770	Audited account from finance
	(ii) Coal Production	Mt.	3	70.75	70.00	66.50	63.18	60.02	70.021	1.972	0.0592	Audited account from finance

MEMORANDUM OF UNDERSTANDING : 2012 - 13 NORTHERN COALFIELDS LIMITED

ANNEXURE II

	Evaluation Criteria	Unit	Weight (in %)	MoU Target					Actual 2012-13	Raw Score	Composit Score	Means of Verifi- cation
				Excellent	Very Good	Good	Fair	Poor				
4	Enterprise - Specific Parameters		3	1	2	3	4	5				
4-a	E-Auction of Coal	% of Pro- duction	0.5	2.00	1.75	1.50	1.25	1.00	4.07	1	0.0050	Sales & Q.C. deptt.
4-b	Man productivity (Output /Manshift) (commensurate to corresponding production target)	Te/Man- shift	1	15.53	15.52	14.74	14.01	13.31	13.65	4.509	0.0451	Finance (C & B)
4-c	System Capacity Utilisation (Commensurate to corre- sponding production target)	%	0.5	75.00	73.50	69.83	66.33	63.02	68.81	3.291	0.0165	I E Department
4-d	Safety		1									
	(i) Reduction in fatality rate (fatalities/ Mcum. of total material excavated) w. r. t previous FY.	%	0.5	5	4	3	2	1	52	1	0.0050	Safety Deptt.
	(ii) Reduction in serious injury rate (serious injuries/ Mcum. of total material excavated) w. r. t previous FY.	%	0.5	5	4	3	2	1	(-) 29.27	5	0.0250	Safety Deptt.
5	Compliance of DPE Guidelines		5									
	(i) Reservation for SC, ST, OBC in employments	Yes/No	1	Yes	-	-	-	No	Yes	1	0.0100	Personnel Deptt.
	(ii) Posting of Deputationist	Yes/No	1	Yes	-	-	-	No	Yes	1	0.0100	Personnel Deptt.
	(iii) Implementation of 2007 Pay Revision (Proforma I)	-	1	10 out of 10	9 out of 10	8 out of 10	7 out of 10	6 out of 10	10 out of 10	1	0.0100	Personnel Deptt.
	(iv) Switching over from CDA to IDA pattern of Pay Scales (Proforma II)	-	1	4 out of 4	3 out of 4	2 out of 4	1 out of 4	-	4 out of 4	1	0.0100	Personnel Deptt.
	(v) Submission of Report on compliance of DPE guidelines	Date	1	30.06.12	31.08.12	30.09.12	31.10.12	30.11.12	30.06.12	1	0.0100	Personnel Deptt.
	Sub Total		50									
	Grand Total		100									



Dated : 23-05-2013

To

The Board of Directors,
Northern Coalfields Limited,
Singrauli

Dear Sir,

Sub : Audit of MoU Parameter for the year 2012-2013

With reference to your letter no. NCL/SGR/IED/134, dated 20-05-2013 regarding our appointment for audit of MoU Parameters, we report that —

1. The achievement stated in attached Performance Evaluation Sheet with respect to Financial and dynamic Parameters are calculated in terms of guidelines for MoU for the year 2012-13 issues by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises.
2. The achievement stated against Financial and Dynamic Parameters are rectified from means of verification stated in respective parameters are correct to the best of our knowledge.
3. Based on our verification as aforesaid and subject to our remarks/assumption in annexure "A" the accompanying Financial and Dynamic Parameters are calculated in terms of guidelines for MoU.

For PRAKASH & SANTOSH
Chartered Accountants
(Firm Reg. No. 000454C)
Sd/-
(CA VIKAS DEEPT)
Partner
M. No. : 077343

Date : 23rd May, 2013
Place : Singrauli

Head Office : 'Rolland Complex' Flat No. 8, Upper Floor, Westcott Building, 37/17, The Mall, Kanpur – 208 001
Phones: 3012035, 3912995 **Email:** pra_sant@rediffmail.com; gopalgkmishra@gmail.com

Branches : MORADABAD, ORAI, SAMBHAL, DELHI



Annexure “A” of the Report of MoU Audit For The Year 2012-2013

1. Coal supply to power sector units under Fuel Supply Agreement (FSA) under joint sampling and signed by both parties except in case of coal supplied to NTPC units, where sampling report is signed unilaterally by NCL staff.
2. As explained to us Gross Sales means Net Sales plus Royalty on Coal, Excise Duty and Stowing Excise Duty (SED) for the purpose of calculating financial performance under MoU audit.
3. System of resolving complaints/grievance received from different parties is forwarding the complaints/grievance to concerning authorities of units but proper follow up is required to be maintained regarding final action/decision taken by the respective authority/unit.
4. Research & Development activities done by CMPDIL and other outsider agencies through CIL. But expenditure relating to same is not booked in proper head of accounts and no details of expenses made available to us for verification. In our opinion proper reporting to accounts section should be done for the activities done under R&D head.
5. As informed to us that expenditure incurred for Sustainable Development (SD) activities is booked in the head of Corporate Social Responsibility (CSR), and no details of expenses incurred on sustainable development made available to us for verification. In our opinion proper action should be taken in this matter.

For PRAKASH & SANTOSH
Chartered Accountants
(Firm Reg. No. 000454C)
Sd/-
(CA VIKAS DEEPT)
Partner
M. No. : 077343

Head Office : 'Rolland Complex' Flat No. 8, Upper Floor, Westcott Building, 37/17, The Mall, Kanpur – 208 001
Phones: 3012035, 3912995 **Email:** pra_sant@rediffmail.com; gopalgkmishra@gmail.com

Branches : MORADABAD, ORAI, SAMBHAL, DELHI



To,

The Members,
M/s Northern Coalfields Limited
Singrauli

CERTIFICATE

1. We have examined the compliance of conditions of Corporate Governance by Northern Coalfields Limited for the year ended 31st March, 2013 although Clause 49 of the Listing Agreement is not applicable to the Company.
2. 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 statement of the Company.
3. In our opinion and to best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance except the following conditions:-

The company has not complied with the conditions of 50% independent directors in the Board during the period under consideration.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For PRAKASH & SANTOSH

Sd/-

(CA S. K. Gupta)

Partner

Membership No. 016304

ICAI Firm Reg. No. 00454C

Place :

Date : 18 May, 2013

Head Office : 'Rolland Complex' Flat No. 8, Upper Floor, Westcott Building, 37/17, The Mall, Kanpur – 208 001
Phones: 3012035, 3912995 **Email:** pra_sant@rediffmail.com; gopalgkmishra@gmail.com

Branches : MORADABAD, ORAI, SAMBHAL, DELHI

BALANCE SHEET AS AT 31ST MARCH, 2013

(Rs. in crore)

	Note	As at 31-03-2013	As at 31-03-2012	
I EQUITY AND LIABILITIES				
(1) Shareholders' Fund				
(a) Share Capital	1	177.67	177.67	
(b) Reserves & Surplus	2	9,568.40	8,756.62	
		9,746.07		8,934.29
(2) Non-Current Liabilities				
(a) Long Term Borrowing	3	493.13	618.11	
(b) Deferred Tax Liabilities (Net)		-	-	
(c) Other Long Term Liabilities	4	142.81	145.17	
(d) Long Term Provisions	5	4,056.25	3,179.30	
		4,692.19		3,942.58
(3) Current Liabilities				
(a) Short Term Borrowing	6	-	-	
(b) Trade Payables	7	118.29	123.03	
(c) Other Current Liabilities	8	1,663.49	1,536.47	
(d) Short Term Provisions	9	1,064.87	1,041.04	
		2,846.65		2,700.54
Total		17,284.91		15,577.41
II ASSETS				
(1) Non-Current Assets				
(a) Fixed Assets				
(i) Tangible Assets - Gross Block	10A	6,512.35	6,495.49	
Less : Depreciation, Impairment & Provisions		4,465.21	4,402.47	
Net carrying Value		2,047.14		2,093.02
(ii) Intangible Assets - Gross Block	10A	349.29	354.89	
Less : Depreciation, Impairment & Provisions		261.37	255.21	
Net carrying Value		87.92		99.68
(iii) Capital Work-in-Progress	10B		729.35	534.37
(iv) Intangible Assets under Development	10C		79.68	80.16
(b) Non-Current Investment	11		22.91	34.36
(c) Deferred Tax Assets (Net)*			37.57	116.69
(d) Long Term Loans & Advances	12		69.21	72.84
(e) Other Non-Current Assets	13		-	-
(2) Current Assets				
(a) Current Investments	14	11.46	11.46	
(b) Inventories	15	998.39	727.97	
(c) Trade Receivables	16	1,738.21	425.70	
(d) Cash & Bank balance	17	8,432.77	8,738.30	
(e) Short Term Loans & Advances	18	65.39	92.01	
(f) Other Current Assets	19	2,964.91	2,550.85	
		14,211.13		12,546.29
Total		17,284.91		15,577.41
Significant Accounting Policies	33			
Additional Notes on Accounts	34			
The Notes referred to above form an integral part of Balance Sheet				
*Refer Note - 34 (4).				

Sd/-
(D.H.Lalwani)
Company Secretary

Sd/-
(J. C. Panda)
General Manager (Finance)

Sd/-
(A.K. Pandey)
Director (Finance)

Sd/-
(T.K. Lahiri)
Chairman-Cum Managing Director

In terms of our separate report of even date
For Prakash & Santosh
Chartered Accountants
Firm Regn. No. 000454C

Sd/-
(CA. S.K. Gupta)
Partner
M. No.- 016304

Dated : 18.05.2013
Place : Varanasi

STATEMENT OF PROFIT & LOSS

For the Year ended 31st March, 2013

(Rs. Crores)

<u>INCOME</u>	Note	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Sale of Coal, coke etc.	20	11,616.11	10,176.94
Less: Excise Duty		628.22	465.23
Other Levies		2,256.18	1,795.19
Revenue from Operations		8,731.71	7,916.52
Other Income	21	1,254.69	1,215.91
Total Revenue		9,986.40	9,132.43
<u>EXPENSES</u>			
Cost of Material Consumed	22	1,379.16	1,270.46
Change in inventories of finished goods work in progress and Stock in trade	23	(238.22)	(191.29)
Employee benefit expenses	24	1,599.87	1,501.25
Power & Fuel		232.35	206.55
Welfare Expenses	25	39.89	22.34
Repairs	26	166.00	126.49
Contractual Expenses	27	830.01	768.55
Finance Costs	28	20.26	22.13
Depreciation/amortization/Impairment		294.53	378.09
Provisions	29	(51.36)	162.08
Write off	30	0.73	-
Overburden Removal Adjustment		999.55	320.56
Other Expenditure	31	299.25	282.00
Total Expenses		5,572.02	4,869.21
Profit before prior period, exceptional and extraordinary items and tax		4,414.38	4,263.22
Prior Period Adjustment { charges/ (Incomes) }	32	(6.20)	(2.45)
Exceptional Items		-	-
Profit before extraordinary items and tax		4,420.58	4,265.67
Extraordinary Items { charges/ (Incomes) }		-	-
Profit before Tax		4,420.58	4,265.67
Less : Tax Expenses			
- Current year		1,726.00	1,535.00
- Deffered Tax		79.12	(35.04)
- Earlier years		(66.67)	(4.38)
Profit after Tax		2,682.13	2,770.09
Earnings per Equity share (in Rs.)			
(Face Value of Rs. 1000/- per share)			
- Basic		15,095.90	15,590.96
- Diluted		15,095.90	15,590.96
Significant Accounting Policies	33		
Additional Notes on Accounts	34		

The Notes referred to above form an integral part of The Statement of Profit & Loss Account.

Sd/-
(D.H.Lalwani)
Company Secretary

Sd/-
(J. C. Panda)
General Manager (Finance)

Sd/-
(A.K. Pandey)
Director (Finance)

Sd/-
(T.K. Lahiri)
Chairman-Cum Managing Director

In terms of our separate report of even date
For Prakash & Santosh
Chartered Accountants
Firm Regn. No. 000454C

Sd/-
(CA. S.K. Gupta)
Partner
M. No.- 016304

Dated : 18.05.2013
Place : Varanasi

Cash Flow Statement (Indirect Method)

(Rs. in Crores)

	For the year ended March 31,	
	2013	2012
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation and extraordinary item	4,420.58	4,265.67
Adjustments for :		
Depreciation on Fixed Assets	300.03	378.09
Interest Income	(1,050.51)	(1,001.23)
Loss/ Profit on sale of F/Assets	1.00	3.54
Provisions and Write-off	(50.63)	162.08
Overburden Removal Expenditure Adjustment	999.55	320.56
Adjustment for Foreign Exchange fluctuation	(0.20)	13.33
Interest & Financial Expenses	20.26	22.13
Operating Profit before Working Capital Changes	4,640.08	4,164.17
Adjustment for :		
Receivables	(1,215.87)	(28.30)
Inventories	(270.60)	(233.67)
Current and Non Current Assets (Other than Fixed Assets)	(177.29)	(71.63)
Current & Non-Current Liabilities	39.35	160.69
Cash Generated from Operations	3,015.67	3,991.26
Income taxes Paid :		
Income tax Paid	1,639.01	1,580.93
Refund / Paid/ Adj. of Corporate tax of Earlier Years	175.41	(15.97)
Net Cash Flow from Operating Activities (A)	1,201.25	2,426.30
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(444.38)	(702.11)
Proceeds From Sale of Equipments	4.22	8.12
Redemption of Power Bonds	11.45	11.46
Interest pertaining to Investing Activities	994.26	900.29
Bank Deposit	464.91	(705.78)
Net Cash used in Investing Activities (B)	1,030.46	(488.02)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment/ Increase of Unsecured Loans	(120.39)	(107.35)
Interest pertaining to Financing Activities	(20.26)	(22.13)
Dividend Paid (Including tax on Dividend)	(1,931.68)	(2,402.64)
Net Cash used in Financing Activities (C)	(2,072.33)	(2,532.12)
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	159.38	(593.84)
Cash and Cash Equivalents (Opening Balance)	401.07	994.91
Cash and Cash Equivalents (Closing balance)	560.45	401.07
Component of Cash and Cash Equivalent:		
Cash and Cheque in hand	0.02	0.01
Balance with Scheduled Banks:		
Current Account	275.43	136.06
Term Deposits	285.00	265.00
Cash and Cash Equivalents (Closing balance)	560.45	401.07

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In terms of our separate report of even date
For Prakash & Santosh
Chartered Accountants
Firm Regn. No. 000454C

Sd/-
(CA. S.K. Gupta)
Partner
M. No.- 016304

Dated : 18.05.2013
Place : Varanasi

Statement of Standalone Audited/ Unaudited Results For The Year Ended 31st March, 2013

Part-I

(Rs. in Crores)

Particulars		3 months ended (31/03/2013)	Preceding 3 months ended (31/12/2012)	Corresponding 3 months ended (31/03/2012)	Year to date for the period ended (31/03/2013)	Year to date for the pe- riod ended (31/03/2012)
		Audited	Unaudited	Audited	Audited	Audited
1.	Income from operations					
	(a) Net Sales / Income from operations (Net of Excise Duty)	2,688.77	2,320.22	2,567.61	8,731.71	7,916.52
	(b) Other operating income	-	-	-	-	-
	Total Income from Operations (Net)	2,688.77	2,320.22	2,567.61	8,731.71	7,916.52
2.	Expenses					
	(a) Cost of material consumed	460.26	361.75	406.87	1,379.16	1,270.46
	(b) Purchase of Stock-in-trade					
	(c) Change in inventories of Finished goods, work-in-progress & stock-in-trade	(216.09)	(7.07)	(199.45)	(238.22)	(191.29)
	(d) Employees Benefits Expenses	462.93	377.76	470.53	1,599.87	1,501.25
	(e) Depreciation & amortisation expenses	44.54	66.02	23.36	294.53	378.09
	(f) Power & Fuel	65.00	60.31	53.78	232.35	206.55
	(g) Welfare expenses	24.60	6.55	43.51	39.89	22.34
	(h) Repairs	63.46	39.77	38.90	166.00	126.49
	(i) Contractual Expenses	252.01	228.00	206.54	830.01	768.55
	(j) Overburden removal adjustment	659.41	221.12	367.70	999.55	320.56
	(f) Other Expenses	158.90	40.12	195.25	259.62	455.14
	Total Expenses	1,975.02	1,394.33	1,606.99	5,562.76	4,858.14
3.	Profit/ (Loss) from operations before other income, Finance Costs and Exceptional items (1-2)	713.75	925.89	960.62	3,168.95	3,058.38
4.	Other income	317.55	330.81	294.50	1,254.69	1,215.91
5.	Profit/ (Loss) from Ordinary activities before Finance cost & Exceptional items (3+4)	1,031.30	1,256.70	1,255.12	4,423.64	4,274.29
6.	Finance Cost	1.55	(4.02)	3.24	9.26	11.07
7.	Profit/ (Loss) from Ordinary activities after Fi- nance cost but before Exceptional items (5+6)	1,029.75	1,260.72	1,251.88	4,414.38	4,263.22
8.	Exceptional Items (Prior period Adjustment)	5.92	4.37	(4.25)	6.20	2.45
9.	Profit/ Loss from Ordinary Activities before tax (7+8)	1,035.67	1,265.09	1,247.63	4,420.58	4,265.67
10.	Tax Expense	530.35	447.76	509.43	1,738.45	1,495.58
11.	Net Profit/ Loss from Ordinary Activities after tax (9-10)	505.32	817.33	738.20	2,682.13	2,770.09
12.	Extraordinary Items (net of tax expenses)	-	-	-	-	-
13.	Net Profit/ (Loss) for the Period (11-12)	505.32	817.33	738.20	2,682.13	2,770.09
14.	Paid-up Equity Share capital (Face Value of Rs. 1000)	177.67	177.67	177.67	177.67	177.67
15.	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-
16.	i Earnings per Share (before extraordinary items)					
	a) Basic	2,844.12	4,600.21	4,154.83	15,095.90	15,590.96
	b) Diluted	2,844.12	4,600.21	4,154.83	15,095.90	15,590.96
16.	ii Earnings per Share (after extraordinary items)					
	a) Basic	2,844.12	4,600.21	4,154.83	15,095.90	15,590.96
	b) Diluted	2,844.12	4,600.21	4,154.83	15,095.90	15,590.96

Statement of Standalone Audited/ Unaudited Results For The Year Ended 31st March, 2013

Part-II

(Rs. in Crores)

Particulars	3 months ended (31/03/2013)	Preceding 3 months ended (31/12/2012)	Corresponding 3 months ended (31/03/2012)	Year to date for the period ended (31/03/2013)	Year to date for the pe- riod ended (31/03/2012)
	Audited	Unaudited	Audited	Audited	Audited
A. Particulars of Shareholding					
1. Public Shareholding					
– Number of Shares	NIL	NIL	NIL	NIL	NIL
– Percentage of shareholding					
2. Promoters and promoter group Shareholding**					
a) Pledged/Encumbered					
– No. of Shares	NIL	NIL	NIL	NIL	NIL
– Percentage of Shareholding (as a % of the total shareholding of promoter and promoter group)					
– Percentage of shares (as a % of the total share capital of the company)					
b) Non-Encumbered					
– No. of Shares	1776728	1776728	1776728	1776728	1776728
– Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
– Percentage of shares (as a % of the total share capital of the company)	100%	100%	100%	100%	100%

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In terms of our separate report of even date
For Prakash & Santosh
Chartered Accountants
Firm Regn. No. 000454C
Sd/-
(CA. S.K. Gupta)
Partner
M. No.- 016304

Dated : 18.05.2013
Place : Varanasi

Annexure-IX of Clause 41 of the Listing Agreement

Standalone/ Consolidates Statement of Assets & Liabilities

(Rs. in Crores)

<u>Particulars</u>	<u>As at 31/03/2013</u>	<u>As at 31/03/2012</u>
A EQUITY AND LIABILITIES		
(1) Shareholders' Fund		
(a) Share Capital	177.67	177.67
(b) Reserves & Surplus	9,568.40	8,756.62
Sub-total Shareholder's Fund	9,746.07	8,934.29
(2) Non-Current Liabilities		
(a) Long Term Borrowing	493.13	618.11
(b) Deferred Tax Liabilities (Net)	-	-
(c) Other Long Term Liabilities	142.81	145.17
(d) Long Term Provisions	4,056.25	3,179.30
Sub-total Non-current Liabilities	4,692.19	3,942.58
(3) Current Liabilities		
(a) Short Term Borrowing	-	-
(b) Trade Payables	118.29	123.03
(c) Other Current Liabilities	1,663.49	1,536.47
(d) Short Term Provisions	1,064.87	1,041.04
Sub-total Current Liabilities	2,846.65	2,700.54
Total Equity & Liabilities	17,284.91	15,577.41
B ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets	2,944.09	2,807.23
(b) Non-Current Investment	22.91	34.36
(c) Deferred Tax Assets (Net)	37.57	116.69
(d) Long Term Loans & Advances	69.21	72.84
(e) Other Non-Current Assets	-	-
Sub-Total Non-Current Assets	3,073.78	3,031.12
(2) Current Assets		
(a) Current Investments	11.46	11.46
(b) Inventories	998.39	727.97
(c) Trade Receivables	1,738.21	425.70
(d) Cash & Bank balance	8,432.77	8,738.30
(e) Short Term Loans & Advances	65.39	92.01
(f) Other Current Assets	2,964.91	2,550.85
Sub-total Current Assets	14,211.13	12,546.29
Total Assets	17,284.91	15,577.41

NOTES TO BALANCE SHEET

Note - 1

SHARE CAPITAL

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
<u>AUTHORISED</u>		
(i) 40,00,000 Cumulative 10% Redeemable Preference shares of Rs. 1000/- each	400.00	400.00
(ii) 100,00,000 Equity Shares of Rs.1000/- each	1,000.00	1,000.00
	1,400.00	1,400.00
<u>ISSUED, SUBSCRIBED AND PAID-UP</u>		
17,76,728 Equity shares of Rs. 1000/- each fully paid-up	177.67	177.67
	177.67	177.67

Note 1: Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No. of Shares Held (Face value of Rs. 1000 each)	% of Total Shares
COAL INDIA LIMITED	1776728	100%

Note 2 : During the period there is no change in the number of shares.

NOTES TO BALANCE SHEET

Note - 2

RESERVES & SURPLUS

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
RESERVES :		
Capital Reserve		
As per last Balance Sheet	-	-
Add: Addition during the period	-	-
Less: Adjustment During the period	-	-
	-	-
Capital Redemption Reserve		
As per last Balance Sheet	400.00	400.00
Add: Addition during the period	-	-
Less: Adjustment During the period	-	-
	400.00	400.00
Corporate Social Responsibility Reserve		
As per last Balance Sheet	85.05	59.06
Add: Addition during the period*	40.16	35.24
Less: Transfer to General Reserve	17.64	9.25
	107.57	85.05
Sustainable Development Reserve		
As per last Balance Sheet	-	-
Add: Addition during the period**	3.17	-
Less: Transfer to General Reserve	-	-
	3.17	-
General Reserve		
As per last Balance Sheet	2,171.64	1,885.38
Add: Transfer from Profit & Loss Account***	268.21	277.01
Add: Adjustment during the period	17.64	9.25
	2,457.49	2,171.64
Surplus in Profit & Loss Account		
As per last Balance Sheet	6,099.93	5,573.77
Add: Profit after Tax during the period	2,682.13	2,770.09
Profit & Loss Available for appropriation	8,782.06	8,343.86
Appropriations:-		
Transfer to General Reserve	(268.21)	(277.01)
Transfer to CSR Reserve	(40.16)	(35.24)
Transfer to Sustainable Development Reserve	(3.17)	-
Interim Dividend#	(1,000.00)	(1,000.00)
Proposed Dividend on Equity Shares#	(609.28)	(662.05)
Corporate Dividend Tax\$	(261.07)	(269.63)
	6,600.17	6,099.93
Miscellaneous Expenditure (To the extent not written off)		
Preliminary expenses	-	-
Pre-Operational Expenses	-	-
	-	-
Total	9,568.40	8,756.62

* Corporate Social Responsibility (CSR) Reserve is created equivalent to 5% of retained earnings of the previous year, subject to minimum of Rs. 5/- per tonne of coal production of the Previous Year after adjustment of actual expenses incurred on such activity. Accordingly, total provision of Rs. 40.16 crores (Prev. Year Rs. 35.24 crores) has been transferred.

** As per advise of CIL & based on guidelines on Sustainable Development on CPSEs, reserve for Rs. 3.17 crores (Prev. year NIL) has been made in respect of Sustainable Development.

*** An amount of Rs. 268.21 crores (Prev. year Rs. 277.01 crores) being 10% of the profit after tax has been transferred to General Reserve.

Provision has been made in Accounts for proposed dividend on equity shares @ 60% of Profit after Tax for the year for Rs. 1609.28 crores (Previous year Rs. 1662.05 crores) including Interim Dividend paid of Rs. 1000.00 crores (Previous year Rs. 1000.00 crores) by the company.

\$ Provision has been made in Accounts for Corporate Dividend Tax on Proposed dividend (including Interim Dividend) on equity shares for the year for Rs. 261.07 crores (Previous year Rs. 269.63 crores).

NOTES TO BALANCE SHEET

Note - 3

LONG TERM BORROWING

(Rs. Crores)

	As at 31-03-2013	As at 31-03-2012
Term Loan		
(Through CIL, Holding Company)		
IBRD-\$ 4.73 crores (P/Year \$5.73 crores)*	258.87	295.72
JBIC - JPY 400.66 crores (P/year JPY 510.28 crores)*	234.26	322.39
Loan From Coal India Limited	—	—
TOTAL	493.13	618.11

CLASSIFICATION 1

Secured	—	—
Unsecured	493.13	618.11

CLASSIFICATION 2

Loan Guaranteed by Directors & others

Particulars of Loan	Nature of Guarantee	As At 31.03.2013	As At 31.03.2012
Loan from IBRD	Guaranteed by Govt. of India, Counter Guaranteed by Coal India Ltd.	258.87	295.72
Loan from JBIC	-do-	234.26	322.39

Reconciliation of Term Loan (IBRD/ JBIC)

	As At 31-03-2013	As At 31-03-2012
Opening Balance of Loan	735.30	739.49
Repayment of Loan	(120.39)	(107.35)
Foreign Exchange Rate Fluctuation	(2.08)	103.16
Closing Balance of Loan	612.83	735.30

Current maturities of Long term borrowings shown under note-8 for Rs. 55.61 crores (Prev. Yr. Rs. 49.26 crores) and Rs. 64.09 crores (Prev. Yr. Rs. 67.93 crores) in respect of IBRD & JBIC is also guaranteed by Govt. of India and counter guaranteed by Coal india Ltd.

* Refer Note-34, Additional Notes on Accounts, Point 2.

Repayment Schedule:

IBRD: Repayments is in 30 installments, to be made semi-annually, starting 15th May, 2003 and ending on 15th November, 2017.
JBIC: Repayments is in 30 installments, to be made semi-annually, starting 15th February, 2003 and ending on 15th August, 2017.

NOTES TO BALANCE SHEET

Note - 4

OTHER LONG TERM LIABILITIES

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
Trade Payable - Deferred Credits	-	-
Earnest Money/ Security Deposit	142.81	145.17
Others	-	-
Total	142.81	145.17
CLASSIFICATION		
Secured	-	-
Unsecured	142.81	145.17

Note - 5

LONG TERM PROVISIONS

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
For Employee Benefits		
- Gratuity*	-	172.32
- Leave Encashment	177.35	168.24
- Other Employee Benefits	-	-
OBR Adjustment Account**	3,666.95	2,667.40
Mine Closure Expense***	211.83	171.21
For Others****	0.12	0.13
TOTAL	4,056.25	3,179.30

* Refer Note-9 Short Term Provision.

** Survey Measurement of overburden removed during the year has been conducted at all the projects. The measured quantity of overburden has been considered for Overburden Removal Adjustment after considering the variance between reported quantity and the measured quantity in respect of all the projects. (Refer Note 33- Accounting Policy 16.0).

An amount of Rs. 999.55 Crores has been debited (Previous year Rs. 320.56 Crores) in short of average ratio required for raising of coal to Profit & Loss Account by giving corresponding effect to this extent in Long term provisions.

*** In accordance with guidelines issued by Ministry of Coal on 27th August, 2009, an amount equivalent to Rs. 6.00 Lacs per hectare of Leasehold Land divided by balance life of the Project for existing Mines compounded annually by 5% escalation starting from the base year 2010-11 has been provided as mine closure expenses on account of water quality management, air quality management, waste management, top soil management of coal rejects from washeries, infrastructure, disposal of mining machinery and safety & security falling under such final mine closure plan for Krishnashilla Project in absence of approved mine closure plan.

Mine Closure Plan prepared by CMPDIL and approved by NCL Board for the Projects Block B, Bina, Jayant, Khadia, Amlohri, Dudhichua, Kakri and Nigahi Project. Based on the approved Mine Closure Plan of these projects provision has been made in the accounts. However in case of Jhingurda project, NCL Board approved yearly phasing of Mine Closure Cost of Rs. 99.73 crores from 2012-13 to 2015-16, as recommended by CMPDIL. Accordingly, a provision of Rs. 23.14 crore is made for the current year.

In respect of Gorbi Project (Closed mine), an amount of Rs. 23.00 Crores (Previous year Rs. 23.00 Crores) has been provided as per the technical estimate received from CMPDIL towards mine closure expenses.

Based on the above, provision of Rs. 40.62 Crores (Previous year Rs. 60.46 Crores) has been made during the year ended 31.03.2013. (Refer Note-29).

As per the above guidelines, an amount equivalent to the provision made is to be deposited in an escrow account set up for this purpose. The criteria for selection of bankers for opening such escrow accounts are presently under formulation and negotiations with banks. Such criteria are required to be formulated uniformly including that of the other subsidiaries of CIL which requires depositing a sum of 211.83 crores upto the year ended 31.03.2013 in such escrow account. Pending above no escrow account has yet been opened.

**** A provision of Rs. 0.12 Crores (Previous year Rs. 0.13 Crores) had been made against loss on theft/damage of Fixed Assets.

NOTES TO BALANCE SHEET

Note - 6

SHORT TERM BORROWING

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
LOAN FROM BANKS		
Loans Repayable on Demand		
Balance with Coal India Limited & other Subsidiaries of Coal India Limited	-	-
Overdraft against Pledge of Term Deposit	-	-
Other Loans and Advances		
Deferred Credits	-	-
Total :	-	-
CLASSIFICATION 1		
Secured	-	-
Unsecured	-	-
CLASSIFICATION 2		
Loan Guaranteed by Directors & others		

Particulars of Loan	Amount in Rs. crores	Nature of Guarantee

Note - 7

TRADE PAYABLES

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
Sundry Creditors For Supplies		
For Revenue Stores	118.29	123.03
	118.29	123.03

NOTES TO BALANCE SHEET

Note - 8

OTHER CURRENT LIABILITIES

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
Current Maturities of Long Term Borrowings*		
Term Loan From IBRD - \$ 1.01 cr (P/year \$ 0.96 cr)	55.61	49.26
Term Loan From JBIC JPY 109.60 cr (P/year JPY 107.51 cr)	64.09	67.93
Loan From Coal India Limited	-	-
Surplus Funds from Coal India Limited Current Account with Subsidiaries	-	-
	119.70	117.19
For Capital (including stores)	62.56	61.31
FOR EXPENSES :		
Salary Wages & Allowances	123.08	221.08
Power & Fuel	33.27	23.24
Others	253.61	211.56
	409.96	455.88
STATUTORY DUES :		
Sales Tax/ VAT	16.21	22.59
Provident Fund & Pension Fund	57.16	58.72
Executive Pension/ Superannuation benefits	71.42	54.90
Central Excise Duty	17.03	6.30
Royalty & Cess on Coal	65.12	74.67
Stowing Excise Duty	19.97	19.41
Clean Energy Cess	66.28	64.89
Other Statutory Levies	222.60	204.91
	535.79	506.39
OTHERS :		
Income Tax Deducted at Source	44.27	21.72
Security Deposit	41.68	37.05
Earnest Money	26.74	25.55
Advance & Deposit from customers / others	421.09	309.68
Interest Accrued and due on Borrowings	-	-
Interest Accrued but not due on Borrowings	-	-
Other Liabilities -		
-Unutilised Govt. Grant **	1.70	1.70
-Income received in advance	-	-
	535.48	395.70
TOTAL	1,663.49	1,536.47

* Refer Note-3 Long term Borrowing.

** Out of the total grants received in earlier years from Govt. of India, Ministry of Coal, the balance of unutilised Govt. Grants is lying for more than 3 years.

NOTES TO BALANCE SHEET

Note- 9

SHORT TERM PROVISIONS

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
For Employee Benefits		
- Gratuity		48.11
- Leave encashment	17.45	14.47
- Ex-gratia/ PPLB	40.82	30.11
- PRP*	118.13	89.65
- Other Employee benefits	104.46	46.09
For Proposed Dividend	609.28	662.05
For Corporate Dividend Tax	98.84	107.40
For Excise duty on Closing Stock of Coal	74.89	42.36
For Income Tax	1,726.00	1,535.00
Less: Advance Income Tax/Tax deducted at source	1,726.00	1,535.00
	-----	-----
Others		
-Wealth Tax **	1.00	0.80
TOTAL	1,064.87	1,041.04

* The total liability of Rs. 188.22 crores since 2007-08 upto 31.03.2013 has been netted-off with Rs. 70.00 crores (i.e.75% amount of PRP for the year 2007-08 to 2010-11) paid to the Employees (Executives) as Recoverable Advance. Provision of Rs. 48.48 Crores (Previous year Rs. 36.94 Crores) has been made during the year ended 31.03.2013 in respect of PRP to the Employees (Executives) on estimated basis (refer Note-24).

** In the opinion of the management, provision made for Wealth Tax during the year Rs. 1.00 Crore (Prev. Year Rs. 0.80 Crores) is considered adequate.

NOTES TO BALANCE SHEET

Note- 10A

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			IMPAIRMENT LOSS			CARRYING VALUE	
	As on 01.04.12	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.13	Addition during the year	Adj./ Sales/ Transfer during the year	As on 01.04.12	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.13	As on 31.03.12
Tangible Assets											
Land:											
(a) Freehold	0.04			0.04			-			0.04	0.04
(b) Leasehold*	198.67	5.95	0.20	204.82	7.80	-	69.81			135.01	136.66
Building/Water Supply/Road & Culverts	540.35	0.41	(0.06)	540.70	11.98	(0.05)	186.58			354.12	365.70
Plant & Equipment**	5,545.41	240.04	(226.98)	5,558.47	256.32	(215.62)	4,039.05			1,519.42	1,547.06
Office Equipment	20.50	0.07	(1.21)	19.36	0.46	(1.07)	17.43			1.93	2.46
Telecommunication	24.10	0.01	-	24.11	0.53	-	22.02			2.09	2.61
Railway Sidings	25.33	-	-	25.33	0.10	-	23.40			1.93	2.03
Furniture & fittings/ Office Tools & Equipment/ Electric Fitting/ Fire Arms	41.81	1.68	(1.67)	41.82	1.72	(1.71)	28.33			13.49	13.49
Vehicle	34.48	0.01	(0.87)	33.62	1.58	(0.82)	26.05			7.57	9.19
Development	64.80	-	(0.72)	64.08	2.24	(0.72)	52.54			11.54	13.78
(Road & Culvert Mine)											
TOTAL	6,495.49	248.17	(231.31)	6,512.35	282.73	(219.99)	4,465.21			2,047.14	2,093.02
Tangible assets as on 31.03.2012	6,361.93	416.14	(282.58)	6,495.49	360.79	(268.59)	4,402.47			2,093.02	2,051.66
Intangible Assets											
Software	-	-	-	-	-	-	-			-	-
Development	353.99	5.53	(11.13)	348.39	17.26	(11.13)	260.77			87.62	99.35
Prospecting & Boring	0.90	-	-	0.90	0.03	-	0.60			0.30	0.33
TOTAL	354.89	5.53	(11.13)	349.29	17.29	(11.13)	261.37			87.92	99.68
Intangible assets as on 31.03.2012	616.29	4.62	(266.02)	354.89	17.43	(266.04)	255.21			99.68	112.47

* 3262.9 hectare govt. land, 7441.00 hectare forest land & 5790.12 hectare land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 has been shown as "Leasehold land"

* Leasehold Land include Rs. 81.59 Lakhs of Gorbi (Closed Mine) on which depreciation of Rs. 81.59 Lakhs had already been provided.

* Leasehold Land also include Rs. 1.51 crores on account of compensatory afforestation cost made by Khadia project.

** Amount capitalised due to gain on exchange rate variance as on 31.03.2013 Rs. 1.88 crore (previous year loss Rs. 89.83 crores).

NOTES TO BALANCE SHEET

Note - 10B

CAPITAL WORK-IN-PROGRESS

(Rs. in Crores)

PARTICULARS	COST			PROVISION			IMPAIRMENT LOSS			CARRYING VALUE	
	As on 01.04.12	Adj./ Sales/ Transfer during the year	As on 31.03.13	As on 01.04.12	Adj./ Sales/ Transfer during the year	As on 31.03.13	As on 01.04.12	Adj./ Sales/ Transfer during the year	As on 31.03.13	As on 31.03.12	
Tangible Assets											
Building/Water Supply/Road & Culverts	13.66	(0.41)	13.25	0.05	0.56	0.61	-	-	-	12.64	13.61
Plant & Equipment**	500.26	(228.90)	689.76	0.20	0.05	0.25	-	-	-	689.51	500.06
Railway Sidings	0.20	(0.20)	0.00	0.20	-	0.00	-	-	-	-	-
Mine Development & Prospecting & Boring	0.13	-	0.13	-	-	-	-	-	-	0.13	0.13
Others	0.08	(0.06)	0.08	-	-	-	-	-	-	0.08	0.08
TOTAL	514.33	(229.57)	703.22	0.45	0.61	0.86	-	-	-	702.36	513.88
Tangible assets as on 31.03.2012	160.19	634.99	514.32	0.44	0.02	0.45	-	-	-	513.87	159.75
Surveyed off Assets	35.64	(4.99)	42.14	15.15	-	15.15	-	-	-	26.99	20.49
Surveyed off Assets as on 31.03.2012	33.25	(11.70)	35.64	15.15	-	15.15	-	-	-	20.49	18.10
Grand Total	549.97	(234.56)	745.36	15.60	0.61	16.01	-	-	-	729.35	534.37
Grand Total as on 31.03.2012	193.44	(292.56)	549.96	15.59	0.02	15.60	-	-	-	534.37	177.85

Assets (Capital WIP), which could not be put to use for more than 3 years from the date of purchase /acquisition /construction, a provision, equivalent to depreciation from the fourth year and onwards has been made. Total provision amounting to Rs. 0.86 crores made upto 31.03.2013 as disclosed is considered adequate.

NOTES TO BALANCE SHEET

Note - 10C

INTANGIBLE ASSET UNDER DEVELOPMENT

(Rs. in Crores)

PARTICULARS	COST			PROVISION			IMPAIRMENT LOSS			CARRYING VALUE	
	As on 01.04.12	Addition during the year	Adj./ Sales/ Transfer during the year	As on 01.04.12	Addition during the year	Adj./ Sales/ Transfer during the year	As on 01.04.12	Addition during the year	Adj./ Sales/ Transfer during the year	As on 31.03.13	As on 31.03.12
Intangible Assets											
Development	3.66	0.09	(2.70)	1.05	-	-	-	-	-	1.05	3.66
Prospecting & Boring	76.50	2.13	-	78.63	-	-	-	-	-	78.63	76.50
TOTAL	80.16	2.22	(2.70)	79.68	-	-	-	-	-	79.68	80.16

NOTES TO BALANCE SHEET

Note - 11

NON - CURRENT INVESTMENTS

Unquoted at Cost

(Rs. in Crores)

	Number of shares/bonds/ securities as on 31.03.2013 / (31.03.2012)	Face value per shares/bonds/ security (in Rs.)	As at 31-03-2013	As at 31-03-2012
TRADE				
8.5% Tax Free Special Bonds (Fully Paid up) :				
(on securitisation of Sundry Debtors)				
Major State-wise Break-up				
UP	04/(06)	57,280,000.00	22.91	34.36
Haryana	-	-	-	-
Maharashtra	-	-	-	-
Madhya Pradesh	-	-	-	-
Gujarat	-	-	-	-
West Bengal	-	-	-	-
Others	-	-	-	-
Equity Shares in Joint Venture Companies	-	-	-	-
Equity Shares in Subsidiaries Companies	-	-	-	-
Others (in Co-operative Shares)	-	-	-	-
Total :			22.91	34.36
Aggregate amount of Quoted Investment			-	-
Aggregate amount of Unquoted Investment			22.91	34.36
Market Value of Quoted Investment			-	-
Provision made for diminution in the value of Investment			-	-

NOTES TO BALANCE SHEET

Note - 12

NON - CURRENT INVESTMENTS

(Rs. in Crores)

	As at 31-03-2013	As at 31-03-2012
LOANS ADVANCES		
For Capital		
- Secured considered good	-	-
- Unsecured considered good	1.57	2.42
- Doubtful	0.43	0.59
	2.00	3.01
Less : Provision for Doubtful Loans and Advances**	0.43	0.59
Sub Total	1.57	2.42
For Revenue		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	-	-
Less : Provision for Doubtful Loans and Advances**	-	-
Sub Total	-	-
Security Deposits (For Electricity)		
- Secured considered good	-	-
- Unsecured considered good	30.09	29.99
- Doubtful	-	-
	30.09	29.99
Less : Provision for Doubtful Loans and Advances**	-	-
Sub Total	30.09	29.99
Deposit for P&T etc.		
- Secured considered good	-	-
- Unsecured considered good*	17.47	17.93
- Doubtful	0.40	1.70
	17.87	19.63
Less : Provision for Doubtful Loans and Advances**	0.40	1.70
Sub Total	17.47	17.93
LOAN TO EMPLOYEES		
For House Building		
- Secured considered good	19.96	22.31
- Unsecured considered good	-	-
- Doubtful	-	-
	19.96	22.31

NOTES TO BALANCE SHEET

Note - 12 (Contd..)

NON - CURRENT INVESTMENTS

(Rs. in Crores)

	As at 31-03-2013	As at 31-03-2012
For Motor Car and Other Conveyance		
- Secured considered good	0.12	0.19
- Unsecured considered good	-	-
- Doubtful	-	-
Sub Total	0.12	0.19
For Others		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	-	-
Less : Provision for Doubtful Loans and Advances**	-	-
Sub Total	-	-
Loan To Subsidiaries		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
Sub Total	-	-
TOTAL	69.21	72.84

Note

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
	-	-	-	-
Due by the Companies in which directors of the company is also a director/ member	-	-	-	-
Due by the parties in which the Director(s) of company is /are interested	-	-	-	-

* Deposited under protest. The matter is pending before Hon'ble Supreme Court. However, the claim of Rs. 126.45 Crores has been shown as Contingent Liability.

** Total Provision of Rs. 0.83 crores (as on 31.03.2012 Rs. 2.29 crores), as on 31.03.2013 on account of Doubtful Loans & Advances is considered adequate.

NOTES TO BALANCE SHEET

Note - 13

OTHER NON-CURRENT ASSETS

(Rs. in Crores)

	As at 31-03-2013	As at 31-03-2012
Long Term Trade Receivable		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	-	-
Less: Provision for bad and doubtful trade receivables	-	-
	-	-
Exploratory Drilling Work	-	-
Less: Provision for bad & doubtful receivables	-	-
	-	-
Other Receivables		
- Secured considered good		
- Unsecured considered good		
- Doubtful		
	-	-
Less: Provision for bad & doubtful receivables	-	-
	-	-
TOTAL	-	-

Note

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which directors of the company is also a director/member	-	-	-	-
Due by the parties in which the Director(s) of company is /are interested	-	-	-	-

NOTE TO BALANCE SHEET AS AT 31ST MARCH, 2012

Note – 14

CURRENT INVESTMENTS — QUOTED/UNQUOTED AT COST

(Rs. in Crores)

	Number of shares/bonds/ securities current year/ (previous year)	Face Value per share/bond/ security current year/ (previous year) ()	Market Value/ NAV per share/ bond/security current year/ (previous year) ()	As at 31.03.2013	As at 31.03.2012
NON – TRADE					
Mutual Fund Investment (with name of mutual fund)	—	—	—	—	—
TRADE					
8.5% Tax Free Special Bonds (Fully Paid up) (on securitisation of Sundry Debtors)					
Major State-wise Break-up					
UP	02 (02)	57,280,000.00	57,280,000.00	11.46	11.46
Total				11.46	11.46
Aggregate of Quoted Investment				—	—
Aggregate of Unquoted Investment				11.46	11.46
Market Value of Quoted Investment				—	—
Provision made for diminution in the value of Investment				—	—

NOTES TO BALANCE SHEET

Note - 15

INVENTORIES

(Valuation as per Accounting Policy No. 8)

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
Finished Goods-		
Stock of Coal *	629.32	391.10
Coal under development	-	-
	629.32	391.10
Less : Provision	-	-
A Stock of Coal (Net)	629.32	391.10
Stock of Stores & Spare Parts**	340.70	304.82
Stores -in -transit	71.76	75.25
	412.46	380.07
Less : Provision***	43.41	43.23
B Net Stock of Stores & Spare Parts	369.05	336.84
C Workshop Jobs :		
Work-in-progress and Finished Goods		
Less : Provision		
Net Stock of Workshop Jobs	-	-
D Press :		
Work-in-Progress and Finished Goods	-	-
E Stock of Medicine at Central Hospital	0.02	0.03
F Prospecting & Boring/ Development Exp./ Coal blocks meant for sale	-	-
Total (A to F)	998.39	727.97

* Stocks of coal are valued separately for each mine at cost or net realizable value (prevailing as on 31st March, 2013) whichever is lower. Net realisable value of stock of coal at the year end has been arrived at on the basis of average net realisable value for the last quarter ended on 31.03.2013.

** The Closing Stock of Stores & Spare Parts at Central and Area Stores have been considered in the accounts after making necessary provisions as regards Obsolete and non-moving items for more than 5 years.

*** A total provision of Rs. 43.41 Crores (As at 31.03.2012 Rs. 43.23 Crores) made for stores and spares which includes for unmoved stores & spares Rs. 20.43 Crores (As at 31.03.2012 Rs. 20.05 Crores) for more than 5 years and Rs. 19.19 Crores (As at 31.03.2012 Rs. 20.10 Crores) for obsolete/ damaged/unserviceable items of stores, Rs. 1.81 crores (As at 31.03.2012 Rs. 1.66 Crores) of Stores-in-transit and Rs. 1.42 crores (As at 31.03.2012 Rs. 1.42 Crores) on account of shortage of stores upto 31.03.2013, made in accordance with Accounting Policy of the company, is considered adequate.

NOTES TO BALANCE SHEET

ANNEXURE TO NOTE - 15

(Qty in lakh tonnes) (Value in crore Rs.)

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

	OVERALL STOCK		NON-VENDABLE STOCK		VENDABLE STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening stock as on 01.04.12						
(B) Adjustment in Opening Stock	68.43	391.10	-	-	68.43	391.10
2. Production for the year	700.21	8,786.36	-	-	700.21	8,786.36
3. Sub-Total (1+2)	768.64	9,177.46	-	-	768.64	9,177.46
4. Off- Take for the year :						
(A) Outside Despatch	630.64	8,202.41	-	-	630.64	8,202.41
(B) Coal feed to Washeries	42.21	345.73	-	-	42.21	345.73
(C) Own Consumption	-	-	-	-	-	-
TOTAL(A)	672.85	8,548.14	-	-	672.85	8,548.14
5. Derived Stock	95.79	629.32	-	-	95.79	629.32
6. Measured Stock	93.84	616.51	-	-	93.84	616.51
7. Difference (5-6)	1.95	12.81	-	-	1.95	12.81
8. Break-up of Difference:						
(A) Excess within 5%	-	-	-	-	-	-
(B) Shortage within 5%	1.95	12.81	-	-	1.95	12.81
(C) Excess beyond 5%	-	-	-	-	-	-
(D) Shortage beyond 5%	-	-	-	-	-	-
9. Closing stock adopted in A/c	95.79	629.32	-	-	95.79	629.32

Table-B
Summary of Closing Stock of Coal

	Raw Coa				Washed / Deshaled Coal				Other Products		Total	
	Coking		Non-Coking		Coking		Non-Coking		Qty	Value	Qty	Value
	Qty	Value	Qty	Value	Qty	Value	Qty	Value				
Opening Stock (Audited)	-	-	68.43	391.10	-	-	-	-	-	-	68.43	391.10
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	68.43	391.10	-	-	-	-	-	-	68.43	391.10
Production	-	-	700.21	8,786.36	-	-	-	-	-	-	700.21	7,786.36
Offtake*:												
(A) Outside Despatch	-	-	(630.64)	(8,202.41)	-	-	(39.57)	(529.30)	-	-	(670.21)	(8,731.71)
(B) Coal feed to Washeries	-	-	(42.21)	(345.73)	-	-	42.21	345.73	-	-	-	-
(C) Own Consumption	-	-	-	-	-	-	-	-	-	-	-	-
Closing Stock **	-	-	95.79	629.32	-	-	2.64	-	-	-	98.43	629.32
Less: Shortage	-	-	-	-	-	-	2.64	-	-	-	2.64	-
Closing Stock **	-	-	95.79	629.32	-	-	-	-	-	-	95.79	629.32

* Offtake includes outside despatch, Coal feed to washeries & own consumption.

** Excluding non-vendable Stock

NOTES TO BALANCE SHEET

Note - 16

TRADE RECEIVABLE

	As at 31-03-2013	<i>(Rs. in Crores)</i> As at 31-03-2012
Debts outstanding for a period exceeding six months from the due date		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	3.07	3.80
	3.07	3.80
Less : Provision for bad & doubtful trade receivable*	3.07	3.80
	-	-
 Other Debts		
- Secured considered good	-	-
- Unsecured considered good	1,738.21	425.70
- Doubtful	-	96.64
	1,738.21	522.34
Less : Provision for bad & doubtful trade receivable*	-	96.64
	1,738.21	425.70
 Total	1,738.21	425.70

Note:

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Due by the Companies in which directors of the company is also a director/ member				
- Coal India Limited, the holding company	0.08	0.08	0.08	0.08
Due by the parties in which the Director(s) of company is /are interested	-	-	-	-

Total provision of Rs. 3.07 Crores for Bad & Doubtful Debts is considered adequate (As at 31.03.2012 Rs. 100.44 Crores), after written back of Rs. 97.37 crores (Prev. Year Rs. 1.46 crores) debts of NTPC.

No Provision has been made against the unrealised sale value in respect of Coal supplied to NTPC amounting Rs. 1012.90 crores as it is less than 6 months old as on 31.03.2013 and the same is realisable from them.

NOTES TO BALANCE SHEET

Note - 17

CASH & BANK BALANCE

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
Cash & Cash Equivalents		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity upto 3 months	2,255.00	2,055.01
- In Current Accounts*	275.43	136.06
- In Cash Credit Accounts	-	-
Balances with Non - Scheduled Banks	-	-
Remittance - in transit	-	-
Cheques, Drafts and Stamps on hand	-	-
Cash in hand	0.02	0.01
Other Bank Balances		
Balances with Scheduled Banks		
- In Deposit Accounts with maturity between 3-12 months**	5,902.32	6,547.22
- In Deposit maturing in more than 12 months	-	-
Deposit with Scheduled Banks under Mine Closure Plan Scheme	-	-
Total	8,432.77	8,738.30
Maximum amount outstanding with Banks other than Scheduled Banks at any time during the year	-	-

Note:

* Includes Rs. 19.21 crores (Prev. Year Rs. 68.75 crores) in sweep account with Banks.

** Deposit with Banks includes fixed deposit of Rs. 1.42 cr (P/y Rs. 1.22 crores) pledged with Bank as margin money for B. G. Interest accrued thereon is Rs. 0.09 crores.

** Deposits with Bank also includes Rs. 6.76 crores (P/y Rs. 6.20 crores) deposited to Hon'ble District Court, Singrauli (Waidhan) vide order dated 24.07.2011 till the decision of execution case no 15/2010 (M/s Alind v/s NCL) and Rs. 4.13 Crores (P/y Rs. 3.55 crores) as per the order of Hon'ble High Court, Kolkata, has been kept in separate interest bearing account .

Interest accrued on these deposit are Rs. 0.44 Crores & Rs. 0.11 Crores respectively.

NOTES TO BALANCE SHEET

Note - 18

SHORT TERM LOANS & ADVANCES

(Rs. in Crores)

	<u>As at 31-03-2013</u>	<u>As at 31-03-2012</u>
LOANS		
ADVANCE		
(Recoverable in cash or in kind or for value to be received)		
ADVANCE TO SUPPLIERS		
For Revenue		
- Secured considered good	-	-
- Unsecured considered good	4.94	10.38
- Doubtful	1.07	0.89
	6.01	11.27
Less : Provision for Bad & Doubtful Advances*	1.07	0.89
Sub total	4.94	10.38
ADVANCE PAYMENT OF STATUTORY DUES		
Excise Duty		
- Secured considered good	-	-
- Unsecured considered good	23.64	18.38
- Doubtful	23.64	18.38
	-	-
Less : Provision for Bad & Doubtful Advances*	-	-
Sub total	23.64	18.38
Advance Income Tax / Tax Deducted at Source	1,756.74	1,581.68
Less : Provision for Income Tax	1,726.00	1,530.62
Sub total	30.74	51.06
Others		
- Secured considered good		
- Unsecured considered good	0.02	0.02
- Doubtful	-	-
	0.02	0.02
Less : Provision for Bad & Doubtful Advances*	-	-
Sub total	0.02	0.02
ADVANCE TO EMPLOYEES		
- Secured considered good	-	-
- Unsecured considered good	1.64	6.35
- Doubtful	0.00	0.04
	1.64	6.39
Less : Provision for Bad & Doubtful Advances*	0.00	0.04
Sub total	1.64	6.35
Current Account with Coal India Limited (Holding Co.) & other Subsidiaries of Coal India Limited	2.13	0.03
Sub total	2.13	0.03

Continued...

NOTES TO BALANCE SHEET

Note - 18

SHORT TERM LOANS & ADVANCES

(Rs. in Crores)

	As at 31-03-2013	As at 31-03-2012
Claims Receivables		
- Secured considered good	-	-
- Unsecured considered good	2.03	3.98
- Doubtful	3.05	2.51
	5.08	6.49
Less : Provision for Bad & Doubtful Advances*	3.05	2.51
Sub total	2.03	3.98
Prepaid Expenses	0.25	1.81
TOTAL	65.39	92.01

Note:

	CLOSING BALANCE		MAXIMUM AMOUNT DUE AT ANY TIME DURING	
	CURRENT PERIOD	PREVIOUS YEAR	CURRENT PERIOD	PREVIOUS YEAR
Due by the Companies in which directors of the company is also a director/ member				
Coal India Limited (Holding Co.)& other Subsidiaries of Coal India Limited	2.13	0.03	67.22	56.22
Due by the parties in which the Director(s) of company is /are interested	-	-	-	-

* Total Provision of Rs. 4.12 crores (as on 31.03.2012 Rs. 3.44 crores), as on 31.03.2013 on account of Doubtful Loans & Advances is considered adequate.

NOTES TO BALANCE SHEET

Note -19

OTHER CURRENT ASSETS

	As at 31-03-2013	(Rs. in Crores) As at 31-03-2012
Interest Accrued		
- Investment	1.70	2.20
- Deposit with Banks	407.01	350.26
- Others	-	-
Sub Total	408.71	352.46
Ex Owner's Account	-	-
Other Advances		
- Secured considered good		
- Unsecured considered good@	18.04	1.32
- Doubtful	0.55	2.11
	18.59	3.43
Less: Provision for Bad & Doubtful Advances\$	0.55	2.11
Sub Total	18.04	1.32
DEPOSITS		
Deposit for Customs Duty, Port Charges etc.	-	-
Deposit with Coal India Limited*	2,186.72	2,073.94
Deposit for Royalty, Cess & Sales Tax	-	-
Less: Provision	-	-
Sub Total	2,186.72	2,073.94
Others (Deposit under Protest)**	292.77	96.08
Less: Provision for Doubtful Deposits\$	2.07	2.07
Sub Total	290.70	94.01
Amount Receivable from Govt of India for transactions on behalf of Ex-Coal Board	-	-
Other Receivables		
VAT & CENVAT Receivable	89.66	51.51
Rent & Electricity Receivable	2.64	2.01
	92.30	53.52
Less: Provision for Doubtful Recievable\$	31.56	24.39
Sub Total	60.74	29.13
TOTAL	2,964.91	2,550.85

@ Of the total actuarial liability of Rs. 617.94 crores and outstanding gratuity liability of Rs. 7.45 crores has been net-off with Rs. 635.15 crores deposited with LIC (Prev. year Rs. 350.00 crores) which includes interest amounting to Rs. 44.62 crores @9.55% & 9.5% on O.B. (net of Insurance expenses of Rs. 2.73 crores expenses) that has been accounted for on accrual basis.

* Includes Rs. 965.22 crores (Prev. year Rs. 965.22 crores) being funds given to CIL on which no Interest has been considered, as these funds were transferred by CIL to ECL & BCCL for specific purpose as Interest free advance.

** Commercial Tax Department of M.P. and UP has raised a demand of Rs. 474.65 Crores (As at 31.03.2012 Rs. 409.30 Crores) till 31.03.2013 for Sales Tax & Entry Tax, against which appeal has been filed and Rs. 94.65 Crores (As at 31.03.2012 Rs. 73.37 Crores) has been deposited under protest. However, the claim of Rs. 474.65 Crores has been shown as Contingent Liability. A provision of Rs. 2.07 crore has been made against the same.

** Singrauli Municipal Authority has claimed licence and composite fees for construction of building of Rs. 9.87 Crores during 1999-2000 against which an amount of Rs. 6.00 Crores has been deposited under protest in 2002-03. The matter is pending before Hon'ble Supreme Court. However, the claim of Rs. 9.87 Crores has been shown as Contingent Liability.

** Govt. of Madhya Pradesh has claimed Land Revenue Premium for an amount of Rs. 117.05 Crores against which an amount of Rs. 3.00 Crores has been deposited under protest to Hon'ble High Court Jabalpur during the year 2004-05. However, the claim of Rs. 117.05 Crores has been shown as Contingent Liability. The matter is pending before the Hon'ble High Court, Jabalpur.

** Commissioner of Income tax, Jabalpur has demanded Rs. 13.12 crores gainst adhoc provion of NCWA VII during A/Y 2002-03 & 2003-04 & on account of interest income on parking of surplus fund with CIL for A/Y 2002-03 against which an amount of Rs. 13.12 has been deposited with Income tax department under protest as the matter is pending before Hon'ble High Court, Jabalpur. Furthermore, Assistant Commissioner of Income Tax, Jabalpur has demanded Rs. 1004.13 crores at the time of assessment under section 143(3) for Assessment year 2010-11 by disallowing various expenses, against which an amount of Rs. 175.41 crores has been deposited with Income Tax deptt. under protest as the matter is pending before Commissioner of Income Tax (Appeals), Jabalpur.

\$ Total Provision of Rs. 34.18 crores (as on 31.03.2012 Rs. 28.57 crores), as on 31.03.2013 on account of Doubtful Loans & Advances is considered adequate.

NOTES TO PROFIT & LOSS ACCOUNT

Note- 20

REVENUE FROM OPERATIONS

(Rs. in Crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Sales of Coal*	11,616.11	10,176.94
Less: Excise Duty	628.22	465.23
Less : Other Levies		
Royalty	1,081.89	805.73
Cess on Coal	13.16	14.42
Stowing Excise Duty	67.29	63.85
Central Sales Tax	98.79	106.62
Clean Energy Cess	336.43	319.24
State Sales Tax/ VAT	273.06	214.92
Others Levies	385.56	270.41
TOTAL LEVIES	2,884.40	2,260.42
Revenue From Operations (NET SALES)	8,731.71	7,916.52

* Includes Incentive from customers Rs. 206.85 crores (Prev. Year Rs. 109.75 crores)

NOTES TO PROFIT & LOSS ACCOUNT

Note - 21

OTHER INCOME

	For the Year ended 31.03.2013	(Rs. in crores) For the Year ended 31.03.2012
Income From Long Term Investments		
Dividend from Joint Ventures	-	-
Interest from:		
Government Securities (8.5% Tax Free Special Bonds)*	2.68	3.66
Income From Current Investments		
Dividend from Mutual Fund Investments	-	-
Interest from:		
Government Securities (8.5% Tax Free Special Bonds)*	0.97	0.97
Income From Others		
Interest (Gross)		
(TDS Rs. 103.91 Crores, Previous year Rs. 100.93 Crores)		
From Deposit with Banks	929.65	866.19
From Loans and Advances to Employees	0.72	1.09
From Income Tax Refunds	-	14.17
From Parking of Surplus Fund with Coal India Ltd	114.28	113.54
Others	2.21	1.61
Subsidy for Sand Stowing & Protective Works	-	-
Recovery of Transportation & Loading Cost	157.89	179.91
Profit on Sale of Assets	-	0.12
Gain on Foreign exchange Transactions	-	-
Exchange Rate Variance	-	-
Lease Rent	2.20	2.15
Other Non Operating Income	44.09	32.50
TOTAL	1,254.69	1,215.91

* In terms of the Scheme of Securitisation, one-time settlement against past dues of UPSEB as on 30.09.2001 has been made by executing an agreement. Accordingly 8.5% Tax Free Govt. of U.P. Special Bond amounting to Rs. 114.56 Crores have been issued which are to be redeemed over a period of 15 years in 20 equal six monthly installments commencing from 01.10.2006. Interest on these bonds is receivable semi-annually.

NOTES TO PROFIT & LOSS ACCOUNT

Note - 22

COST OF MATERIAL CONSUMED

(Rs. in crores)

	<u>For the Year ended 31.03.2013</u>	<u>For the Year ended 31.03.2012</u>
Explosives	311.96	245.33
Timber	-	-
P O L	571.11	486.73
HEMM Spares*	368.96	391.58
Other Consumable Stores & Spares	127.13	146.82
TOTAL	<u>1,379.16</u>	<u>1,270.46</u>

* Refer Note-34, Additional Notes on Accounts point - 2.

NOTES TO PROFIT & LOSS ACCOUNT

Note - 23

CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
FINISHED GOODS		
Opening Stock of Coal	391.10	199.81
Add: Adjustment of opening stock		
Less: Deterioration of Coal	-	-
	391.10	199.81
Less: Closing Stock of Coal	629.32	391.10
Less: Deterioration of Coal/Coke	-	-
	629.32	391.10
A) Change in Inventory of Coal	(238.22)	(191.29)
Opening Stock of Workshop made finished goods and WIP	-	-
Less: Provision	-	-
	-	-
	-	-
Less: Closing Stock of Workshop made finished goods and WIP	-	-
Less: Provision	-	-
	-	-
	-	-
B) Change in Inventory of workshop	-	-
Change in Inventory of Stock in trade (A+B) {Decretion / [Accretion]}	(238.22)	(191.29)

NOTES TO PROFIT & LOSS ACCOUNT

Note - 24

EMPLOYEE BENEFIT EXPENSES

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Salary, Wages, Allowances & Benefits	1,072.20	950.99
Ex-gratia*	51.93	35.63
PRP**	48.48	4.39
Contribution to P.F. & Other Funds	150.42	132.35
Gratuity	49.80	177.20
Leave Encashment	45.36	63.50
VRS	-	-
Workmen Compensation	0.25	0.80
Medical Expenses	22.44	21.45
Grants to Schools & Institutions	7.25	14.07
Sports & Recreation	1.71	1.38
Canteen & Creche	0.83	0.81
Power - Township	63.09	54.74
Hire Charges of Bus, Ambulance etc.	3.82	2.17
Other Employee Benefits	82.29	41.77
TOTAL	1,599.87	1,501.25

* Rs. 51.93 Crores (Previous year Rs. 35.63 Crores) includes Provision of Rs. 37.75 crores which has been made during the year ended 31.03.2013 in respect of Ex-gratia to the Employees (Non-Executives) on the basis of Ex-gratia declared for the year 2011-2012 .

** Refer Note no. 09

Note – 25

WELFARE EXPENSES

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Medical Expenses for Retired Employees	10.38	2.27
CSR Expenses	17.64	9.25
Environmental Expenses	4.89	3.73
Tree Plantation	4.95	4.81
Other Welfare Expenses	2.03	2.28
TOTAL	39.89	22.34

NOTES TO PROFIT & LOSS ACCOUNT

Note - 26

REPAIRS

(Rs. in crores)

	<u>For the Year ended 31.03.2013</u>	<u>For the Year ended 31.03.2012</u>
Building	40.88	31.69
Plant & Machinery	120.19	90.62
Others	4.93	4.18
TOTAL	166.00	126.49

Note - 27

CONTRACTUAL EXPENSES

(Rs. in crores)

	<u>For the Year ended 31.03.2013</u>	<u>For the Year ended 31.03.2012</u>
Transportation Charges :		
- Sand	-	-
- Coal & Coke	85.53	65.53
- Stores & Others etc.	-	-
Wagon Loading	-	-
Hiring of P&M	680.93	659.47
Other Contractual Work	63.55	43.55
TOTAL	830.01	768.55

NOTES TO PROFIT & LOSS ACCOUNT

Note - 28

FINANCE COSTS

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
INTEREST EXPENSES		
Deferred Payments	-	-
Bank Overdraft / Cash Credit	-	-
Interest on IBRD & JBIC Loan *	10.94	10.84
CIL Fund Loan Interest	-	-
Others	0.06	0.22
TOTAL(A)	11.00	11.06
OTHER BORROWING COST		
Guarantee Fees on (IBRD & JBIC) Loan	9.20	11.02
Other Expenses / Bank Charges	0.06	0.05
TOTAL(B)	9.26	11.07
TOTAL (A+B)	20.26	22.13

* Includes Net exchange loss on foreign currency borrowings to the extent considered as an adjustment to interest cost Rs. 4.15 Crores (Previous Period Rs. 3.48 Crores)

NOTES TO PROFIT & LOSS ACCOUNT

Note - 29

PROVISIONS

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
(A) PROVISION MADE FOR		
Doubtful debts	-	96.64
Doubtful advances & Claims	7.33	8.57
Foreign exchange Transaction	-	-
Stores & Spares	1.01	1.16
Reclamation of Land/ Mine Closure Expenses	67.98	64.57
Surveyed of Fixed Assets/Capital WIP	0.61	0.02
Others	-	-
TOTAL (A)	76.93	170.96
(B) PROVISION WRITTEN BACK		
Doubtful debts	97.37	1.46
Doubtful advances & Claims	2.52	1.81
Foreign exchange Transaction	-	-
Stores & Spares	0.83	1.49
Reclamation of Land/ Mine Closure Expenses	27.36	4.11
Surveyed of Fixed Assets/Capital WIP	0.21	-
Others	-	0.01
TOTAL (B)	128.29	8.88
TOTAL (A-B)	(51.36)	162.08

Note - 30

WRITE OFF

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Doubtful debts	0.73	-
Doubtful advances	-	-
Others	-	-
TOTAL	0.73	-

NOTES TO PROFIT & LOSS ACCOUNT

Note - 31

OTHER EXPENDITURE

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Travelling expenses		
- Domestic	10.41	9.70
- Foreign	0.12	0.05
Training Expenses*	4.15	4.05
Telephone & Postage	4.18	3.27
Advertisement & Publicity	3.82	3.11
Freight Charges	0.78	0.36
Demurrage	-	0.11
Donation/ Subscription	-	-
Security Expenses	20.07	22.46
Service Charges of CIL**	35.01	33.25
Hire Charges	12.05	12.02
CMPDI Expenses	21.46	26.04
Legal Expenses	0.58	0.53
Bank Charges	0.05	0.08
Guest House Expenses	0.50	0.34
Consultancy Charges	0.03	0.16
Under Loading Charges	12.23	4.46
Loss on Sale/Discard/Surveyed of Assets	1.00	3.66
Auditor's Remuneration & Expenses		
- For Audit Fees	0.10	0.08
- For Taxation Matters	0.01	0.01
- For Company Law Matters	-	-
- For Management Services	-	-
- For Other Services	0.09	0.08
- For Reimbursement of Expenses	0.09	0.08
- For Cost Audit	0.05	-
Internal Audit & Other Management Expenses	0.88	0.93
Rehabilitation Charges***	40.35	38.16
Royalty & Cess on Coal	71.42	68.18
Central Excise Duty	33.18	24.39
Rent	0.01	0.23
Rates & Taxes	8.08	5.70
Insurance	0.73	0.45
Loss on Exchange Rate Variance****	-	1.83
Lease Rent	-	0.03
Rescue/Safety Expenses	7.85	9.21
Dead Rent/Surface Rent	-	-
Siding Maintenance charges	-	-
Land/Crops Compensation	-	-
Misc. Expenses	9.97	8.99
TOTAL	299.25	282.00

* As per advice received from Coal India Limited, Holding Company, training expenses @ Rs. 0.50 per tonne of production during the year ended on 31.03.2013 amounting to Rs. 3.50 Crores (Previous period Rs. 3.32 Crores), towards contribution to Indian Institute of Coal Management (IICM) has been included in Training Expenses.

** As per advice received from Coal India Limited, Holding Company, the service charges @ Rs. 5/- per tonne of production of Coal has been charged.

*** As per advice received from Coal India Limited, Holding Company, the rehabilitation charges @ Rs. 6/- per tonne of dispatch has been charged.

**** Refer Note-34, Additional Notes on Accounts point 2.

NOTES TO PROFIT & LOSS ACCOUNT

Note - 32

PRIOR PERIOD ADJUSTMENTS

(Rs. in crores)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
(A) Charges		
Consumption of Stores & Spares	(2.86)	(2.46)
Employees Remuneration & Benefits	1.21	0.13
Power & Fuel	-	-
Welfare Expenses	-	2.32
Repairs	(0.12)	-
Contractual Expenses	-	-
Other Expenditure	(11.08)	0.47
Interest and other financial charges	-	-
Depreciation	5.50	0.13
TOTAL (A)	(7.35)	0.59
(B) Income		
Sale of Coal & Coke	-	7.83
Stock of Coal & Coke	-	-
Other Income	(1.15)	(4.79)
TOTAL (B)	(1.15)	3.04
TOTAL (A-B)	(6.20)	(2.45)

NOTE – 33**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2013 AND STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****1.0 ACCOUNTING CONVENTION**

Financial statements are prepared under the historical cost convention and on accrual basis of accounting and going concern concept, in accordance with the generally accepted accounting principles in India and the relevant provisions of the Companies Act, 1956 including accounting standards notified there under, except otherwise stated.

2.0 SUBSIDIES/ GRANTS FROM GOVERNMENT

2.1 Subsidies / Grants on capital account are deducted from the cost of respective assets to which they relate. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

2.2 Subsidies / Grants on revenue account are credited to Statement of Profit & Loss under the head- Other Income and the relevant expenses are debited to the respective heads. The unspent amount at the Balance Sheet date, if any, is shown as current liabilities.

3.0 FIXED ASSETS**3.1 Land**

Value of land includes cost of acquisition and cash rehabilitation expenses and resettlement cost incurred for concerned displaced persons. Other expenditure incurred on acquisition of land viz. compensation in lieu of employment etc. are, however, treated as revenue expenditure.

3.2 Plant & Machinery

Plant & Machinery includes cost and expenses incurred for erection / installation and other attributable costs of bringing those assets to working conditions for their intended use.

3.3 Railway Siding

Pending commissioning, payments made to the railway authorities for construction of railway sidings are shown in Note 12 – “Long Term Loans & Advances” under Advances for Capital.

3.4 Development

Expenses net of income of the projects / mines under development are booked to Development Account and grouped under Capital Work-in-Progress till the projects/ mines are brought to revenue account. Except otherwise specifically stated in the project report to determine the commercial readiness of the project to yield production on a sustainable basis and completion of required development activity during the period of constructions, projects and mines under development are brought to revenue considering the following criteria:

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

is more than total expenses, -
Whichever event occurs first.

4.0 PROSPECTING & BORING AND OTHER DEVELOPMENT EXPENDITURE

The cost of exploration and other development expenditure incurred in one "Five year" plan period will be kept in Capital work-in-progress till the end of subsequent two "Five year" plan periods for formulation of projects, before it is written-off, except in the case of Blocks identified for sale or proposed to be sold to outside agency which will be kept in inventory till finalisation of sale.

5.0 INVESTMENTS

Current investments are valued at the lower of cost and fair value as at the Balance Sheet date.

Investments in mutual fund are considered as current investments.

Non-Current investments are valued at cost.

6.0 INVENTORIES

6.1 Book stock of coal / coke is considered in the accounts where the variance between book stock and measured stock is upto +/- 5% and in cases where the variance is beyond +/- 5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower.

6.1.1 Coal & coke fines are valued at lower of cost or net realisable value.

6.1.2 Slurry, middling of washeries and by products are valued at net realisable value.

6.2 Stores & Spares

6.2.1 The closing stock of stores and spare parts has been considered in the accounts as per balances appearing in priced stores ledger of the Central Stores and as per physically verified stores lying at the collieries/units.

6.2.2 Stock of stores & spare parts at central & area stores are valued at cost calculated on the basis of weighted average method. The year-end inventory of stores & spare parts lying at collieries/ sub-stores / drilling camps/ consuming centres, initially charged off, are valued at issue price of Area Stores, Cost / estimated cost. Workshop jobs including work-in-progress are valued at cost.

6.2.3 Stores & spare parts include loose tools.

6.2.4 Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and at the rate of 50% for stores & spares not moved for 5 years.

6.3 Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory.

7.0 DEPRECIATION

7.1. Depreciation on fixed assets is provided on straight line method at the rates and manner specified in Schedule XIV of the Companies Act, 1956 (as amended) except for telecommunication equipment and photocopying machine, which are charged at higher rates on the basis of their technically estimated life, as follows :-

Telecommunication equipment:-15.83% p.a. and 10.55% p.a.

Photocopying machine: - 10.55%p.a.

Depreciation on Earth Science Museum and high volume samplers and respiratory dust are charged @5.15% and 33.33% respectively on the basis of their technically estimated life.

Further, depreciation on certain equipments /HEMM is charged over the technically estimated life at higher rates viz. 11.88%; 13.57% and 15.83% as applicable.

Depreciation on SDL and LHD (equipments) are charged @19% p.a. and @15.83%

p.a. respectively on the basis of technical estimation.

Depreciation on the assets added / disposed off during the year is provided on pro-rata basis with reference to the month of addition / disposal, except on those assets attracting 100% depreciation p.a. (SLM basis), which are fully depreciated in the year of their addition. Assets attracting 100% depreciation are taken out from the Assets after expiry of two years following the year in which these are fully depreciated.

7.2 Value of land acquired under Coal Bearing Area (Acquisition & Development) Act, 1957 is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.

7.3 Prospecting, Boring and Development expenditure are amortised from the year when the mine is brought under revenue in 20 years or working life of the project whichever is less.

8.0 IMPAIRMENT OF ASSET

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

9.0 FOREIGN CURRENCY TRANSACTIONS

9.1 Balance of foreign currency transactions is translated at the rates prevailing on the Balance Sheet date and the corresponding effect is given in the respective accounts. Transactions completed during the period are adjusted on actual basis.

9.2 Transactions covered by cross currency swap options contracts to be settled on future dates are recognised at the rates prevailing on the Balance Sheet date, of the underlying foreign currency. Effects arising out of such contracts are taken into accounts on the date of settlement.

10.0 RETIREMENT BENEFITS/ OTHER EMPLOYEE BENEFITS

(a) **Defined contributions plans:** The company has defined contribution plans for payment of Provident Fund and Pension Fund benefits to its employees. Such Provident Fund and Pension Fund are maintained and operated by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the company is required to contribute a specified percentage of pay roll cost to the CMPF Authorities to fund the benefits.

(b) **Defined benefits plans:** The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on actuarial valuation basis by applying projected unit credit method. [Further the company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation.]**

(c) **Other employee benefits:** Further liability on the Balance Sheet date of certain other employee benefits viz. benefits on account of LTA/ LTC; Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Retired Executive Medical Benefit Scheme and compensation to dependants of deceased in mines accidents etc. are also valued on actuarial basis by applying projected unit credit method.

11.0 RECOGNITION OF INCOME AND EXPENDITURE

Income and Expenditure are generally recognised on accrual basis and provision is made for all known liabilities.

11.1 Sales

- (a) Revenue in respect of sales is recognised when the property in the goods with the risks and rewards of ownership are transferred to the buyer.
- (b) Sale of coal are net of statutory dues and accepted deduction made by customer on account of quality of coal.
- (c) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of uncertainty as assessed by management.

11.2 Dividend

Dividend income is recognised when right to receive is established.

12.0 BORROWING COSTS

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred.

13.0 TAXATION

Provision of current income tax is made in accordance with the Income Tax Act., 1961. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

14.0 PROVISION

A provision is recognised when an

enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

15.0 CONTINGENT LIABILITY

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations can not be made.

Contingent liabilities are not provided for in the accounts and are disclosed by way of Notes.

16.0 OVERBURDEN REMOVAL (OBR) EXPENSES

In open cast mines with rated capacity of one million tonnes per annum and above, cost of OBR is charged on technically evaluated average ratio (COAL:OB) at each mine with due adjustment for advance stripping and ratio-variance account after the mines are brought to revenue. Net of balances of advance stripping and ratio variance at the Balance Sheet date is shown as cost of removal of OB under the head Non - Current Assets/ Long Term Provisions as the case may be.

The reported quantity of overburden as per record is considered in calculating the ratio for OBR accounting where the variance between reported quantity and measured quantity is within the lower of

the two alternative permissible limits, as detailed hereunder:-

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

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

17.0 PRIOR PERIOD ADJUSTMENTS AND PREPAID EXPENSES

Income / expenditures relating to prior period and prepaid expenses, which do not exceed Rs. 0.10 Crore in each case, are treated as income / expenditure of current year.

NOTE – 34**ADDITIONAL NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2013 AND STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****1. BACKGROUND**

In accordance with the Government directives, the Assets and Liabilities of Singrauli Division of Central Coalfields Limited as on 1.4.1986 were taken over by the Company. The legal formalities for transfer of such Assets and Liabilities to the Company are yet to be completed.

2. BORROWINGS

International Bank for Reconstruction and Development (IBRD) and Japan Bank of International Co-operation (JBIC) (erstwhile Export and Import Bank of Japan) had sanctioned a loan of USD 142.165 million and Yen equivalent to USD 142.165 million respectively to the company to finance Coal Sector Rehabilitation Project (CSRP) of the company, in the year 1998-99. Five projects of the company i.e. Jayant, Dudhichua, Nigahi, Bina and Jhingurda were covered under the scheme. The long-term/short term liability of IBRD/JBIC has been decreased by Rs. 2.08 Crores (Previous year increased by Rs. 103.16 Crores) due to fluctuation in foreign exchange rate (Refer Note-3 & 8). Out of the said amount of Rs. 2.08 Crores (Previous year Rs. 103.16 Crores), Rs. 0.20 Crores (Previous year Rs. 11.50 Crores debited) has been credited to Stores Consumption (Note 22), NIL (Previous year Rs. 1.83 Crores) has been debited to Loss on Exchange Rate Variance (Note 31) and Rs. 1.88 Crores (Previous year Rs. 89.83 Crores debited) has been credited to Fixed Assets (Note 10A). During the year, IBRD loan amounting to Rs. 51.67 Crores (9.56 million USD) and JBIC Loan amounting

to Rs. 68.72 crores (1075.21 million JPY) has been repaid (Refer Note-3, Note 8 and Note 31).

3. COMPLIANCE WITH OTHER ACCOUNTING STANDARDS

AS-15 – “Accounting for Retirement Benefits”: The Company has adopted AS 15 (Revised) – Employee benefits with effect from 1st April, 2007, as under.

- (1) **Short-term employee benefits:** The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.
- (2) **Post-employment benefits:** The Company operates defined contribution plans pertaining to Coal Mines Provident Fund schemes for all employees.
- (3) **Other long-term employee benefits:** Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick Leave can only be availed during service period while annual leave can either be availed or encashed subject to leave rules of the Company. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefits Method with actuarial valuations being carried out at each Balance Sheet date.
- (4) **Terminal benefits:** VRS benefits are recognized in the books in the year of occurrence.

DETAILS OF GRATUITY, LEAVE ENCASHMENT AND OTHER EMPLOYEE BENEFITS:

(Rs. In Crores)

PARTICULARS	GRATUITY (FUNDED)	LEAVE ENCASHMENT (UNFUNDED)	OTHER EMPLOYEE BENEFIT (UNFUNDED)
Actuarial Valuation as on 31.03.2013	617.95	194.80	104.46
Actuarial Valuation as on 31.03.2012	570.43	182.71	46.09
Net Incremental Liability for Current period	47.52	12.09	58.37

- Other Employee Benefit includes LLTC/ LTA, Life Cover, Settlement Allowance & Accidental Insurance, Fatal Mine Accidental Benefit and Post-Retirement Medical Benefit.
- Liabilities for employee benefit i.e. Ex-gratia in lieu of employment on death in harness for employees; have not been provided for as the amount is not ascertainable.

The following disclosures are made in accordance with AS-15 (Revised) pertaining to the Gratuity (Funded Plan):

Table 1: Disclosure Item 120 (c)**Table Showing Changes in Present Value of Obligations:**

(Rs. In Crores)

Particulars	As at 31.03.2013	As at 31.03.2012
Present Value of Obligation at Beginning of year	570.43	423.50
Interest Cost	43.87	32.67
Current Service Cost	29.69	26.37
Benefits Paid	44.17	30.27
Actuarial gain/loss on Obligations	18.13	118.16
Present Value of Obligation at end of Year	617.95	570.43

Table 2: Disclosure Item 120 (e)**Table Showing Changes in Fair Value of Plan Assets:**

(Rs. In Crores)

Particulars	As at 31.03.2013	As at 31.03.2012
Fair Value of Plan Asset at Beginning of year	350.00	NIL
Acquisition Adjustment	NIL	NIL
Expected Return on Plan Asset	28.00	NIL
Contributions	287.43	380.28
Benefits Paid	44.17	30.27
Actuarial gain/ loss on Plan Asset	13.89	NIL
Fair Value of Plan Asset at End of year	635.15	350.01

Table 3: Disclosure Item 120 (f)**Table showing Funded Status**

(Rs. In Crores)

Particulars	As at 31.03.2013	As at 31.03.2012
Present Value of Obligation at end year	617.94	570.43
Fair Value of Plan Asset at end year	635.15	350.01
Funded Status	17.20	(220.42)
Unrecognized actuarial gain/ loss at end of the year	NIL	NIL
Net Asset (Liability) Recognized in Balance Sheet	17.20	(220.42)

Table 4: Disclosure Item 120 (g)**Table showing Expense Recognised in Statement of Profit and Loss:**

(Rs. In Crores)

Particulars	As at 31.03.2013	As at 31.03.2012
Current Service Cost	29.69	26.37
Past Service Cost	NIL	NIL
Interest Cost	43.87	32.67
Expected Return on Plan Asset	28.00	NIL
Curtailment Cost	NIL	NIL
Settlement Cost	NIL	NIL
Actuarial gain/loss recognized in the year	4.24	118.16
Expense Recognised in Statement of Profit/Loss	49.80	177.20

Table 5: Disclosure Item 120 (l)**Table showing Actuarial Assumptions**

Particulars	As at 31.03.2013	As at 31.03.2012
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 PER THOUSAND P.A.	10 PER THOUSAND P.A.
	6 above age 45	6 above age 45
	3 between 29 and 45	3 between 29 and 45
	1 below age 29	1 below age 29
Discount Rate	8.00	8.00
Inflation Rate	6.25	6.25
Return on Asset	8.00	8.50
Remaining Working Life	11	10
FORMULA USED	PROJECTED UNIT CREDIT METHOD	PROJECTED UNIT CREDIT METHOD

Table 6: Disclosure Item 120 (p)**Movements in the Liability Recognised in Balance Sheet***(Rs. In Crores)*

Particulars	As at 31.03.2013	As at 31.03.2012
Opening Net Liability	220.43	423.50
Expenses as above	49.80	177.20
Contributions	287.43	380.28
Closing Net Liability	(17.20)	220.42
Closing Fund/Provision at end of Year	617.95	570.43

The following disclosures are made in accordance with **AS-15 (Revised)** pertaining to the **Leave Encashment Benefit (EL/HPL) (Unfunded Plan)**:

Table 1: Disclosure Item 120 (c)**Table Showing Changes in Present Value of Obligations***(Rs. In Crores)*

Particulars	As at 31.03.2013	As at 31.03.2012
Present Value of Obligation at Beginning of year	182.71	140.52
Interest Cost	13.29	10.39
Current Service Cost	26.60	45.92
Benefits Paid	33.27	21.30
Actuarial gain/loss on Obligations	5.48	7.18
Present Value of Obligation at end of Year	194.80	182.71

Table 2: Disclosure Item 120 (g)**Table showing Expense Recognised in Statement of Profit/Loss***(Rs. In Crores)*

Particulars	As at 31.03.2013	As at 31.03.2012
Current Service Cost	26.60	45.92
Interest Cost	13.29	10.39
Actuarial gain/loss recognized in the year	5.48	7.18
Expense Recognised in Statement of Profit/Loss	45.36	63.49

Table 3: Disclosure Item 120 (l):**Table showing Actuarial Assumptions**

Particulars	As at 31.03.2013	As at 31.03.2012
Mortality Table	LICI 1994-1996	LICI 1994-1996
Superannuation Age	60	60
Early Retirement & Disablement	10 PER THOUSAND P.A.	10 PER THOUSAND P.A.
	6 above age 45	6 above age 45
	3 between 29 and 45	3 between 29 and 45
	1 below age 29	1 below age 29
Discount Rate	8.00	8.00
Inflation Rate	6.25	6.25
Return on Asset	-	-
Remaining Working Life	11	10
FORMULA USED	PROJECTED UNIT CREDIT METHOD	PROJECTED UNIT CREDIT METHOD

Table 4: Disclosure Item 120 (p)**Movements in the Liability Recognised in
Balance Sheet***(Rs. In Crores)*

Particulars	As at 31.03.2013	As at 31.03.2012
Expenses as above	45.36	63.49
Closing Net Liability	45.36	63.49
Closing Fund/Provision at end of Year	194.80	182.71

AS-17 – “Segment Reporting”: The Company is primarily engaged in a single segment business of production and sale of Coal. There is no other reportable primary segment identifiable in accordance with AS-17.

AS-18 – “Related Party Disclosure”: In view of the exemption granted to state controlled enterprises as regards related party relationship with other state controlled enterprises and transactions with such enterprises; no disclosure under the AS-18 is required.

Directors’ Remuneration:*(Rs. In Crores)*

Particulars	Chairman-cum- Managing Director		Functional Directors		Part time Non Official Directors	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Salary & Allowance	0.21	0.19	0.75	0.56	-	-
PRP	0.08	0.19	0.16	0.38	-	-
Provident Fund	0.02	0.02	0.08	0.07	-	-
Perquisites	-	0.02	0.07	0.15	-	-
Retirement Benefits	-	-	0.10	0.10	-	-
Sitting fees	-	-	-	-	0.08	0.07

AS-22 – “Accounting for Taxes on Income”:

The details of deferred tax asset and liabilities are as under -

(Rs. In Crores)

Deferred Tax Liability	As on 31.03.2013	As on 31.03.2012
Related to Fixed Assets	154.10	160.44
Related to Development Expenses	58.17	62.87
Total	212.27	223.31

Deferred Tax Assets	As on 31.03.2013	As on 31.03.2012
Related to Disallowances under I.T Act 1961	153.66	277.18
Related to Provision for current assets/loans & advances/fixed assets/others	96.18	62.82
Total	249.84	340.00
Deferred tax Assets/ Liabilities (Net)	37.57	116.69

AS-28 – “Impairment of Assets”: In the opinion of the management, there are no external circumstances indicating impairment loss of cash generating units.

AS-29 – “Provisions, Contingent Liabilities and Contingent Assets”: The position of the various Provisions as on 31.03.2013 is given below.

(Rs. In Crores)

Provisions	Opening Balance as on 01.04.2012	Addition during the period	Write back/ Adj. /Pymt. During the period	Closing Balance as on 31.03.2013
For Proposed Dividend	662.05	1609.28	1662.05	609.28
For Corporate Dividend Tax	107.40	261.07	269.63	98.84
For Gratuity	570.43	49.80	2.28	617.95
For Leave Encashment	182.71	45.36	33.27	194.80
For Other Employee Benefits	46.09	92.67	34.30	104.46
For Income Tax	-	1726.00	1726.00	-
Wealth Tax	0.80	1.00	0.80	1.00
PPLB (Ex gratia)	30.11	51.93	41.22	40.82
Performance Related Pay	89.65	48.48	20.00	118.13
Excise Duty on Closing Stock of Coal	42.36	74.89	42.36	74.89
OBR Adjustment Account	2667.40	999.55	-	3666.95
Mine Closure Expense	171.21	67.98	27.36	211.83
Bad & Doubtful debts	100.44	-	97.37	3.07
Provision for Doubtful Advances & Other current/ non current assets	34.31	7.33	2.52	39.12
CWIP	0.45	0.61	0.20	0.86
Surveyed off F/Assets	15.15	-	-	15.15
Other Provisions-Fixed Assets	0.13	-	0.01	0.12
Stock of Store & Spares	43.23	1.01	0.83	43.41

Contingent Liabilities and Commitments (to the extent not provided for)

- (i) Estimated amount of contract remaining to be executed on Capital account and not provided for amounting to Rs. 416.14 Crores (Previous year Rs. 585.58 Crores) and on Revenue account and not provided for amounting to Rs. 1437.21 Crores (Previous year Rs. 1,403.04 Crores)
- (ii) Claims against the Company not acknowledged as debts as under.

(Rs. In Crores)

	As on 31.03.2013	As on 31.03.2012
Sales Tax & Entry Tax	474.65	409.30
Local Body Tax	138.72	138.26
Land Revenue	117.05	117.05
Contractual Works	81.86	62.00
Income Tax and FBT	1017.25	13.12
Claim of UPCCL (UPSEB)	2.07	2.07
Claim of UPRVUNL for Incentives	24.05	24.05
MPGATSVA & Sales Tax thereon*	53.68	51.94
Service Tax, Interest and Penalty.	2.76	2.54
Others**	9.80	13.30
Total	1921.89	833.63

* MPGATSVA on sale of Coal has not been collected from M/s. Hindalco Industries Ltd. And M/s. Renusagar Power Company Ltd. after the stay obtained by the respective parties from Hon'ble Supreme Court. The amount not collected on this account amounts to Rs. 53.68 Crores upto 31.03.2013 has been shown as Contingent Liability.

** SSADA Cess on sale of Coal has not been collected from few parties after the stay obtained by the respective parties from Hon'ble High court, Allahabad. The amount not collected on this account amounts to Rs. 2.99 Crores upto 31.03.2013 (As at 31.03.2012 Rs. 2.99 Crores) has been shown as Contingent Liability.

4. SIGNIFICANT ACCOUNTING POLICY

Significant Accounting Policy (Note-33) has been suitably modified/ redrafted over previous year, as found necessary to elucidate the accounting policies adopted by the company.

- **Impact of Profit / Loss & Assets/ Liabilities due to change in Accounting Policy**

Pending commissioning, payment made to the Railway Authorities for construction of Railway Sidings are shown in Note 12 – “Long Term Loans & Advances” under Advances for Capital, while in previous year it was shown under “Capital Work in

Progress". However due to above change in accounting policy, there would be no impact on Profit/ Loss as well as Assets & Liabilities.

Income/ expenditure relating to prior period & prepaid expenses which do not exceed Rs. 0.10 crore in each case are treated as Income/ expenditure of current year, while in previous year Income/ expenses in excess of Rs. 0.05 crores in each case of prior period items was shown as current year income/expenses.

Due to this change in accounting policy, profit for the current year is understated by Rs. 1.05 crores and Short term loans & advances as on 31.03.2013 is decreased by Rs. 1.05 crores.

5. GENERAL

(A) The Company has executed collateral security by creating hypothecation charge over its present and future current assets comprising of Book Debts, Stock of Raw Materials, Semi Finished and Finished Goods, Stores & Spares not relating to Plant & Machinery (Consumable Store & Spares) for a sum of Rs. 165.00 Crores (Previous year Rs. 165.00 Crores) for working capital facility drawn and to be drawn by Coal India Ltd., from the State Bank of India Consortium Banks.

(B) A sum of Rs. 4.82 crores are kept in the Company's custody as Securities by way of deposits in the form of Fixed Deposit Receipt and National Savings Certificate received from the suppliers, contractors etc. However, the securities encashed upto 31.03.2013 for Rs. 0.11 Crores (Previous year Rs. 0.11 Crores) have been shown as deposits.

Further, Bank Guarantees worth Rs. 911.19 crores have also taken from suppliers & contractors on account of execution of works/ supply etc. which have not been accounted for.

(C) Micro and small enterprises under the Micro, Small and Medium Enterprises

Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

(Rs. in Crores)

		As on 31.03.13	As On 31.03.12
(a)	Principal amount remaining unpaid	0.97	0.75
(b)	Interest due thereon	-	-
(c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the nine months	-	-
(d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the nine months) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e)	Interest accrued and remaining unpaid	-	-
(f)	Further Interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise	-	-

(D) All current assets including loans and advances have realizable value in the ordinary course of business at least equal to the amount at which they are stated. Further adequate provision has also been made in respect of all known liabilities.

(E) Balance of Trade Receivable/ Creditors/ Suppliers/ Advances/ Deposits are subject to confirmation & subsequent reconciliation, if any. However, letters of confirmation have been sent to creditors/ suppliers on balances appeared in our books as on 31.12.2012, but confirmation from some of the creditors/ suppliers have not been received.

- (F) Basic Criteria for identifying the Current/ Non Current Assets/Liabilities:
1. An asset has been classified as current when it satisfies any of the following criteria:
 - (a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
 - (b) It is held primarily for the purpose of being traded;
 - (c) It is expected to be realized within twelve months after the reporting date; or
 - (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

All other assets have been classified as non-current.
 2. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Where the normal operating cycle can not be identified, it is assumed to have duration of 12 months.
 3. A liability has been classified as current when it satisfies any of the following criteria:
 - (a) It is expected to be settled in the company's normal operating cycle;
 - (b) It is held primarily for the purpose of being traded;
 - (c) It is due to be settled within twelve months after the reporting date; or
 - (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities have been classified as non-current.
- (G) **USE OF ESTIMATES** : In preparing the financial statements in conformity with accounting principles generally accepted in India, management is sometimes required to make estimates & assumptions that effect the reported amount of assets and liabilities and the disclosures of contingent liability as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results may differ from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.
- (H) Interest received on Income Tax Refunds are accounted for as & when refund orders are received from Income Tax Department.
- (I) Roads and Culverts situated in the residential / official areas are classified under "Buildings" and those in mining areas are classified under "Mines Development".
- (J) Buildings include cost of electrical fittings, water supply arrangements and sanitary fittings.
- (K) Departmental expenses are not capitalized on Fixed Assets except in cases of dragline and high capacity shovel on consideration of its materiality.
- (L) Gross block as well as depreciation on surveyed off assets are taken out of fixed assets and provision for depreciation respectively and residual value at 5% of Book Value are transferred to "Surveyed off Assets". The residual value and the estimated net realizable value, whichever is lower, is separately shown in Capital Work-in-Progress.

(M) The cost of room heaters, air-coolers, calculators and mobile phone sets is charged to Revenue as 'Office Contingent Expenses'. The cost of plastic chairs and plastic tables is charged to Revenue in the respective head of accounts.

(N) Computer Software are recognized at cost and shown as Intangible Assets in Fixed Assets Schedule and amortized in 3 years from the year in which it is put to use.

(O) Depreciation on General Electronics Communication/ Instrumentation Systems charged at the rate of 10.55%.

(P) The difference in exchange rates on account of principle amount of loan is capitalized except where the assets surveyed – off due to damage / fire which are charged to revenue. The difference in exchange rates on account of payment of interest is charged to revenue.

(Q) Capacity & Production:

(i)	Licensed Capacity	Not applicable
(ii)	Installed Capacity	Could not be assessed due to diversity.
(iii)	Production of Coal.	700.21 Lakh tons during year ended 31.03.2013 (Previous year 664.01 Lakh tons).
(iv)	Production of deshaled Coal. (Included in (iii) above)	39.57 Lakh tons during year ended 31.03.2013 (Previous year 36.650 Lakh tons).

(R) Earning in Foreign Exchange:

(Rs. In Crores)

Current period	Previous period
NIL	NIL

(S) Expenditure in Foreign Currency:

(Rs. In Crores)

S. No.	Particulars	For the year ended 31.03.2013	For the year ended 31.03.2012
(i)	C.I.F. Value of Imports:		
	Raw materials	-	-
	Components, Stores & Spare Parts	115.34	87.28
	Capital Goods	36.60	49.71
(ii)	Repayment of JBIC Loan	68.72	64.56
(iii)	Repayment of IBRD Loan	51.67	42.79
(iv)	Travelling Expenses	0.12	0.05
(vi)	Interest/Commitment/Agency charges etc. of IBRD/JBIC	10.96	10.90

(T) PREVIOUS PERIOD'S FIGURES:

Previous period's figures have been re-arranged/ re-grouped wherever considered necessary to make them comparable with those of current period.

Sd/-
(D.H.Lalwani)
Company Secretary

Sd/-
(J.C. Panda)
General Manager (Finance)

Sd/-
(A.K. Pandey)
Director (Finance)

Sd/-
(T. K. Lahiri)
Chairman-cum-Managing Director

In terms of our separate report of even date

For **Prakash & Santosh**
Chartered Accountants
Firm Regn. No. 00045

Sd/-
(CA. S.K. Gupta)
Partner
M. No. – 016304

**ADDENDUM TO DIRECTORS' REPORT
(UNDER SECTION 217(3) OF THE COMPANIES ACT)
AUDITORS' REPORT**

AUDITOR'S REPORT

MANAGEMENT'S REPLY

To

The Members of
Northern Coalfields Limited,
Singrauli

Report on the Financial Statements

We have audited the accompanying financial statement of Northern Coalfields Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the accounts of 6 Projects/Units audited by respective branch Auditors and 6 Projects/Units audited by us. The report of the Branch Auditors, as submitted, has been appropriately dealt with by us in preparing this report. Our opinion, in so far as it relates to the amounts included in financial statement, in respect of Projects/Units audited by Branch Auditors is based solely on their reports.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on

AUDITOR'S REPORT

MANAGEMENT'S REPLY

these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Report on Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of our examination of books and records of the company and test checks as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

AUDITOR'S REPORT

MANAGEMENT'S REPLY

2. Further to our comments in the Annexure, referred to in Paragraph 1, we report that;

I. NON CURRENT ASSETS (FIXED ASSETS)

(a) In accordance with the Government directives, the assets and liabilities of Singrauli division of Central Coalfields Limited as on 01.04.1986 were taken over at Net Value by the company. The legal formalities for transfer of such assets and liabilities to the Company are yet to be completed. (Refer Note No.1 of Additional Notes on Accounts - Note 34).

This is a statement of fact.

(b) Depreciation on additions/ disposed off have been calculated on monthly pro-rata basis instead of date wise pro-rata.

Refer Item No.7.1 of Accounting Policy (Note-33).

(c) A provision equivalent to depreciation of Rs. 0.86 Crores has been made in respect of assets (Capital WIP} which could not be put to use for more than 3 years from the date of purchase/acquisition/ construction. We are unable to comment on the adequacy or otherwise of such provision (Refer Foot note of Note of Note No.10 B).

(Refer Foot note of Note No.10(B) .

II. CURRENT AND NON CURRENT ASSETS (OTHER THAN FIXED ASSETS)

(A) **Loans & Advances and Other Current and Non Current Assets:** Provision of Rs. 39.12 crores have been made for Loans & Advances and Other Current Assets as on

(Refer Foot Note of Note No. 12, 18, 19).

AUDITOR'S REPORT**MANAGEMENT'S REPLY**

31st March, 2013. We are unable to comment upon the adequacy or otherwise of such provision. However, the same is considered adequate by the management. (Refer Foot Note of Note No. 12, 18 & 19.)

(B) INVENTORIES:

(a) Provision of Rs.20.43 Crores (Refer Foot Note of Note No. 15).

have been made in respect of stores and spare parts, unmoved for 5 years upto 31.03.2013. We are unable to comment on the adequacy or otherwise of such provision (Refer Foot Note of Note No. 15).

(b) Provision of Rs.19.19 Crores (Refer Foot Note of Note No. 15).

have been made in respect of obsolete/damaged/unserviceable stores and spare parts upto 31.03.2013. We are unable to comment on the adequacy or otherwise of such provision (Refer Foot Note of Note No.15).

III. LIABILITIES & PROVISIONS:

(a) Provisions of Rs.211.83 Crores (Refer Foot Note of Note No.- 5)

have been made for Mine Closure Expenses pursuant to Guidelines issued by Ministry of Coal. We are unable to comment on adequacy or otherwise of such provision(Refer Foot Note of Note No.- 5)

(b) Provision for Performance Related Pay (PRP) amounting to Rs.48.48 Crores has been made on estimated basis as per advice of Coal India Ltd(Refer Foot Note of Note - 9) This is statement of facts, calls for no comments separately.

AUDITOR'S REPORT**MANAGEMENT'S REPLY**

(c) Provision for Ex-gratia amounting to Rs.37.75 Crores has been made in accounts on the basis of ex-gratia declared in 2011-12 and as such it is on estimated basis(Refer Foot Note of Note No. -24)

This is statement of facts, calls for no comments separately.

IV. PROFIT & LOSS STATEMENT:

We have relied upon technical data submitted by the the management in respect of Advance Stripping, Coal Exposed, Over Burden Removal (OBR), Current and Average Ratio etc. in the matter of OB accounting including adjustments for substantial variation between Standard Ratio and Current Ratio of OBR. Since OBR calculation is a technical assessment, we are unable to express our opinion on adequacy or correctness of the same (Refer Note. No. 4).

(Refer Foot Note of Note 5)

V. ACCOUNTING POLICIES:

During the year Accounting Policy of the Company has been changed as regards Prior Period Income / Expenditure and Prepaid Expensed. Due to this change in accounting policy, profit for the year and Short Term Loans and Advances as on 31.03.2013is understated by Rs. 1.05 Crores. (Refer Note no.4 of Additional Notes on Accounts – Note 34.)

(Refer Note No 4 of Additional Notes on Accounts- Note 34)

VI. GENERAL

(a) Balances in Trade Receivables/ creditors/ suppliers / advances/ deposits are subject to confirmation/ reconciliation and subsequent adjustments, if any. (Refer Note no. 8(E) of Additional Notes on Accounts – Note 34).

(Refer note no.5(E) of Additional Notes on Accounts – Note 34.)

AUDITOR'S REPORT**MANAGEMENT'S REPLY**

(b) We are unable to comment on the loans initiated by Coal India Ltd. from the World Bank to finance Coal Sector Rehabilitation Project (CSR) and the impact of foreign exchange transaction on the balances lying in such loan accounts because the loans are existing at Coal India Ltd. and the assets have been accounted for at the company.

The Accounts of Coal India Ltd., the holding Company are audited by Statutory Auditors which covers the transactions of World Bank Loan as also the fluctuation of Exchange rate on the basis of which CIL, the holding Company raise the Advice to the subsidiaries and accordingly incorporated in the Accounts.

3. As required by section 227(3) of the Act, and subject to our remark in paragraph 2 above read together with "significant Accounting Policies" – Note 33 and "Additional Notes on Accounts" – Note 34, we report that :

- (a) We have 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the office not visited by us;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; except as stated in Significant Accounting Policies (Note 33) and Additional Notes on Accounts (Note 34).

AUDITOR'S REPORT

MANAGEMENT'S REPLY

- (e) Since the Central Government has not issued any notification as to the rate at which the Cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such Cess is to be paid, no cess is due and payable by the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For **Prakash & Santosh**
Chartered Accountants
ICAI Firm Reg. No.000454C

Sd/-
(CA. S.K.Gupta)
Partner
Membership No. 016304

Sd/-
(T.K.Lahiri)
Chairman-cum-Managing Director

Date: 18.05.2013
Place: Varanasi

**ADDENDUM TO DIRECTORS' REPORT
(UNDER SECTION 217(3) OF THE COMPANIES ACT) AUDITORS' REPORT
ANNEXURE TO AUDITOR'S REPORT**

Referred to in Paragraph (3) of our report of even date in respect of Northern Coalfields Limited, Singrauli as at 31st March, 2013

AUDITOR'S REPORT	MANAGEMENT'S REPLY
(i) (a) The company has maintained proper records showing full particulars including quantitative details and location of Fixed Assets in general. However, in the cases of furniture and fixtures, light fittings and office equipments, the same have not been specifically linked up with the Fixed Assets Register.	This is a statement of fact, calls for no comments separately.
(b) As explained to us, the physical verification of all items of fixed assets except overhead lines and underground cables have been carried out by the firms of Chartered Accountants and /or Cost Accountants during the year. In our opinion, the frequency of verifications of these assets is reasonable in relation to the size and operations of the company. No material discrepancies have been noticed by the management on such verification.	This is a statement of fact, calls for no comments separately.
(c) The company has not disposed off substantial part of fixed assets during the year, which would affect the going concern assumption of the Company.	This is a statement of fact, calls for no comments separately.
(ii) (a) The management has, at regular interval, conducted the physical verification of stock of coal. The physical verification of stock of coal has also been conducted at the end of the year by a team appointed by Coal India Ltd. Physical verification of stores and spares has been conducted during the year by the firms of Chartered Accountants appointed	This is a statement of fact, calls for no comments separately.

AUDITOR'S REPORT

MANAGEMENT'S REPLY

for the purpose. In our opinion, the frequency of such physical verification is reasonable.

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| (b) | The procedures of physical verification of inventory followed by the management are in general reasonable and adequate in relation to the size of the company and nature of its business. | This is a statement of fact, calls for no comments separately. |
| (c) | The Company is maintaining proper records of Inventory. No material discrepancy was noticed on physical verification of closing stock of coal. The discrepancies noticed on physical verification of stores and spares have been adjusted and provided for in the accounts pending further scrutiny/ enquiry. | Refer Item No. 6.2.1 of Accounting Policy (Note-33). |
| (iii) | (a) As informed to us, the Company has neither granted nor taken any secured or unsecured loans to /from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. | This is a statement of fact, calls for no comments separately. |
| | (b) As the Company has neither granted nor taken any loan, clause (b) to clause (g) is not applicable to the Company. | This is a statement of fact, calls for no comments separately. |
| (iv) | In our opinion the Internal Control System with regard to purchase of inventory and fixed assets and for sale of coal needs to be strengthened to make it commensurate with the size of the Company and nature of its business in view of the following: | |
| | (a) Time lag in adjustment of advances after receipt of material, non-linking of advances with corresponding liability, thereby resulting in accumulation of unadjusted advances and liabilities. | Normally on receipt of materials DRR are prepared and advances are adjusted/liabilities are recorded. However in the Balance Sheet advances and liabilities, are netted off wherever possible. |

AUDITOR'S REPORT	MANAGEMENT'S REPLY
(b) Obtaining of periodic confirmation/reconciliation of outstanding balances appearing under Current & Non Current Assets, and Current & Non Current Liabilities.	(Refer Note No. 5(E) of additional Notes on Accounts Note-34)
(c) Internal Control on purchases made by the Holding Company on behalf of the Company cannot be commented upon by us in the absence of any detailed information of the same.	This is a statement of fact, calls for no comments separately.
(d) Follow up of advances to suppliers. As per our test checks and as reported by the Branch Auditors, we have not observed any continuing failure to correct major weaknesses in the internal control system during the course of our audit.	No Comments.
(v) As informed to us and according to the information and explanations given to us, there are no transactions in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act 1956. Accordingly, Clause 4(V)(b) of the order is not applicable.	This is a statement of fact, calls for no comments separately.
(vi) The Company has not accepted any deposits from Public within the meaning of section 58A and 58AA or any other relevant provisions of the Act and rules framed there under.	This is a statement of fact, calls for no comments separately.
(vii) The Company has an internal audit system. In our opinion and as also reported by Branch Auditors, scope and frequency of Audit and timely submission of reports and compliance thereof needs to be strengthened and improved to make it effective for timely action by the management.	From 01.04.2011 Internal Auditors have been appointed for continuous audit for the whole financial year with submission of monthly reports. The Scope includes audit of Salary & Wages in addition to scope of work already decided by CIL.
(viii) The maintenance of cost records has been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 vide notification dt. 3rd June, 2011 in respect of Coal mining activities	No comments.

AUDITOR'S REPORT

MANAGEMENT'S REPLY

of the company. We have checked the records and prima facie of the opinion that the same are properly maintained.

- (ix) (a) According to the information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and any other statutory dues as applicable to the Company with the appropriate authorities. As informed to us, the provision of Employees State Insurance Act is not applicable to the Company. Further as per information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, the following dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty /Cess have not been deposited on account of dispute :-

This is a statement of fact, calls for no comments separately.

This is a statement of fact, calls for no comments separately.

(Rs. in Crores)

Name of the Statute	Nature of the Dues	Amount	Period to which the amount Relates	Forum where dispute is pending
Finance Act, 1994	Interest and Penalty on Service Tax	4.38	01.01.2005 to 29.02.2008	CESTAT, New Delhi
MPGATSVA	MPGAT & Sales Tax Thereon	53.68	30.09.2005 to 31.03.2012	Supreme Court of India
Central Sales Tax Act/MP VAT Act/UP VAT Act/ UP Entry Tax Act/ MP Entry Tax Act	Central Sales Tax/Sate VAT/Entry Tax	474.65	For various years	At various forums
		7.82	For F.Y. 02-03	
		5.32	For F.Y. 03-04	High Court Jabalpur
Income Tax Act, 1961	Demand consequent to order passed u/s 143(3) of Income Tax Act, 1961	1004.12	For A.Y. 2010-11	CIT (Appeals) Jabalpur

AUDITOR'S REPORT	MANAGEMENT'S REPLY
(x) The Company has no accumulated losses as at 31st March, 2013 and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.	This is a statement of fact, calls for no comments separately.
(xi) As per the information and explanations given to us, the Company has not defaulted in repayment of debt dues to the financial institutions or banks or debenture holders.	This is a statement of fact, calls for no comments separately.
(xii) We have been informed that the Company has not granted any loans and advances on the basis of any security by way of pledge of shares, debentures and other securities during the year.	This is a statement of fact, calls for no comments separately.
(xiii) The Company is not a Chit Fund or a Nidhi/ Mutual Benefit Fund/Society.	This is a statement of fact, calls for no comments separately.
(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.	This is a statement of fact, calls for no comments separately.
(xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. However, a charge has been created against the Current Assets comprising of Book debts, Stock of raw materials, semi-finished and finished goods, stores & spares not relating to plant & machinery (consumables, stores& spares)of the Company amounting to Rs.165.00 Crores in favour of State Bank of India and members of it consortium.	This is a statement of fact, calls for no comments separately.
(xvi) The company has not taken any term loan during the year.	This is a statement of fact, calls for no comments separately.
(xvii) According to the information and explanations given to us and on the basis of an overall examination of Balance Sheet of the Company, we report that Company has not raised any short-term funds and used it for long-term investments during the year.	This is a statement of fact, calls for no comments separately.

AUDITOR'S REPORT

MANAGEMENT'S REPLY

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| (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act. | This is a statement of fact, calls for no comments separately. |
| (xix) The Company has not issued any debentures during the period covered by our report. | This is a statement of fact, calls for no comments separately. |
| (xx) The Company has not raised any money by way of Public Issue. | This is a statement of fact, calls for no comments separately. |
| (xxi) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management. This is a statement of fact, calls for no comments separately. | This is a statement of fact, calls for no comments separately. |

For **Prakash & Santosh**
Chartered Accountants
ICAI Firm Reg. No.000454C

Sd/-
(CA. S.K.Gupta)
Partner
Membership No. 016304
F.R. No. 00454C

Sd/-
(T.K.Lahiri)
Chairman-cum-Managing Director

Date: 18.05.2013
Place: Varanasi

**Comments of the Comptroller and Auditor General of India
Under Section 619 (4) of the Companies Act, 1956
On the Accounts of Northern Coalfields Ltd.
For the Year Ended 31 March, 2013**

The preparation of financial statements of Northern Coalfields Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 18.05.2013.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Northern Coalfields Limited for the year ended 31 March 2013. 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 under section 619 (4) of the Companies Act, 1956.

For and on behalf of the
Comptroller & Auditor General of India
Sd/-
(Yashodhara Ray Chaudhury)
Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Kolkata,
Dated : 20.05.2013