ANNUAL REPORT & ACCOUNTS
2020-21

MJSJ COAL LIMITED

(A Subsidiary of Mahanadi Coalfields Limited)

**Regd. Office : House No.42, 1st Floor, Anand Nagar,
Hakimpara, Angul (Odisha)**

CONTENTS

MANAGEMENT DURING 2020-21

CHAIRMAN:

1. Sri K. R. Vasudevan, Director(Finance), MCL.

NOMINEE DIRECTOR:

2. Sri K.K.Roul, GM,MCL.
3. Sri A.K.Singh,CS,MCL .
4. Sri A.Hussain, GM,MCL.
5. Sri Sandeep G. Gokhale, Director, JSW Steel Ltd.
6. Sri. C.P. Tated , Director, JSW Energy Ltd
7. Sri Sakti Brata Dasgupta, Director, Shyam Metallic & Energy Limited.
8. Sri S.S.Upadhyay, Director, Jindal Stainless Ltd.

PRESENT MANAGEMENT

(As on Dt: 06.07.2021)

CHAIRMAN:

1. Sri K. R. Vasudevan, Director (Finance), MCL.

NOMINEE DIRECTOR:

2. Sri K.K.Roul, GM,MCL.
3. Sri A.K.Singh,CS,MCL .
4. Sri A.Hussain, GM,MCL.
5. Sri Sandeep G. Gokhale, Director, JSW Steel Ltd.
6. Sri. C.P. Tated , Director, JSW Energy Ltd
7. Sri Sakti Brata Dasgupta, Director, Shyam Metallic & Energy Limited.
8. Sri S.S.Upadhyay, Director, Jindal Stainless Ltd.

CHIEF EXECUTIVE OFFICER

Sri P.P. Gupta

CHIEF FINANCIAL OFFICER

Sri A.K. Ray

COMPANY SECRETARY

Sri S. Rout

Bankers

1. State Bank of India,Talcher.
2. Axis Bank,Talcher.

Statutory Auditors

M/s A.K. KAR & CO

Chartered Accountants

H/O - 1st Floor, 841, Cuttack Road,

Rasulgarh, Bhubaneswar-751010

Secretarial Auditors

M/s P Nayak & Associates

Company Secretaries

Bhubaneswar,

Odisha-751019

Registered Office

House No.42, 1st Floor,

Anand Nagar

Hakimpada, Angul-759143

Ref. No. MJSJ/CS/AGM-13/2021/614 Date:14.06.2021

NOTICE

13th ANNUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting of members of MJSJ Coal Limited will be held at 12.30 P.M. on Tuesday the 06th July, 2021 at the MCL HQ, Jagrutivihar, Burla, Sambalpur, Odisha-768020 to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2021 including the Audit Balance sheet as at 31st March 2021 and Statement of profit and Loss for the year ended on that date and the Reports of Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.
2. To authlrise Board of Directors of the Company to fix the remuneration of the Statutory Auditors of the Company for the Financial Year 2021-22. In terms of the Section 139(5) read with section 142 of the Companies Act, 2013 and to pass the following resolution, with or without modification(s), as Ordinary Resolution.

   "RESOLVED THAT pursuant to Section 142 of the Companies Act - 2013, the Board of Directors of the Company be and hereby authorized to fix the remuneration of the Auditors of the Company to be appointed by Comptroller & Auditor General of India under Section 139(5) for the Financial Year 2021-22**."**

By order of the Board of Directors
For MJSJ Coal Limited

Sd/-
(S Rout)
Company Secretary

Annual General Meeting Venue :

MCL HQ, Jagrutivihar, Burla,
Sambalpur, Odisha-768020

NOTE:

01. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

    Corporate members intending to send their Authorized Representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

02. The Shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the Provisions under section 101(1)of the Companies Act, 2013.

DIRECTORS REPORT

To,

The Shareholders
MJSJ Coal Ltd.

Gentlemen,

I have great pleasure in welcoming to the 13th Annual General Meeting of MJSJ Coal Limited. On behalf of the board of Directors, I am presenting you the Annual Report of your company together with the Audited Accounts (Ind AS Financial Statements) for the year ending of March'2021 along with the report of statutory auditors and the comments of the Controller and Auditor General of India.

our company has carried out all the activities as per schedule till the cancellation of UTKAL-A coal block by Supreme Court of India on 24.9.2014

I:- Status of project implementation:-

PROJECT REPORT: Capacity 15 Mty- approved by MCL Board in February' 2008 in both Coal and OB outsourcing variant. Sanctioned capital is Rs. 395.87 Crs. The Utkal –A (including Gopalprasad west) combined block of Gopalprasad OCP to be worked by MJSJ Coal Ltd is cancelled by Honorable Supreme Court vide its order dt: 24/09/2014.

- **APPROVED MINNG PLAN**: Approval in the name of MJSJ Coal Limited has been received on 23/04/09.
- **FOREST LAND DIVERSION PROPOSAL (FLDP)**: The job is outsourced to M/s. Geo Consultant Pvt. Limited.

a) Forest Area demarcation and tree enumeration is completed.

b) Compensatory Afforestation: Site identification & demarcation is completed.

Site Inspection by DFO, Angul is completed.

c) Further as per Forest Right Act, Gram Sabha in all ten villages have been completed. SDLC was held on 27th April & NOC has been issued by Collector Angul.

d) As per new guideline of MOEF, New Delhi, the digitization of the forest land is mandatory. The digitized map is to be authenticated by the ORSAC, BBSR. The DGPS Survey which is mandatory for obtaining forest clearance has been completed and the DGPS plans of the forest area have been approved by ORSAC & DFO Angul.

II:- Environmental Management Plan :-

a) Finalization of Terms of Reference (TOR) by MOEF, Delhi on DEC' 2008: Draft EMP-EIA submitted to SPCB, Orissa on 17-08-2009. Application along with fee of Rs. 3Lacs was deposited to SPCB on 17.08.2009 for consent to establish mine. Final EMP submitted to MOEF. Presentation before EAC of MOEF was made on 29.03.2011 for EC based on TOR. Further presentation before EAC of MOEF was made on 09.01.2013 for EC based on TOR. In its meeting held at New Delhi on 09/01/2013 the EAC has recommended for grant of EC on 05/11/2013. As the forest clearance stage-I could not be obtained till date, the recommendation of EAC for grant of EC stands invalid as more than one year has elapsed since then.

b) **Wildlife Conservation:** The report has been approved by the DFO and the report has been forwarded to the RCCF, Angul. The wild life management plan has been approved by PCCF,(WL), Govt. of Odisha.

c) **Socio-Economic study:** The final report of socio-economic study has been submitted to the Collectorate, Angul. The same has been approved by RPDAC of MCL .

III:- <u>LAND ACQUISITION</u> :

A) **West Gopal Prasad West**: The land has been acquired under CBA (A&D) Act' 1957 in the name of MCL.

4(1)	-	30.06.2003
7(1)	-	15.10.2004
9(1)	-	20.01.2007
11(1)	-	25.09.2007

B) **Utkal "A"**: The land acquisition is at its final phase as:

4(1)	-	26.03.2011
7(1)	-	11.04.2012
9(1)	-	01.02.2013
11(1)	-	Application submitted to MOC on 13.02.2013.

The Land is vested to MJSJ on 29.10.2013

C) **<u>Land Acquisition for other infrastructure</u>**:- Land measuring an area of 50.351 Ha to be acquired under LA Act for other infrastructure was approved in 17th Board Meeting of MJSJ. After approval of MOC, the same has been forwarded to Collector, Angul by MOC for further action on 12.03.2012. As desired by the Special LAO, MCL, Angul, all the requisites have been submitted. The proposal has been returned by LAO, Angul with a direction to submit a fresh proposal as per new land Acquisition Act'2013.

D) **<u>TENANCY LAND</u>**:-This portion of Land has been acquired under CBA Act. and structure measurement completed in village Bhalugadia & Bhaghuabol. The villagers Kankarai & Pirakhaman were not allowing for structure measurement till decision of their employment is finalized. Several meetings have taken place among MCL, Dist. Administration and the PAPs. Earlier, the PAPs were demanding job from MCL only, but after numerous meetings they opined that in case of early closure of the mine , the residual land outsees who would still be in the service , be given employment in the MCL mines.

The matter was put up in the 24th meeting of Board of Directors of MJSJ Coal limited, and the Board deliberated on the subject highlighted, and thereafter considered and passed the following resolutions:

a) **"RESOLVED THAT** the entire liability towards continuance of services of land oustees till their superannuation will be fully borne/ reimbursed by MJSJ Coal Ltd. and to that effect it has been agreed to give a corporate guarantee to MCL.

b) **"RESOLVED FURTHER** that, back-to-back counter guarantee would be obtained from the respective promoter shareholders towards the liability to land oustees till their superannuation.

c) "**RESOLVED FURTHER** that MCL would be requested to assure the Land Oustees that all wages and perks till their superannuation shall be as per norms of MCL. The total expenditure towards wages and perks shall be borne by individual shareholders as per the Corporate Guarantees given by them.

d) "**RESOLVED FURTHER** that annuity scheme implemented for MCL shall be given by MJSJ Coal Limited in case of winding up of company from that date.

The Board directed The CEO MJSJ Coal Limited to forward this decision of Board to MCL for further consideration. Now, the matter has been put up before MCL for their decision.

E) **Govt. LAND PREMIUM:-** Govt. land premium amounting to Rs. 32, 83, 75, 998/- (Rupees Thirty-two Crores, Eighty-three lakhs, seventy-five thousand, nine hundred ninety- eighty) only has been deposited to the State Govt. and the Physical possession of an area of 423.445 acres have been taken.

F) **R & R site:** R&R site measuring 89.48 Acres Govt. land in village Kankarai & Balichandrapur has been approved by RDC, Sambalpur and also by RPDAC held on 09.11.12 & the same has been forwarded to Tahasildar, Chhendipada for further necessary action. Tahasildar, Chhendipada sent a letter to concerned RI for field verification report on 15.07.2011. RI has submitted the report to Tahasildar on 01.11.2011. Tahasildar has sent a letter to DFO, Angul for tree enumeration & valuation on 16.11.2011. A general notice also has been sent to village Kankarai & Balichandrapur on 16.11.2011 as a part of normal procedure. The tree enumeration is done by Range Officer , Chhendipada is invalid as the Govt. land falls under Purunagarh Range Office. Follow up action with RO, Purunagarh is being done.

G) **RAILWAY SIDING:** In the 19th Board Meeting, it was decided to initiate the feasibility study for Rail Infrastructure by RITES through MCL. The decision has been communicated to GM (Civil), MCL for further necessary action. The awarding process is being taken up by MCL.

H) **WELFARE ACTIVITIES:** The welfare and social amenities like housing, water supply, medical facilities, education, Training and recreation facilities etc. are being provided by MCL to the staff and executive of MJSJ Coal Limited.

I) **PERIPHERAL DEVELOPMENT ACTIVITIES**: All the peripheral development activities and social cooperate responsibility under the guidance of the State Govt. have been carried out by MCL presently on behalf of MJSJ Coal Limited.

J) **NALLAH DIVERSION**:- Technical committee constituted by Water Resource Department of

Govt. Of Odisha visited the site & prepared the report. Finally the report has been put up to the Hon'ble Minister of Water Resource Department for the final approval.

IV:- FINANCIAL ACTIVITIES:

MJSJ Coal Limited is now in development stage. The Profit and Loss A/c has been prepared for the financial year 2020-21. The loss for the year is Rs. 43.78 lakhs. Rs 5708.68 lakhs is shown in the "other Financial Assets" in Balance sheet as claim receivable

The company has opened its Current Account No.30533665105 in State Bank of India, Talcher on 21.10.2008 & also current of Axis Bank. The company has bank balance of Rs.1917.05 lakh as on 31.03.2021 in CLTD/ Current Account.

V:- BANK GUARANTEE:

The Company originally furnished Rs.111.24 Crores as Bank Guarantee in favour of the President of India through the Ministry of Coal. However this amount of Rs. 111.24 Crores was reduced to Rs. 22.248 Crores as per order of Hon'ble Delhi High Court and accordingly the company has furnished the Bank Guarantee bearing no. 50/48 issued by SBI, Talcher for the same amount which is valid up to 30.09.2021 and subsequently revalidated till as per order of Hon'ble The High Court of Delhi.

VI:- AUDITORS

Under Section 143(5) of the Companies Act, 2013, the following Audit Firm has been appointed as Auditors for the year 2020-21.

Statutory Auditors

M/s A.K.KAR & CO
Chartered Accountants
H/O - 1st Floor, 841,Cuttack Road,
Rasulgarh, Bhubaneswar-751010

VII:- FIXED DEPOSITS:

Your Company has not accepted any deposit from the Public during the year as defined under Section 73 of the Companies Act, 2013 and rules made there under.

PARTICULARS OF EMPLOYEES:

Particulars of employees as required under Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees), Rules, 1975, as amended are not given as your Company has not paid any remuneration attracting these provisions.

VIII:-BOARD MEETINGS:

Four Board Meetings were held during the year 2020-21.

IX:- BOARD OF DIRECTORS:

01. The following persons are the Directors during the year under report.

i. Shri K.R.Vasudevan
ii. Shri K.K.Roul
iii. Shri A.K.Singh
iv. Shri A.Hussain
v. Shri Sandeep G. Gokhale
vi. Shri C.P.Tated
vii. Shri S.S.Upadhyay
viii. Shri Sakti Brata Dasgupta

02. The following person, appointed as Director during the year under report.

 i. Shri A.K.Singh

03. The following person ceased to be Director during the year under report.

 Nil

X:- DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed.

(i) That in the preparation of the annual accounts(Ind AS Financial Statements) for the financial year ended 31st March,2021, 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 judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

(iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act.2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregular arties:

(iv) That the directors had prepared the accounts (Ind AS Financial Statements) for the financial year ended 31st March, 2021 on a 'going concern' basis

ACKNOWLEDGEMENTS:

Your Directors also thank MCL for their cooperation and help rendered in all aspects to MJSJ Coal Ltd.

Your directors thank to all the stakeholders for their valuable cooperation.

Your Directors thank the trade unions for their cooperation to the management of MJSJ Coal Ltd.

Your directors also record their appreciation of the services rendered by the auditors, the officers and staff of Comptroller and Auditor General of India and Registrar of Companies Odisha.

Date: 06.07.2021
Place: Angul

Sd/-
Chairman,
MJSJ Coal Ltd

COMMENTS OF THE COMPTROLLER AND AUDITOR-GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MJSJ COAL LIMITED FOR THE YEAR ENDED 31 MARCH 2021.

The preparation of financial statements of MJSJ Coal Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The statutory auditor appointed by the Comptroller and Auditor-General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 4 May 2021.

I, on behalf of the Comptroller and Auditor-General of India, have decided not to conduct the supplementary audit of the financial statements of MJSJ Coal Limited for the year ended 31 March 2021 under Section 143(6)(a) of the Act.

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

(Mausumi Ray Bhattacharyya)
DIRECTOR GENERAL OF AUDIT (COAL)
KOLKATA

Place : Kolkata
Date : 21.06.2021

Independent Auditor's Report

To the Members of MJSJ COAL LIMITED
Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements **of MJSJ COAL LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (Including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as 'Ind AS Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2021 and its cash flows and the changes in equity for the year ended on that date subject to our comments given hereinafter.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have formed an opinion, the company has drawn Statement of Profit and Loss and Balance sheet for the year 2020-21. As the coal block allotted to the company has been cancelled and there is no project activity, and on the basis of verbal advice to do so by Deputy C &AG the company has prepared Statement of Profit and Loss and Balance Sheet of which it could not provide us any evidence to their claim. The previous statutory auditors have certified the Statement of Profit and Loss and balance sheet.

Though the Board has approved the Statement of Profit and Loss and Balance sheet reflecting a loss of Rs.43.78 Lakhs for the year 2020-21 but there is no specific resolution by the board to prepare such Statement of Profit and Loss, deallocation of coal block and the expenditure incurred during 2020-21 should be charged to Statement of Profit and Loss.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Emphasis of Matters

The Company originally furnished Rs.111.24 Crores as Bank Guarantee in favour of the President of India through the Ministry of Coal. However this amount of Rs. 111.24 Crores was reduced to Rs. 22.248 Crores as per order of Hon'ble Delhi High Court and accordingly the company has furnished the Bank Guarantee bearing no. 50/48 issued by SBI, Talcher for the same amount which is valid up to 31.03.2021 & further applied for approval to Bank which is valid up to 30.09.2021.

Key Audit Matter

We have determined the matters described below to be the key Audit matters to be communicated in our Report.

Key Audit Matters	How our Audit addressed the key Audit matter
Allocation of Coal Block	Letter of transfer of Coal Block to the Joint Venture by four Companies is (MCL, JSW, JSSL, SDL) not available to us for our verification.
De-allocation of Coal Block	On 24th September 2014, the Hon'ble Supreme Court cancelled allocation of 204 coal blocks made during 1993-2012 citing the allocation process as arbitrary and allocations as illegal, Accordingly the Utkal-A Coal Block (including Gopal Prasad-west) allocated earlier in favor of the Company also got de-allocated. However the Company has not yet received any letter of de-allocation from Ministry of Coal, Govt. of India. There is no Board Resolution to this effect.
De-allocation of Coal Block	Letter/ Communication of deallocation of coal block to MJSJ Coal Ltd. By MCL, JSW, JSSL, SDL not available to us for our verification.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure -A** to this report, a statement on the matters specified in the paragraph 3 and 4 of the said order, to the extent applicable.

(ii) As required under section 143(5) of the Companies Act 2013, we give in **Annexure-B** to this report, a statement on the directions, issued by the Comptroller and Auditor General of India after complying the suggested methodology of audit, the actions taken thereon and its impact on the accounts & Ind AS financial statements of the company.

iii) As required under section 143(5) of the Companies Act 2013, we give in **Annexure-C** to this report, a statement on the Additional-directions, issued by the Comptroller and Auditor General of India for audit of Coal India Limited, its Subsidiaries and Joint Ventures for the year 2020-21 after complying the suggested methodology of audit, the actions taken thereon and its impact on the accounts & Ind AS financial statements of the company.

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss , the Cash Flow statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31^{st} March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31^{st} March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **(Annexure-D)**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in financial statements.

ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company. Hence the question of delay does not arise.

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**

Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

Annexure - A

Annexure to the Independent Auditors' Report

(The Annexure referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of Fixed Assets:

The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

The management has physically verified the Fixed Assets.

The title deeds of immovable properties held in the name of the company is not applicable in view of the facts that the company owns no Immovable property after de-allocation of Coal Blocks.

(ii) In respect of Inventories:

The Company has no stock of stores, spare parts and raw materials during the year. Hence physical verification by management is not conducted during the year.

(iii) Loans and Advances to parties covered under section 189 of the companies act, 2013:

No Loans and advances to parties covered under section 189 of the companies act, 2013 has been given during the year, hence

(a) Not Applicable

(b) Not Applicable

(c) Not Applicable

(iv) Loans, Investments, Guarantees and Security:

The Company has not granted any loan or made loan/investment/guarantee/security. Hence reporting in respect of whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with or not, does not arise.

(v) Accepting Deposits from Public:

According to information and explanation given to us the company has not accepted any deposits from public, therefore this clause is not applicable to the company.

(vi) Maintenance of cost records under section 148 of the Companies Act, 2013 :

Not Applicable.

(vii) In respect of statutory dues:

As the company has no direct staff except employees on deputation from MCL, the deduction and deposit of provident fund dues is not applicable during the year. Further as the company has not started production and sale during the year, no statutory dues is payable to the Govt.

(viii) Default in Repayment of Loans taken from Bank or Financial Institution:

The company has not taken any loans from any Banks or Financial Institution, hence this clause is not applicable.

(ix) Moneys raised by way of initial public offer or further public offer (including debt instruments and term loans were applied for the purpose of which those are raised):

The company has not raised any money by way of initial public offer or further public offer (including debt instruments and term loans , hence this clause is not applicable.

(x) Reporting of Fraud during the Year (Nature and Amount):

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

(xi) Managerial Remuneration:

The company has not paid any managerial remuneration during the year.

(xii) Provision related to Nidhi Company:

Not Applicable.

(xiii) Related party transaction in compliance with sections177 and 188 of Companies Act, 2013:

According to the information and explanation given to us, there is no transaction with related party during the year.

(xiv) Preferential allotment or private placement of shares or fully or partly convertible debentures during the year:

The company has not made any Preferential allotment or private placement of shares or fully or partly convertible debentures during the reporting period.

(xv) Non-cash transactions with directors or persons connected with him:

The company has not entered into any non-cash transactions with directors or persons connected with him during the reporting period.

(xvi) Registration under section 45-IA of the Reserve Bank of India Act, 1934:

Not Applicable.

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**

Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

Compliance Certificate

We have conducted the audit of accounts of **M/s MJSJ Coal Limited, Angul** for the year ended 31st March'2021 in accordance with the directions/sub-directions issued by the C & AG of India under section 143(5) of the Companies Act, 2013 and certify that, We have complied with all the directions/sub-directions issued to us.

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**

Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

Annexure-A

COMPANY: MJSJ COAL LIMITED
ANGUL, ODISHA

FINANCIAL YEAR : 2020-21

Report pursuant to Directions under Section 143(5) of the Companies Act, 2013 in connection with the Audit of Accounts for the year 2020-21.

SL NO.	DIRECTIONS	STATUTORY AUDITOR'S REPLY
01	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	The Company does not have any IT Systems to process all the accounting transactions, However it is processed through MCL IT system.
02	Whether there is any re-structuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated.	As per information given to us, there was no cases of re-structuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to company's inability to repay the loan, during the year under audit.
03	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	As per information given to us, the company has not received/receivable for specific schemes from Central/State agencies. Hence the question of utilization does not arise.

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**

Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

Annexure-B

Report pursuant to Additional directions under section 143(5) of the Companies Act, 2013 to Statutory Auditors appointed for audit of Coal India Limited, its subsidiaries and Joint Ventures for the year 2020-21

COMPANY: MJSJ COAL LIMITED, ANGUL, ODISHA

FINANCIAL YEAR : 2020-21

SL NO	Directions Issued	STATUTORY AUDITOR'S REPLY
1	Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports as accompanied by contour map in all cases? Whether approval of the competent authority for new haep, if any, created during the year.	Not applicable
2	Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	Company has conducted physical verification of Fixed Assets for the financial year 2020-21.
3	Whether separate Escrow Accounts for each mine has been maintained in CIL and its subsidiary companies. Also examine the utilization of the fund of the account.	Not applicable
4	Whether the impact of penalty for illegal mining as imposed by the Hon'ble Supreme Court has been duly considered and accounted for?	Not applicable

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**

Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

Annexure - C

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MJSJ COAL Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company does not have their own accounting policy or process manual for internal financial control. As informed to us, being the subsidiary of MCL, the company is following the policies of MCL. However there is no board resolution regarding the acceptance of such internal financial control over financial reporting process/procedure available with the company.

For A. K. Kar & Co.
Chartered Accountants
Firm Registration No: **310081E**
Sd/-
CA. Aswini Kumar Kar
Principal Partner
M.No: 017804
UDIN:21017804AAAABG9144

Place: Bhubaneswar
Date: 04.05.2021

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

TO,

THE MEMBERS,
MJSJ COAL LIMITED
CIN-U10200OR2008GOI010250
HOUSE NO.42 (IST FLOOR), ANAND NAGAR
HAKIMPARA, P.O. ANGUL, ANGUL-759153, ODISHA

I/We have conducted the Secretarial Audit of the compliance of applicable statutory provisions andthe adherence to good corporate practices by ***MJSJ COAL LIMITED*** (hereinaftercalled the company). Secretarial Audit was conducted in a manner that provided us a reasonablebasis for evaluating the corporate conducts/statutory compliances and expressing our opinionthereon.

Based on our verification of the company's books, papers, minute books, forms and returns filedand other records maintained by the company and also the information provided by the Company,its officers, agents and authorized representatives during the conduct of secretarial audit, We herebyreport that in our opinion, the company has, during the audit period covering the financial yearended on 31st March 2021 complied with the statutory provisions listed hereunder and also that theCompany has proper Board-processes and compliance-mechanism in place to the extent, in themanner and subject to the reporting made hereinafter.

I/We have examined the books, papers, minute books, forms and returns filed and otherrecordsmaintained by the Company for the financial year ended on 31st March, 2021 according to theprovisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;***(Not Applicable)***

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under*;* ***(NotApplicable)***

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings*;* ***(Not Applicable)***

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not Applicable)***

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992; ***(Not Applicable)***

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***(Not Applicable)***

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***(Not Applicable)***

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities)Regulations, 2008; ***(Not Applicable)***

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not Applicable)***

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009; ***(Not Applicable)***

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;***(Not Applicable)***

vi. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises.

vii. Compliances and processes under following Industry Specific Laws are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company by different departments and on the basis of verification of documents & records maintained by the company on test check basis and on the basis of Management Representation Certificate provided by the Company:

a. Mines Act, 1952

b. Mines Concession Rules, 1960

c. The Mines Rescue Rules, 1985

d. The Mines Vocational Training Rules, 1966

e. Mines (Posting of Abstracts) Rules, 1954

f. Mines & Mineral (Development Regulations) Act, 1957

g. Indian Electricity Rules, 1985

i. Indian Explosives Rules, 2008
j. Coal Mines Regulations, 1957
k. Coal Mines Conservation & Development Act, 1974
l. Coal Mines Pension Scheme, 1998
m. Coal Mines provident (Miscellaneous Provisions) Act, 1948
n. Environment Protection Act, 1986
o. The Water (Prevention & Control of Pollution Act), 1974
p. The Air (Prevention and Control of Pollution) Act, 1981
q. Payment of Wages(Mines) Rules, 1956
r. Payment of Undisbursed wages (Mines) Rules, 1959
s. The Maternity Benefit(Mines) Rules, 1963
t. Colliery Control Order, 2000
u. Colliery Control Rules, 2004
v. Indian Bureau of Mines (Electrical Supervisor and Electrician) Recruitment Rules,1990

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India**.**
ii. The Listing Agreements entered into by the Company with any Stock Exchange(s); *(**Not Applicable**)*

I/We are not reporting on compliance of Fiscal Laws and the maintenance of financial records and books of accounts, since those are to be reviewed by the Statutory Auditor in the course ofStatutory Audit.

During the period under review the Company has complied with the provisions of the Act,Rules, Regulations, DPE Guidelines, Secretarial Standards, etc. as applicable to theCompany on the basis of Management Representation Certificate provided by the Company.

I/We further report that, during the period under review, the Board of Directors of the Company was duly constitutedand the appointment and cessation of Directors has been made in accordance with the provisions of the Companies Act 2013. The Company has complied with all the mandatory requirements, except appointment of Independent Directors, pursuant to

provisions of Section 149 of the companies Act 2013. We are being informed by the Management and further verified from the Articles of Association that the Company is a Joint Venture company incorporated by a Joint Venture Agreement amongst the Shareholders and as such the Company is not required to appoint Independent Directors as per the Rule 4(2) of Companies (Appointment and Qualification) Rules 2014.The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and disclosure of information to the Board were adequate and proper board procedure had been followed by the company.

We further report that, adequate notice is given to all Directors to schedule the Board Meetings,Agenda and detailed Notes on Agenda were sent at least seven days in advance and a systemexists for seeking and obtaining further information and clarifications on the Agenda items beforethe Meeting and for meaningful participation at the Meeting. Majority decisions at Board & CommitteeMeetings are carried unanimously and duly recorded in the Minutes Book.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicableLaws, Rules, Regulations and Guidelines.

We have conducted online verification & examination of records, as facilitated by the company, due to covid 19 and subsequent lock down situations for the purpose of issuing this report.

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

For P NAYAK & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS PRIYADARSHI NAYAK
Partner
FCS-6455, CP No – 7042
UDIN-F006455C000525237

Date : 28.06.2021
Place : Bhubaneswar

Note:

1. We have conducted online verification and examination of records, as facilitated and submitted by the Company due to Covid 19 and subsequent lockdown situations for the purpose of issuing the Report.

'Annexure- A'

TO,

THE MEMBERS,
MJSJ COAL LIMITED
HOUSE NO.42 (IST FLOOR), ANAND NAGAR
HAKIMPARA, P.O. ANGUL, ANGUL-759153, ODISHA

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

1. Maintenance of Secretarial record is the responsibility of the management of the company.Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtainreasonable assurance about the correctness of the contents of the secretarial records.The verification was done on test basis to ensure that correct facts are reflected in secretarialrecords. We believe that the processes and practices, we followed provide a reasonablebasis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Booksof Accounts of the company.
4. Wherever required, we have obtained the Management Representation about the complianceof laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations,standards is the responsibility of the Management. Our examination was limited to theverification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company or of the efficacy or effectiveness with which the management has conducted the affairsof the company.

For P NAYAK & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS PRIYADARSHI NAYAK
Partner
FCS-6455, CP No – 7042
UDIN-F006455C000525237

Date : 28.06.2021
Place : Bhubaneswar

'Annexure- B'

Observation of Secretarial Auditor & point of emphasis Reply

SI No.	OBSERVATIONS	MANAGEMENT REPLY
1	Whether Company had adhered to the Guidelines issued by the Department of Public Enterprise on Corporate Governance for CPSE Dated 14-05-2010 and the Companies Act, 2013 w.r.t Optimum Combination of Board Members in the Board & Committee.	The company has adhered to the Guidelines issued by the Department of Public Enterprise on Corporate Governance for CPSE Dated 14.05.2010 as per the Management Representation Letter Dt. 09.06.2021." Under RULE 4(2) of the Companies (Appointment and qualification of Director) Rule 2014, Joint venture (unlisted public company) IS NOT COVERED UNDER SUB-RULE 1 of Rule 4, i.e. The company is not required to appoint Independent Directors.

For P NAYAK & ASSOCIATES
COMPANY SECRETARIES

Sd/-

CS PRIYADARSHI NAYAK
Partner
FCS-6455, CP No – 7042
UDIN-F006455C000525237

Date : 28.06.2021

Place : Bhubaneswar

MJSJ COAL LIMITED

(A Subsidiary of Mahanadi Coalfields Limited)

FINANCIAL STATEMENTS

For the Year Ending

FY: 2020-21

BALANCE SHEET
As at 31st MARCH, 2021

(₹ in Lakhs)

	Note No.	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	3	0.75	0.97
(b) Capital Work in Progress	4	-	-
(c) Exploration and Evaluation Assets	5	-	-
(d) Intangible Assets	6	-	-
(e) Financial Assets			
(i) Investments	7	-	-
(ii) Loans	8	-	-
(iii) Other Financial Assets	9	-	-
(f) Deferred Tax Assets (net)		-	-
(g) Other non-current assets	10	-	-
Total Non-Current Assets (A)		**0.75**	**0.97**
Current Assets			
(a) Inventories	12	-	-
(b) Financial Assets			
(i) Investments	7	-	-
(ii) Trade Receivables	13	-	-
(iii) Cash & Cash equivalents	14	1,917.05	1,822.91
(iv) Other Bank Balances	15	-	-
(v) Loans	8	-	-
(vi) Other Financial Assets	9	5,708.68	5,713.70
(c) Current Tax Assets (Net)		130.62	122.04
(d) Other Current Assets	11	86.39	81.72
Total Current Assets (B)		**7,842.74**	**7,740.37**
Total Assets (A+B)		**7,843.49**	**7,741.34**

BALANCE SHEET Contd...

(₹ in Lakhs)

	Note No.	As at 31.03.2021	As at 31.03.2020
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	9,510.00	9,510.00
(b) Other Equity	17	(2,106.10)	(2,062.32)
Total Equity (A)		**7,403.90**	**7,447.68**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Other Financial Liabilities	20	-	-
(b) Provisions	21	-	-
(c) Other Non-Current Liabilities	22	-	-
Total Non-Current Liabilities (B)		**-**	**-**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables	19		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of Creditors other than micro and small enterprises		-	-
(iii) Other Financial Liabilities	20	439.12	293.30
(b) Other Current Liabilities	23	0.47	0.36
(c) Provisions	21	-	-
Total Current Liabilities (C)		**439.59**	**293.66**
Total Equity and Liabilities (A+B+C)		**7,843.49**	**7,741.34**

The Accompanying Notes form an integral part of the Financial Statements.

On behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(S.Rout)	**(A.K. Ray)**	**(P.P. Gupta)**	**(A.K. Singh)**
Company Secretary	CFO	CEO/GM	Director
			DIN-08667576

As per our audit report of even date
For & on behalf of **M/s A.K. KAR & CO**
Chartered Accountants
FRN - 310081E

Sd/-
(K.R. Vasudevan)
Chairman
DIN-07915732

Sd/-
C.A. A.K. KAR
Partner, M.No. 017804

Date: 26.04.2021
Place: Angul

STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH, 2021

(₹ in Lakh)

	Notes	For the year ended on 31-03-2021	For the year ended on 31-03-2020
Revenue from Operations			
A. Sales (Net of other levies)		-	-
B. Other Operating Revenue (Net of other levies)		-	-
(I) Revenue from Operations (A+B)		**-**	**-**
(II) Other Income	24	105.00	-
(III) Total Income (I+II)		**105.00**	**-**
(IV) EXPENSES			
Cost of Materials Consumed		-	-
Changes in inventories of finished goods/work in progress and Stock in trade		-	-
Employee Benefits Expense	25	81.63	-
Power Expense			
Corporate Social Responsibility Expense		-	-
Repairs		-	-
Contractual Expense		-	-
Finance Costs	26	10.94	-
Depreciation/Amortization/ Impairment		0.22	1,961.00
Provisions		-	-
Write off		-	-
Stripping Activity Adjustment		-	-
Other Expenses	27	55.99	-
Total Expenses (IV)		**148.78**	**1,961.00**
(V) Profit before exceptional items and Tax (III-IV)		**(43.78)**	**(1,961.00)**
(VI) Exceptional Items		-	-
(VII) Profit before Tax (V-VI)		**(43.78)**	**(1961.00)**
(VIII) Tax expense	28	-	
(IX) Profit for the year from continuing operations (VII-VIII)		**(43.78)**	**(1961.00)**
(X) Profit/(Loss) from discontinued operations		**-**	
(XI) Tax exp of discontinued operations		**-**	
(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	
(XIII) Share in JV's/Associate's profit/(loss)		-	
(XIV) Profit for the year (IX+XII+XIII)		**(43.78)**	**(1961.00)**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV) Total Other Comprehensive Income		**-**	**-**

PROFIT & LOSS Contd...

	Notes	For the year ended on 31-03-2021	For the year ended on 31-03-2020
(XVI) Total Comprehensive Income for the year (XIV+XV)		-	-
(Comprising Profit (Loss) and Other Comprehensive Income for the year)			
Profit attributable to:			
Owners of the company		(43.78)	(1961.00)
Non-controlling interest		-	
		(43.78)	**(1961.00)**
Other Comprehensive Income attributable to:			
Owners of the company		-	-
Non-controlling interest		-	-
		-	-
Total Comprehensive Income attributable to:			
Owners of the company		(43.78)	(1,961.00)
Non-controlling interest		-	-
		(43.78)	**(1,961.00)**
(XVII) Earnings per equity share (for continuing operation):			
(1) Basic		(0.05)	(2.06)
(2) Diluted		(0.05)	(2.06)
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XIX) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		(0.05)	(2.06)
(2) Diluted		(0.05)	(2.06)

Refer note for calculation of EPS

On behalf of the Board

Sd/- **(S.Rout)** Company Secretary	Sd/- **(A.K. Ray)** CFO	Sd/- **(P.P. Gupta)** CEO/GM	Sd/- **(A.K. Singh)** Director DIN-08667576

As per our audit report of even date
For & on behalf of **M/s A.K. KAR & CO**
Chartered Accountants
FRN - 310081E

Sd/-
(K.R. Vasudevan)
Chairman
DIN-07915732

Sd/-
C.A. A.K. KAR
Partner, M.No. 017804

Date: 26.04.2021
Place: Angul

CASH FLOW STATEMENT (INDIRECT METHOD)

(₹ in Lakh)

		As at For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES			
Total Comprehensive Income before tax		(43.78)	(1,961.00)
Adjustments for :		-	-
Depreciation / Impairment of Fixed Assets		0.22	1,961.00
Interest from Bank Deposits		(105.00)	-
Finance cost related to financing activity		10.94	-
Interest / Dividend from investments		-	-
Profit / Loss on sale of Fixed Assets		-	-
Provisions made & write off during the year		-	-
Liability write back during the year		-	-
Advance Stripping Activity Adjustment		-	-
Operating Profit before Current/Non Current Assets and Liabilities		**(137.62)**	**-**
Adjustment for :			
Trade Receivables		-	-
Inventories		-	-
Short/Long Term Loans/Advances & Other Current Assets		(8.23)	(5,600.73)
Short/Long Term Liablities and Provisions		145.93	166.71
Cash Generated from Operation		**0.08**	**(5,434.02)**
Income Tax Paid/Refund		-	-
Net Cash Flow from Operating Activities	**(A)**	**0.08**	**(5,434.02)**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(0.00)	5,602.64
Investment in Bank Deposit		-	-
Change in investments		-	-
Investment in joint venture		-	-
Interest pertaining to Investing Activities		-	-
Interest / Dividend from investments		105.00	-
Net Cash from Investing Activities	**(B)**	**105.00**	**5,602.64**

CASH FLOW STATEMENT Contd...

(₹ in Lakh)

		As at	
		For the Year Ended 31.03.2021	**For the Year Ended 31.03.2020**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Borrowings		-	-
Short Term Borrowings		-	-
Interest & Finance cost pertaining to Financing Activities		(10.94)	-
Receipt of Shifting & Rehabilitation Fund		-	-
Dividend & Dividend Tax		-	-
Buyback of Equity Share Capital		-	-
Net Cash used in Financing Activities	**(C)**	**(10.94)**	**-**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)		**94.14**	**168.62**
Cash & Bank Balance (opening balance)		**1,822.91**	**1,654.29**
Cash & Bank Balance (closing balance)		**1,917.05**	**1,822.91**

(All figures in bracket represent outflow.)

As per our report annexed

On behalf of the Board

Sd/-
(S.Rout)
Company Secretary

Sd/-
(A.K. Ray)
CFO

Sd/-
(P.P. Gupta)
CEO/GM

Sd/-
(A.K. Singh)
Director
DIN-08667576

As per our audit report of even date
For & on behalf of **M/s A.K. KAR & CO**
Chartered Accountants
FRN - 310081E

Sd/-
(K.R. Vasudevan)
Chairman
DIN-07915732

Sd/-
C.A. A.K. KAR
Partner, M.No. 017804

Date: 26.04.2021
Place: Angul

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31.03.2021

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2019	Changes In Equity Share Capital during the year	Balance as at 31.03.2020	Balance as at 01.04.2020	Changes In Equity Share Capital during the year	Balance as at 31.03.2021
9,51,00,000 Equity Share @ Rs.10/- each.	9,510.00		9,510.00	9,510.00		9,510.00

Note: Reason for changes in Equity

B. OTHER EQUITY

	Other Reserves		General Reserve	Retained Earnings Surplus	Other Comprehensive Income	Total
	Capital Redemption reserve	Capital reserve				
Balance as at 01.04.2019	-	-	-	(101.32)	-	(101.32)
Other adjustment			-	-		
Changes in Accounting policy	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-
Restated balance as at 01.04.2019	**-**	**-**	**-**	**(101.32)**	**-**	**(101.32)**
Additions during the year	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Profit for the year	-	-	-	(1,961.00)	-	(1,961.00)
Remeasurement of Defined Benefit Plans (net of Tax)	-	-	-	-	-	-
Appropriations						
Transfer to / from General reserves	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.03.2020	**-**	**-**	**-**	**(2,062.32)**	**-**	**(2,062.32)**
Additions during the year	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Profit for the year	-	-	-	(43.78)	-	(43.78)
Remeasurement of Defined Benefit Plans (net of Tax)	-	-	-	-	-	-
Appropriations	-	-	-	-	-	-
Transfer to / from General reserves	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Balance as at 31.03.2021	**-**	**-**	**-**	**(2,106.10)**	**-**	**(2,106.10)**

NOTES TO THE FINANCIAL STATEMENTS

Note: 1 CORPORATE INFORMATION

MJSJ Coal Limited (MJSJCL), a PSU Company with Headquarters at Angul, Odisha was incorporated on 13rd August, 2008 as a 60% Subsidiary of MCL ,Odisha.

The Company is mainly engaged in mining and production of Coal. The Company is in development stage. Information of the Group structure is provided in Note no. 29.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

For all periods up to and including the year ended 31stMarch 2016, the MJSJ Coal Ltd (hereinafter referred as "Company")prepared its financial statements in accordance withAccounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006.

The financial statements have been prepared on historical cost basis of measurement, except for

- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.15);
- Defined benefit plans- plan assets measured at fair value;
- Inventories at Cost or NRV whichever is lower (refer accounting policy in para no. 2.20).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in lakhs'upto two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

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

A liability is treated as current by the Company when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3 Revenue recognition

Ind AS 115, Revenue from Contracts with Customers supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue recognition, and it applies to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which a Company expects to be entitled in exchange for transferring goods or services to a customer. Coal India Limited ('CIL' or 'the company') has adopted Ind AS 115 using the retrospective method of adoption.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Revenue from contracts with customers

Coal India Limited is an Indian state controlled enterprise headquartered in Kolkata, West Bengal, India and the largest coal producing company in the world. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The principles in Ind AS 115 are applied using the following five steps:

Step 1 : Identifying the contract:

The Company account for a contract with a customer only when all of the following criteria are met:

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

Combination of contracts

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Contract modification

The Company account for a contract modification as a separate contract if both of the following conditions are present:

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

b) the price of the contract increases by an amount of consideration that reflects the company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

Step 2 : Identifying performance obligations:

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Step 3 : Determining the transaction price

The Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

When determining the transaction price, an Company consider the effects of all of the following:

- Variable consideration
- Constraining estimates of variable consideration;
- The existence of significant financing component;
- Non – cash consideration;
- Consideration payable to a customer.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if the company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

In some contracts, penalties are specified. In such cases, penalties are accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it form part of variable consideration.

The Company includes in the transaction price some or all of an amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised goods or service to a customer and when the customer pays for that good or service will be one year or less.

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

After contract inception, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount of consideration to which the Company expects to be entitled in exchange for the promised goods or services.

Step 4 : Allocating the transaction price:

The objective when allocating the transaction price is for the Company to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Company determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

Step 5 : Recognizing revenue:

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;
b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The Company applies a single method of measuring progress for each performance obligation satisfied over time and the Company applies that method consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company re-measure its progress towards complete satisfaction of a performance obligation satisfied over time.

Company apply output methods to recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced or units delivered.

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Company recognizes revenue for a performance obligation satisfied over time only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. When (or as) a performance obligation is satisfied, the company recognize as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained that is allocated to that performance obligation.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time. To determine the point in time at which a customer obtains control of a promised good or service and the Company satisfies a performance obligation, the Company consider indicators of the transfer of control, which include, but are not limited to, the following:

a) the Company has a present right to payment for the good or service;
b) the customer has legal title to the good or service;
c) the Company has transferred physical possession of the good or service;
d) the customer has the significant risks and rewards of ownership of the good or service;
e) the customer has accepted the good or service.

When either party to a contract has performed, the Company present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment. The Company present any unconditional rights to consideration separately as a receivable.

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment made or due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

2.4 Grants from Government

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

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

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

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

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

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

2.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.5.1 Company as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date.

Subsequently, right-of-use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

2.5.2 Company as a lessor

All leases as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset

Operating leases-lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Finance leases-assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

Subsequently, finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease."

2.6 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

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

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

2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which is directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of allother Property, plant and equipmentare carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

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

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

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

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

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

Other Land

(Incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building	: 3-60 years
Roads	: 3-10 years
Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 5-30 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from useful lives as prescribed under Part C of schedule II of companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets such as, Coal tub, winding ropes, haulage ropes, stowing pipes & safety lamps etc. for which the technically estimated useful life has been determined to be one year with nil residual value.

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

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

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

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

2.8 Mine Closure, Site Restoration and Decommissioning Obligation

The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work.Mine Closure expenditure is provided as per approved Mine Closure Plan. The estimates of expenses are escalated for inflation, and then discounted at a discount rate that reflects current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost (as estimated by Central Mine Planning and Design Institute Limited) as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

Further, a specific escrow fund account is maintained for this purpose as per the approved mine closure plan.

The progressive mine closure expenses incurred on year to year basis forming part of the total mine closure obligation is initially recognised as receivable from escrow account and thereafter adjusted with the obligation in the year in which the amount is withdrawn after the concurrence of the certifying agency.

2.9 Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for coal and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- Acquisition of rights to explore;
- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;

- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

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

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

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

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

2.10 Development Expenditure

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

Commercial Operation

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

(a) From beginning of the financial year immediately after the year in which the project achieves physical output of 25% of rated capacity as per approved project report, or

(b) 2 years of touching of coal, or

(c) From the beginning of the financial year in which the value of production is more than total, expenses.

Whichever event occurs first;

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

2.11 Intangible Assets

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

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

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

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

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

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

2.12 Impairment of Assets (other than financial assets)

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

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

2.13 Investment Property

Property (land or a buildingor part of a buildingor both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

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

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

2.14 Financial Instruments

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

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

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

2.14.2 Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

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

2.14.2.1 Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

2.14.2.2 Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

2.14.2.3 Debt instrument at FVTPL

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

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

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

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

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

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.14.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrumentby-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&Leven on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

2.14.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Companyhas transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement~ and either (a) the Companyhas transferred substantially all the risks and rewards of the asset, or (b) the Companyhas neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Companyhas transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Companycontinues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Companyhas retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.14.2.7 Impairment of financial assets(other than fair value)

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt

securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 .

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

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

The application of simplified approach does not require the Companyto track changes in credit risk.

2.14.3 Financial liabilities

2.14.3.1 Initial recognition and measurement

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

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

2.14.3.2 Subsequent measurement

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

2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Companythat are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

2.14.3.4 Financial liabilities at amortised cost

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

2.14.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.14.4 Reclassification of financial assets

The Companydetermines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Companyeither begins or ceases to perform an activity that is significant to its operations. If Companyreclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Companydoes not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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

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

2.14.5 Offsetting of financial instruments

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

2.15 Borrowing Costs

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

2.16 Taxation

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

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

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

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

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

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

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

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

2.17 Employee Benefits

2.17.1 Short-term Benefits

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

2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body (Coal Mines Provident Fund) constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

2.17.2.2 Defined benefits plans

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

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

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

Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss."

2.17.3 Other Employee benefits

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

2.18 Foreign Currency

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

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

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

2.19 Stripping Activity Expense/Adjustment

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

Therefore, as a policy, in the mines with rated capacity of one million tonnes per annum and above, cost of Stripping is charged on technically evaluated average stripping ratio (OB: COAL) at each mine with due adjustment for stripping activity asset and ratio-variance account after the mines are brought to revenue.

Net of balances of stripping activity asset and ratio variance at the Balance Sheet date is shown as Stripping Activity Adjustment under the head Non - Current Provisions / Other Non-Current Assets as the case may be.

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

Annual Quantum of OBR of the Mine	Permissible limits of variance
Less than 1 Mill. CUM	+/- 5%
Between 1 and 5 Mill. CUM	+/- 3%
More than 5 Mill. CUM	+/- 2%

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

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

2.20 Inventories

2.20.1 Stock of Coal

Inventories of coal/coke are stated at lower of cost and net realisable value. Cost of inventories are calculated using the **Weighted Average Method.** Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Book stock of coal is considered in the accounts where the variance between book stock and measured stock is up to +/- 5% and in cases where the variance is beyond +/-5% the measured stock is considered. Such stock are valued at net realisable value or cost whichever is lower. Coke is considered as a part of stock of coal.

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

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

2.20.2 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

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

2.20.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

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

2.21 Provisions, Contingent Liabilities &Contingent Assets

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

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

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

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

2.22 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Judgements, Estimates and Assumptions

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

2.23.1 Judgements

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

2.23.1.1 Formulation of Accounting Policies

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

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

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

   (i) represent faithfully the financial position, financial performance and cash flows of the Company;

   (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;

   (iii) are neutral, i.e. free from bias;

   (iv) are prudent; and (v) are complete in all material respects on a consistent basis

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

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

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

The Company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geomining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution. The Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more particularly in Ind AS 8.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the nature or magnitude or bothof the item. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the company may also be required to present separately immaterial items when required by law.

W.e.f. 01.04.2019 errors/omissions discovered in the current year relating to prior periods may be treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total assets as per the last audited financial statement of the company.

2.23.1.3 Operating lease

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

2.23.2 Estimates and assumptions

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

2.23.2.1 Impairment of non-financial assets

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

2.23.2.2 Taxes

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

2.23.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

2.23.2.4 Fair value measurement of financial instruments

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

2.23.2.5 Intangible asset under development

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

2.23.2.6 Provision for Mine Closure, Site Restoration and Decommissioning Obligation

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

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

2.24 Abbreviation used:

a.	CGU	Cash generating unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	GAAP	Generally accepted accounting principles
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest
k.	EIR	Effective Interest Rate

NOTES TO FINANCIAL STATEMENTS As on 31st March, 2021

NOTE 3: PROPERTY , PLANT AND EQUIPMENTS

(₹ in Lakh)

	Free-hold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	Telecom-munica-tion	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Aircraft	Other Mining Infra-structure	Surveyed off Assets	Others	Total
Gross Carrying Amount:															
As at 1st April 2018	-	4,125.23	-	-	-	-	-	-	11.43	-	-	-	-	-	4,136.66
Additions	-	-	-	-	-	-	-	-	0.57	-	-	-	-	-	0.57
Deletions/Adjustments	-	(4,125.23)	-	-	-	-	-	-		-	-	-	-	-	(4,125.23)
As at 31st March 2020	-	-	-	-	-	-	-	-	12.00	-	-	-	-	-	12.00
As at 1st April 2020	-	-	-	-	-	-	-	-	12.00	-	-	-	-	-	12.00
Additions		-													-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	-	-	-	-	-	12.00	-	-	-	-	-	12.00
Accumulated Depreciation and Impairment															
As at 1st April 2019	-	-	-	-	-	-	-	-	11.43	-	-	-	-	-	11.43
Charge for the year	-	-	-	-	-	-	-	-	0.17	-	-	-	-	-	0.17
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	(0.57)	-	-	-	-	-	(0.57)
As at 31st March 2020	-	-	-	-	-	-	-	-	11.03	-	-	-	-	-	11.03
As at 1st April 2020	-	-	-	-	-	-	-	-	11.03	-	-	-	-	-	11.03
Charge for the year	-	-	-	-	-	-	-	-	0.22	-	-	-	-	-	0.22
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	-	-	-	-	-	11.25	-	-	-	-	-	11.25
Net Carrying Amont															
As at 31st March 2021	-	-	-	-	-	-	-	-	0.75	-	-	-	-	-	0.75
As at 31st March 2020	-	-	-	-	-	-	-	-	0.97	-	-	-	-	-	0.97

NOTES TO FINANCIAL STATEMENTS As on 31st March, 2021

NOTE 4 : CAPITAL WIP

(₹ in Lakh)

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Other Mining Infrastructure/ Devel opment	Rail Corridor under Construction	Others	Total
Gross Carrying Amount:							
As at 1st April 2019	-	-	-	1,907.46	-	-	1,907.46
Additions	-	-	-	53.54	-	-	53.54
Capitalisation	-	-	-	-	-	-	-
Adjustment/Deletions	-	-	-	-	-	-	-
As at 31st March 2020	-	-	-	1,961.00	-	-	1,961.00
As at 1st April 2020	-	-	-	1,961.00	-	-	1,961.00
Additions				-			-
Capitalisation				-			-
Adjustment/Deletions				-			-
As at 31st March 2021	-	-	-	1,961.00	-	-	1,961.00
Provision and Impairment							
As at 1st April 2019	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Impairment	-	-	-	1,961.00	-	-	1,961.00
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	1,961.00	-	-	1,961.00
As at 1st April 2020	-	-	-	1,961.00	-	-	1,961.00
Charge for the year	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March 2021	-	-	-	1,961.00	-	-	1,961.00
Net Carrying Amont							
As at 31st March 2021	-	-	-	-	-	-	-
As at 31st March 2020	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

(₹ in Lakhs)

NOTE 5 : EXPLORATION AND EVALUATION ASSETS

	Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1 April 2019	1,531.92
Additions	-
Capitalisation	-
Deletions/Adjustments	(1,531.92)
As at 31 March 2020	-
As at 1 April 2020	-
Additions	-
Capitalisation	-
Deletions/Adjustments	-
As at 31 March 2021	-
Amortisation and Impairment	
As at 1 April 2019	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2020	-
As at 1 April 2020	-
Charge for the year	-
Impairment	-
Deletions/Adjustments	-
As at 31 March 2021	-
Net Carrying Amont	
As at 31 March 2021	-
As at 31 March 2020	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

(₹ in Lakhs)

NOTE 6 : INTANGIBLE ASSETS

	Computer Software	Intangible Exploratory Assets	Others	Total
Gross Carrying Amount:				
As at 1 April 2019	-	-	-	-
Additions	-	-	-	-
Capitalisation/ Deletions	-	-	-	-
As at 31 March 2020	-	-	-	-
As at 1 April 2020	-	-	-	-
Additions	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2021	-	-	-	-
Amortisation and Impairment				
As at 1 April 2019	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2020	-	-	-	-
As at 1 April 2020	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
As at 31 March 2021	-	-	-	-
Net Carrying Amont				
As at 31 March 2021	-	-	-	-
As at 31 March 2020	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

(₹ in Lakh)

NOTE - 7 : INVESTMENTS

NON CURRENT INVESTMENTS	No. of shares/units	Face Value per share	As at 31.03.2021	As at 31.03.2020
Investment in Shares			-	-
Equity Shares in Subsidiary Companies			-	-
Total (A)			-	-
Investments in Secured Bonds (quoted)			-	-
Total (B)			-	-
Grand Total (A+B)			-	-
Aggregate amount of unquoted investments:			-	-
Aggregate amount of quoted investments:			-	-
Market Value of Quoted Investment				

INVESTMENTS

Current

Mutual Fund Investment	-	-
Total :	-	-
Aggregate of unquoted investments:	-	-
Aggregate of Quoted Investment:	-	-
Market value of Quoted Investment:	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE 8 : LOANS

	As at 31.03.2021	As at 31.03.2020
Non-Current		
Other Loans		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
	-	-
Less: Allowance for doubtful loans	-	-
TOTAL	**-**	**-**
Current		
Other Loans		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
	-	-
Less: Allowance for doubtful loans	-	-
TOTAL	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2021	As at 31.03.2020
Non Current		
Bank Deposits	-	-
Deposits and receivables for Site Restoration:		
Deposit in Bank under mine closure plan	-	-
Other Deposit (mine closure concurrent expense)	-	-
	-	-
Other Deposit and Receivables	-	-
Less : Allowance for doubtful deposits & receivables	-	-
TOTAL	-	-

NOTE - 9 : OTHER FINANCIAL ASSETS

	As at 31.03.2021	As at 31.03.2020
Current		
Deposits and receivables for Site Restoration:		
Other Deposit (mine closure concurrent expense)	-	-
	-	-
Current Account with CIL/Subsidiaries	-	-
Less: Provision for Doubtful Advances	-	-
Current Maturities of Unsecured Long Term loan	-	-
Interest accrued	51.53	56.54
Claims & other receivables	5,657.15	5,657.16
Less : Allowance for doubtful claims	-	-
TOTAL	**5,708.68**	**5,713.70**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE 10 : OTHER NON-CURRENT ASSETS

		As at 31.03.2021	As at 31.03.2020
(i)	Capital Advances	-	-
	Less : Provision for doubtful advances	-	-
		-	-
(ii)	Advances other than capital advances		
(a)	Security Deposit for utilities	-	-
	Less : Provision for doubtful deposits	-	-
		-	-
(b)	Other Deposits and Advances	-	-
	Less : Provision for doubtful deposits	-	-
		-	-
(c)	Advances to related parties	-	-
(d)	Receivable from Escrow Account for Mine Closure Expenses		
TOTAL		**-**	**-**

NOTE -11 : OTHER CURRENT ASSETS

		As at 31.03.2021	As at 31.03.2020
((a)	Advance for Revenue (goods & services)	-	-
	Less : Provision for doubtful advances	-	-
		-	-
(b)	Advance payment of statutory dues	-	
	Less : Provision for doubtful advances	-	-
		-	-
(c)	Advance to Related Parties	-	-
(d)	Other Advances and Deposits	86.39	81.72
	Less : Provision for doubtful advances	-	-
		86.39	81.72
(e)	Input Tax Credit Receivable	-	-
	Less: Provision	-	-
(f)	Receivable from Escrow Account for Mine Closure Expenses		
		-	-
TOTAL		**86.39**	**81.72**

Note :Other advances and deposits inlcude Rs. 86.39 lakhs towards Income tax deposite under protest.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 12 : INVENTORIES

	As at 31.03.2021	As at 31.03.2020
(a) Stock of Coal	-	-
Coal under Development	-	-
Stock of Coal (Net)	**-**	**-**
(b) Stock of Stores & Spares (at cost)	-	-
Add: Stores-in-transit	-	-
Net Stock of Stores & Spares (at cost)	**-**	**-**
(c) Workshop Jobs and Press jobs	-	-
Total	**-**	**-**

ANNEXURE TO NOTE - 12

(Qty in lakh tonnes) (value in lakh ₹)

Table:A

Reconciliation of closing stock adopted in Account with Book stock as at the year end 31.03.2021

	OVERALL STOCK		NON - VENDABLES STOCK		VENDABLES STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
1. (A) Opening stock as on 01.04.20						
(B) Shortage beyond 5%						
Stock adopted in Accounts Opening						
2. Production for the Period						
3. Sub-Total (1A+2)						
4. Off- Take for the Period						
(A) Outside Despatch						
(B) Coal feed to Washeries						
(C) Own Consumption						
TOTAL(A)						
5. Derived Stock						
6. Measured Stock						
7. Difference (5-6)						
8. Break-up of Difference:						
(A) Excess within 5%						
(B) Shortage within 5%						
(C) Excess beyond 5%						
(D) Shortage beyond 5%						
9. Closing stock adopted in A/c.(6-8A+8B)						

Summary of Closing Stock of Coal

Table : B

	Raw Coal				Washed / Deshaled Coal				Other Products		Total	
	Coking		Non-Coking		Coking		Non-Coking					
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Opening Stock (Audited)	-	-	-	-	-	-	-	-	-	-	-	-
Shortage beyond 5%			-	-							-	-
Less: Non-vendable Coal	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Stock (Vendable)	-	-	-	-	-	-	-	-	-	-	-	-
Production	-	-	-	-	-	-	-	-	-	-	-	-
Offtake												
(A) Outside Despatch	-	-	-	-	-	-	-	-	-	-	-	-
(B) Coal feed to Washeries	-	-	-	-	-	-	-	-	-	-	-	-
(C) Own Consumption	-	-	-	-	-	-	-	-	-	-	-	-
Closing Stock derived	-	-	-	-	-	-	-	-	-	-	-	-
Less: Shortage	-	-	-	-	-	-	-	-	-	-	-	-
Excess			-	-								
Closing Stock	-	-	-	-	-	-	-	-	-	-	-	-

Internal survey measurement teams have physically verified closing stock of coal. In some areas the same has also been verified by outside teams. The Shortage / surplus found on physical verification of coal stock within +/- 5% over book stock (mine/ colliery wise), is ignored pursuant to Accounting Policy.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 13 : TRADE RECEIVABLES

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Current		
Trade receivables	-	-
Secured considered good	-	-
Unsecured considered good	-	-
Have significant increase in credit risk	-	-
Credit impaired	-	-
	-	-
Less : Allowance for bad & doubtful debts	-	-
Total	**-**	**-**

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
(a) Balances with Banks		
in Deposit Accounts	-	-
in Current Accounts		
- Interest Bearing (CLTD)	1,917.05	1,738.93
- Non Interest Bearing	-	83.98
in Cash Credit Accounts	-	-
(b) Bank Balances outside India	-	-
(c) Cheques, Drafts and Stamps in hand	-	-
(d) Cash on hand	-	-
(e) Cash on hand outside India	-	-
(f) Others	-	-
Total Cash and Cash Equivalents	1,917.05	1,822.91
(g) Bank Overdraft	-	-
Total Cash and Cash Equivalents (net of Bank Overdraft)	**1,917.05**	**1,822.91**

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.
2. The balances as per statement of bank accounts are:-Interest Bearing (CLTD) Account (31901170990 & others) - Rs.1917.05 lakhsNon-Interest Bearing Accounts (30533665105 & 911020065579852)- Rs. Nil. There is no variation of the bank balances as per bank statement in compared to Note-14 (a).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 15 : OTHER BANK BALANCES

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Balances with Banks		
Deposit accounts	-	-
Deposit accounts (For specific purposes)	-	-
Total	**-**	**-**

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Authorised		
20,00,00,000 Equity Shares of Rs 10/- each	20,000.00	20,000.00
	20,000.00	20,000.00
Issued, Subscribed and Paid-up		
9,51,00,000 Equity Shares of Rs 10/- each	9,510.00	9,510.00
	9,510.00	**9,510.00**

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 10 each)	% of Total Shares
MCL (Holding Company)	57060000	60
JSW STEEL LTD	10461000	11
JSW ENERGY LTD	10461000	11
JINDAL STAINLESS LTD	8559000	9
SHYAM METALICS & ENERGY LTD	8559000	9
TOTAL	**95100000**	**100**

2. During the period, the Company has not issued nor bought back any shares.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE 17 : OTHER EQUITY

(₹ in lakh)

	Other Reserves		General Reserve	Retained Earnings (Suplus)	Other Compre-hensive Income	Total
	Capital Redemp-tion reserve	Capital reserve				
Balance as at 1.04.2019	-	-	-	(101.32)	-	(101.32)
Other Adjustment	-	-	-	-	-	-
Changes in Accounting policy	-	-	-	-	-	-
Prior period adjustments	-	-	-	-	-	-
Restated balance as at 1.04.2019	-	-	-	**(101.32)**	-	(101.32)
Addition during the period/Transfer from retained earnings	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Profit for the year	-	-	-	(1,961.00)	-	(1,961.00)
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	-
Appropriations						-
Transfer to / from General reserves	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.03.2020	-	-	-	**(2,062.32)**	-	(2,062.32)
Addition during the period/Transfer from retained earnings	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Profit for the year	-	-	-	(43.78)	-	(43.78)
Remeasurement of Defined Benefits Plans (net	-	-	-			-
of Tax)				-		-
Appropriations					-	
Transfer to / from General reserves	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.03.2021	-	-	-	**(2,106.10)**		**(2,106.10)**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE 18: BORROWINGS

(₹ in lakh)

	As at 31.03.2021	As at 31.03.2020
Non-Current		
Term Loans	-	-
Other Banks	-	-
Other Loans	-	-
Total	**-**	**-**
CLASSIFICATION		
Secured	-	-
Unsecured	-	-
Current		
Loans repayable on demand		
- From Banks	-	-
- From Other Parties	-	-
Loans from Related Parties	-	-
Other Loans	-	-
Total	**-**	**-**
CLASSIFICATION		
Secured	-	-
Unsecured	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 19 :TRADE PAYABLES

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Current		
Trade Payables for Micro, Small and Medium Enterprises	-	-
Other Trade Payables for	-	-
Stores and Spares	-	-
Power and Fuel	-	-
Other expenses	-	-
TOTAL	-	-
	-	-

Note:

1.Others: (major items)	-	-
	-	-

Ageing of dues to MSME and interest thereon if any

Period	As at 31.03.2021	As at 31.03.2020
Dues within 15 days	-	-
Dues within 16 to 30 days		
Dues within 31 to 45 days		
Dues beyond 45 days		
Total MSME creditors		
a) Principal & Interest amount remaining unpaid but not due as at period end	-	-
b) 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 period.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) Interest accrued and remaining unpaid as at period end	-	-
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

(₹ in Lakh)

NOTE - 20 : OTHER FINANCIAL LIABILITIES

		As at 31.03.2021	As at 31.03.2020
Non Current			
Security Deposits		-	-
Earnest Money		-	-
Others		-	-
		-	**-**
Current			
Current account with			
MCL	402.64		263.01
JSW ENERGY LTD	2.23		2.23
SMEL	1.48	406.35	1.48
Current maturities of long-term debt		-	-
Unpaid dividends		-	-
Security Deposits		3.36	3.36
Earnest Money		1.61	1.61
Payable for Capital Expenditure		-	-
Liability for Salary, Wages and Allowances		5.97	5.82
Others		21.83	15.79
TOTAL		**439.12**	**293.30**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 21 : PROVISIONS

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Non Current		
Employee Benefits		
Gratuity	-	-
Leave Encashment	-	-
Other Employee Benefits	-	-
	-	-
Site Restoration/Mine Closure	-	-
Stripping Activity Adjustment	-	-
Others	-	-
TOTAL	-	-
Current		
Employee Benefits		
Gratuity	-	-
Leave Encashment	-	-
Ex- Gratia	-	-
Performance Related Pay	-	-
Other Employee Benefits	-	-
NCWA-X	-	-
Executive Pay Revision	-	-
	-	-
Site restoraion /Mine Closure	-	-
Others	-	-
TOTAL	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

(₹ in Lakh)

NOTE - 22 :OTHER NON CURRENT LIABILITIES

	As at 31.03.2021	As at 31.03.2020
Deferred Income	-	-
Total	**-**	**-**

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Lakh)

	As at 31.03.2021	As at 31.03.2020
Statutory Dues	0.47	0.36
Advance from customers / others	-	-
Others liabilities	-	-
TOTAL	0.47	**0.36**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 24 : OTHER INCOME

(₹ in Lakh)

	For the Year Ended 31.03.2021	For The Year Ended 31.03.2020
Interest Income		
Deposits with Banks	105.00	-
Investments	-	-
Loans	-	-
Funds parked within Group	-	-
Dividend Income		
Investments in Subsidiaries	-	-
Investments in Mutual Funds	-	-
Other Non-Operating Income		
Profit on Sale of Assets	-	-
Gain on Foreign exchange Transactions	-	-
Exchange Rate Variance	-	-
Lease Rent	-	-
Liability / Provision Write Backs	-	-
Excise Duty on Decrease in Stock	-	-
Miscellaneous Income	-	-
Total	**105.00**	**-**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 25 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

	For the Year Ended 31.03.2021	For The Year Ended 31.03.2020
Salary and Wages(incl. Allowances and Bonus etc)	81.63	
Contribution to P.F. & Other Funds	-	-
Staff welfare Expenses	-	-
Total	**81.63**	**-**

NOTE 26 : FINANCE COSTS

(₹ in Lakh)

	For the Year Ended 31.03.2021	For The Year Ended 31.03.2020
Interest Expenses	10.94	
Borrowings	-	-
Unwinding of discounts (Site Restoration)	-	-
Funds parked within Group	-	-
Others	-	-
Total	**10.94**	**-**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE - 27 : OTHER EXPENSES

(₹ in Lakh)

	For the Year Ended 31.03.2021	For The Year Ended 31.03.2020
Travelling expenses		
- Domestic	3.65	-
- Foreign	-	-
Training Expenses		-
Telephone & Postage	0.05	-
Advertisement & Publicity	-	-
Freight Charges	-	-
Donation/Subscription	-	-
Security Expenses	28.68	-
Hire Charges of Car	5.20	-
Legal Expenses	5.73	-
Bank Charges	7.30	-
Guest House Expenses	-	-
Consultancy Charges	-	-
Loss on Sale/Discard/Surveyed of Assets	-	-
Auditor's Remuneration & Expenses	-	-
- For Audit Fees	2.07	-
- For Taxation Matters	-	-
- For Other Services	-	-
- For Reimbursement of Exps.	-	-
Internal & Other Audit Expenses	-	-
Interest and Penalty	-	-
Interest Others	-	-
Rent	1.50	-
Rates & Taxes	0.25	-
Printing & stationary	-	-
Lease Rent	-	-
Rescue/Safety Expenses	-	-
Land/Crops Compensation	-	-
R & D expenses	-	-
Environmental & Tree Plantation Expenses	-	-
Miscellaneous expenses	1.56	-
Total	**55.99**	**-**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended on 31st March, 2021

NOTE 28 : OTHER EXPENCES

(₹ in Lakh)

	For the Year Ended 31.03.2021	For The Year Ended 31.03.2020
Current Year	-	-
	-	-
Deferred tax	-	-
	-	-
MAT Credit Entitlement	-	-
	-	-
Earlier Years	-	-
Tot.al	**-**	**-**

NOTE – 29:
ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. Fair Value measurement

(a) Financial Instruments by Category (₹ In Lakhs)

	31.03.2021		31.03.2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments :	-	0.00	-	0.00
Secured Bonds	-	0.00	-	0.00
Co-Operative Shares	-	0.00	-	0.00
Mutual Fund/ICD	-	0.00	-	0.00
Loans	-	0.00	-	0.00
Deposits & receivable	-	5708.68	-	5713.70
Trade receivables	-	0.00	-	0.00
Cash & cash equivalents	-	1917.05	-	1822.91
Other Bank Balances	-	0.00	-	0.00
Financial Liabilities				
Borrowings	-	0.00	-	0.00
Trade payables*	-	0.00	-	0.00
Security Deposit and Earnest money	-	4.97	-	4.97
Other Liabilities*	-	434.15	-	288.33

*Liability for Salary, Wages and Allowances included in Trade Payables instead of Other Financial Liabilities

(b) Fair value hierarchy

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value	31.03.2021		31.03.2020	
	Level 1	Level 3	Level 1	Level 3
Financial Assets at FVTPL				
Investments :				
Mutual Fund/ICD	0.00	0.00	0.00	0.00

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31st March 2021		31st March 2020	
	Level I	Level III	Level I	Level III
Financial Assets	-	-	-	-
Investments :	-	-	-	-
Secured Bonds	-	-	-	-
Co-Operative Share				
Loans				
Deposits & receivable	-	57.08.68	-	5713.70
Trade receivables	-	-	-	-
Cash & cash equivalents	-	1917.05	-	1822.91
Other Bank Balances	-	-	-	-
	-	-	-	-
Financial Liabilities	-	-	-	-
Borrowings				
Trade payables	-	-	-	-
Security Deposit and Earnest money	-	4.97	-	4.97
Other Liabilities	-	434.15	-	288.33

A brief of each level is given below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments , security deposits and other liabilities included in level 3.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.

The Company considers that the Security Deposits does not include a significant financing component. Security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the Company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

Financial Risk Management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the

Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis/ Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Fuel Supply Agreements (FSAs)

As contemplated in and in accordance with the terms of the New Coal Distribution Policy (NCDP), the Company enters into legally enforceable FSAs with customers or with State Nominated Agencies that in turn enters into appropriate distribution arrangements with end customers. FSAs can be broadly categorized into:

- FSAs with customers in the power utilities sector, including State power utilities, private power utilities ("PPUs") and independent power producers ("IPPs");
- FSAs with customers in non-power industries (including captive power plants ("CPPs")); and
- FSAs with State Nominated Agencies.

E-Auction Scheme

The E-Auction scheme of coal has been introduced to provide access to coal for customers who were not able to source their coal requirement through the available institutional mechanisms under the NCDP for various reasons, for example, due to a less than full allocation of their normative requirement under NCDP, seasonality of their coal requirement and limited requirement of coal that does not warrant a long-term linkage. The quantity of coal to be offered under E-Auction is reviewed from time to time by the Ministry of Coal.

Provision for expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach).

Expected Credit Losses for trade receivables under simplified approach:-

As at 31.03.2020

(₹ in lakh)

Ageing	Due for 2 months	Due for 6 months	Due for 1 months	Due for 2 year	Due for 3year	Due for more than 3 year	Total
Gross carrying amount	-	-	-	-	-	-	-
Expected loss rate	-	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-

As at 31.03.2021

(₹ in lakh)

Ageing	Due for 2 months	Due for 6 months	Due for 1 months	Due for 2 year	Due for 3year	Due for more than 3 year	Total
Gross carrying amount	-	-	-	-	-	-	-
Expected loss rate	-	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-

Reconciliation of loss allowance provision - Trade receivables

(₹ in lakh)

Loss allowance on 01.04.2020	-
Change in loss allowance	-
Loss allowance on 31.03.2021	-

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company.

Market risk

a) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency(INR).The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The Company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

Capital Structure of the Company is as follows:

(₹ in lakh)

	31.03.2021	31.03.2020
Equity Share capital	9510.00	9510.00
Long term debt	-	-

3 Employee Benefits: Recognition and Measurement (Ind AS-19)

Defined Benefit Plans :

a) Gratuity

The Company provides for gratuity, a post-employment defined benefit plan ("the Gratuity Scheme") covering the eligible employees. The Gratuity Scheme is fully funded through trust maintained with Life Insurance Corporation of India, wherein employer contribution is 2.01% of basic salary and Dearness allowances. Every employee who has rendered continuous service of more than 5 years or more is entitled to receive gratuity amount equal to 15 days salary for each completed years of service computed as (15 days/26 days in a month* last drawn salary and dearness allowance* completed years of service) subject to maximum of Rs 0.20 lakhs at the time of separation from the company considering the provisions of the Payment of Gratuity Act 1972 as amended. The liability or asset recognised in the balance sheet in respect of the Gratuity Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income (OCI).

b) Post-Retirement Medical Benefit – Executive (CPRMSE)

Company has post-retirement medical benefit scheme known as Contributory Post Retirement Medicare Scheme for Executive of CIL and its Subsidiaries (CPRMSE), to provide medical care to the executives and their spouses in Company hospital/empaneled hospitals or outpatient/Domiciliary only in India subject to ceiling limit, on account of retirement on attaining the age of superannuation or are separated by the Company on medical ground or retirement under Voluntary Retirement Scheme under common coal cadre or Voluntary Retirement Scheme formulated and made applicable from time to time. Membership is not extended to the executives who resigns from the services of the CIL and its subsidiaries. The maximum amount reimbursable during the entire life for the retired executives and spouse taken together jointly or severally is Rs 25 lakhs except for specified diseases with no upper limit. The Scheme is funded through trust maintained by the CIL at Company level solely for this purpose, wherein employer contribution is 2% of basic salary and Dearness Allowance per month. The liability for the scheme is recognised based on actuarial valuation done at each reporting date.

Defined Contribution Plans

a) Provident Fund and Pension

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates based on a fixed percentage of the eligible employee's salary i.e. 12% and 7% of Basic salary and Dearness Allowance towards Provident Fund and Pension Fund respectively to a separate trust named Coal Mines Provident Fund (CMPF). The contribution towards the fund for the year ended 31.03.2021 is NIL (NIL for the year ended 31.03.2021 and NI lakh for the year ended 31.03.2020) has been recognized in the Statement of Profit & Loss (Note 25).

b) Post-Retirement Medical Benefit – Non- Executive (CPRMSE-NE)

As a part of social security scheme under wage agreement, Company is providing Contributory Post-Retirement Medicare Scheme for non-executives (CPRMSE-NE), wherein fixed amount is being contributed by the company and charged to statement of profit and loss.

c) CIL Executive Defined Contribution Pension Scheme (NPS)

The company provides a post-employment contributory pension scheme to the executives of the Company known as "CIL Executive Defined Contribution Pension Scheme -2007" (referred as New Pension Scheme "NPS"). NPS is being administered through separate trust at Company level solely formed for the purpose. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post-retirement medical benefits -Executive i.e. CPRMSE or any other retirement benefits. The current employer contribution of 6.99% of basic and Dearness Allowance is being charged to statement of profit and loss.

Other Long Term Employee Benefits

a) Leave encashment

The company provides benefit of total Earned Leave (EL) of 30 days and Half Paid Leave (HPL) of 20 days to the executives of the company, accrued and credited proportionately on half yearly basis on the first day of January and July of every year. During the service, 75% EL credited balance is one time encashable in each calendar year subject to ceiling of maximum 60 days EL encashment. Accumulated HPL is not permitted for encashment during the period of service. On superannuation, EL and HPL together is considered for encashment subject to the overall limit of

300 days without commutation of HPL. In case of non-executives, Leave encashment is governed by the National Coal Wage Agreement (NCWA) and at present the workmen are entitled to get encashment of earned leave at the rate of 15 days per year and on discontinuation of service due to death, retirement, superannuation and VRS, the balance leave or 150 days whichever is less, is allowed for encashment. Therefore, the liabilities for earned leave are expected to be settled during the service as well as after the retirement of employee. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The Scheme is fully funded through trust maintained with Life Insurance Corporation of India.

b) Life Cover Scheme (LCS)

As a part of social security scheme under wage agreement, the Company has Life Cover Scheme under Deposit Linked Insurance Scheme, 1976 notified by the Ministry of Labour, Government of India, known as "Life Cover Scheme of Coal India Limited" (LCS). An amount of Rs 1,25,000 is paid under the scheme w.e.f 01.10.2017. The liability under the scheme is borne by the Company as per actuarial valuation at each Balance Sheet date.

c) Settlement Allowances

As a part of wage agreement, a lump sum amount of Rs 12000/- is paid to all the non-executive cadre employees governed under NCWA on their superannuation on or after 31.10.2010 as settling-in allowance. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

d) Group Personal Accident Insurance (GPAIS)

Company has taken group insurance scheme from United India Insurance Company Limited to cover the executives of the company against personal accident known as "Coal India Executives Group Personal Accident Insurance Scheme" (GPAIS). GPAIS covers all types of accident on 24 hour basis worldwide. Premium for the scheme is borne by the Company. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date

e) Leave Travel Concession (LTC)

As a part of wage agreement, Non-executive employees are entitled to travel assistance for visiting their home town and for "Bharat Bhraman" once in a block of 4 years. A lump sum amount of Rs 8000/- and Rs 12000/- is paid for visiting Home town and "Bharat Bhraman", respectively. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

f) Compensation to Dependent on Mine Accident Benefits

As a part of social security scheme under wage agreement, the company provides the benefits admissible under The Employee's Compensation Act, 1923. An amount of Rs 15 lakhs is paid to the next of kin of an employee in case of a fatal mine accident w.e.f 07.11.2019. The liability for the scheme is recognised based on actuarial valuation at each Balance Sheet date.

Funding status of defined benefit plans, defined contribution plans and other long term employee benefits plans, which are valued on actuarial basis, are as under:

(i) Funded

- Gratuity
- Leave Encashment
- Medical Benefits
- Provident Fund
- Pension Schemes

(ii) Unfunded

- Life Cover Scheme
- Settlement Allowance
- Group Personal Accident Insurance
- Leave Travel Concession
- Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2021 based on valuation made by the Actuary, details of which are mentioned below

(₹ in lakh)

Particulars	Opening 01.04.2020	Incremental Liability during the year	Closing 01.04.2021
Gratuity	-	-	-
Earned Leave	-	-	-
Half Pay Leave	-	-	-
Life Cover Scheme	-	-	-
Settlement Allowance Executives	-	-	-
Settlement Allowance Non-executives	-	-	-

Gross Personal Accident Insurance Scheme	-	-	-
Leave Travel Concession	-	-	-
Medical Benefits Executives	-	-	-
Medical Benefits Non-Executives	-	-	-
Compensation to dependents in case of mine accidental death	-	-	-
Total	-	-	-

4. Unrecognized items

a) Contingent Liabilities

I. Claims against the Company not acknowledged as debt

(₹ in lakh)

	Central Govt.	State Govt. and Local authorities	Central Public Sector Enterprises	Others	Total
Opening as on 01.04.2020	**255.49**	**0.00**	**0.00**	**2224.80**	**2480.29**
Addition during the period	0.00	0.00	0.00	0.00	0.00
Claim settled during the Period:					
a. From Opening Balance	0.00	0.00	0.00	0.00	0.00
b. Out of addition during the **Period:**	0.00	0.00	0.00	0.00	0.00
Closing as on 31.03.2021	**255.49**	**0.00**	**0.00**	**2224.80**	**2480.29**

(₹ in lakh)

Contingent Liability

Sl. No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	**Central Government**		
	Income Tax	255.49	255.49
	Central Excise	0.00	0.00
	Clean Energy Cess	0.00	0.00
	Central Sales Tax	0.00	0.00
	Service Tax	0.00	0.00
	Others (Please Specify)	0.00	0.00
	Sub-Total	**255.49**	**255.49**
2	**State Government and Local Authorities**		
	Royalty	0.00	0.00
	Environment Clearance	0.00	0.00
	Sales Tax/VAT	0.00	0.00

	Entry Tax	0.00	0.00
	Others	0.00	0.00
	Sub-Total	**0.00**	**0.00**
3	**Central Public Sector Enterprises**		
	Arbitration Proceedings	0.00	0.00
	Suit against the company under litigation	0.00	0.00
	Others(Please Specify)	0.00	0.00
	Sub-Total	0.00	0.00
4	**Others: (If any)**		
	Miscellaneous - Land & Others	2224.8	2224.8
	Employee Related & Etc.	0.00	0.00
	Sub-Total	**2224.80**	**2224.80**
	Grand Total	**2480.29**	**2480.29**

The management of the Company believes that the outcome of the above will not have any material adverse effect on the Company.

II. Guarantee

As on 31.03.2021 Bank guarantee issued is ₹ 2224.80 lakh (₹ 2224.80 lakh as at 31.03.2020).

(1)The company has submitted a Bank Guarantee bearing No.50/48 issued by State Bank of India, Talcher, for an amount of Rs 22.248 Crores in favour of The President of India, acting through Ministry of Coal, Shastri Bhavan, New Delhi which has been renewed on 01.04.2021for 6 months (from 01.04.2021 to 3.09.2021) vide B.G. No-50/48.

(2) A letter received from F.No-47011/7(6)/93-CPAM/CA from Govt. of India, Ministry of Coal, dated: 09 July, 2013 regarding deduction of 20 % of BG (i.e., Rs 22.248 Crores) against which Private shareholders of Company proceeding for appeal at Hon'ble High Court of Delhi. This deduction is proposed to be made in view of the Company not being able to meet the targeted production by the specified/extended time limit

III. Letter of Credit

As on 31.03.2021 outstanding letter of credit is NIL(NIL as at 31.03.2020)

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for: NIL

Other Commitments: NIL.

5. Other Information

a) Provisions

The position and movement of various provisions as per Ind AS-37 except those relating to employee benefits which are valued actuarially, for the period ended 31.03.2021 are given below:

(₹ in lakhs)

Provisions	Opening Balance as on 01.04.2020	Addition during the period/year	Write back/ Adj./Paid during the period	Closing Balance as on 31/03/2021
Note 3:- Property, Plant and Equipments	-	-	-	-
Impairment of Assets :	-	-	-	-
Note 4:- Capital Work in Progress :	-	-	-	-
Against CWIP :	-	-	-	-
Note 5:- Exploration And Evaluation Assets	-	-	-	-
Provision and Impairment :	-	-	-	-
Note 8:- Loans :	-	-	-	-
Other Loans :	-	-	-	-
Note 9:- Other Financial Assets:	-	-	-	-
Security Deposit for utilities	-	-	-	-
Other Deposit and Receivables	-	-	-	-
Claims & other receivables	-	-	-	-
Note 10:- Other Non-Current Assets :	-	-	-	-
Capital Advances	-	-	-	-
Security Deposit for utilities	-	-	-	-
Other Deposits and Advances	-	-	-	-
Note 11:- Other Current Assets:	-	-	-	-
Advance for Revenue (goods & services)	-	-	-	-
Advance payment of statutory dues	-	-	-	-
Other Advances and Deposits	-	-	-	-
Note 13:-Trade Receivables	-	-	-	-
Provision for bad & doubtful debts :	-	-	-	-
Note 21 :- Non-Current & Current Provision :	-	-	-	-
Gratuity	-	-	-	-
Leave Encashment	-	-	-	-
Ex- Gratia	-	-	-	-
Performance Related Pay	-	-	-	-
Other Employee Benefits	-	-	-	-
Site Restoration/Mine Closure	-	-	-	-
Stripping Activity Adjustment	-	-	-	-
Others	-	-	-	-

b) Segment Reporting.

The Company is primarily engaged in a single segment business of production and sale of Coal.

c) Earnings per share

(₹ in lakhs)

Sl. No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
i)	Net profit after tax attributable to Equity Share Holders	(43.78)	(1961.00)
ii)	Weighted Average no. of Equity Shares Outstanding	95100000	95100000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 10/- per share)	(₹ 0.05)	(₹ 2.06)

d) Related Party Disclosures

The list of related parties is as follows : -

MJSJ COAL Limited

Shri K.R.VASUDEVAN	Chairman	12.02.2018
Shri A.HUSSAIN	Director	02.07.2019
Shri A.K.SINGH	Director	11.06.2020
Shri K.K. ROUL	Director	27.06.2019
Shri SANDEEP GOKHALE	Director	24.10.2008
Shri C.P.TATED	Director	17.06.2019
Shri S.B.DASGUPTA	Director	23.07.2012
Shri S.S.UPADHYAY	Director	29.07.2016
Shri P.P.GUPTA	CEO	12.03.2021
Shri A.K.RAY	CFO	19.08.2020
Shri S.ROUT	Company Secretary	25.01.2011

Remuneration of Key Managerial Personnel

(₹ in lakhs)

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2021	For the year ended 31.03.2020
i)	**Short Term Employee Benefits**		
	Gross Salary	28.05	96.45
	Medical Benefits	0.00	0.00
	Perquisites and other benefits	0.00	0.00
ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.00	0.00
iii)	**Termination Benefits**	0.00	0.00
	TOTAL	**28.05**	**96.45**

Payment to Independent Directors

(₹ in lakhs)

Sl. No.	Payment to Independent Directors	For the period ended 31.03.2021	For the period ended 31.03.2020
ii)	Sitting Fees	0	0

Balances Outstanding with Key Managerial Personnel

Sl. No.	Particulars	As at 31.03.2021	As at 31.03.2020
i)	Amount Payabl	Nil	Nil
ii)	Amount Receivable	Nil	Nil

Entities under the control of the same government:

Name of the entity	Transaction	As at 31.03.2021	As at 31.03.2020
N / A		-	-

e) Deferred tax Asset and Liability are being offset as they relate to taxes on income levied by the same governing taxation laws.

Deferred tax Asset/ Liability :

		31.03.2021	31.03.2020
A.	**Deferred Tax Assets:**		
	Provision for Doubtful Advances, Claims & Debts	-	-
	Employee Benefits	-	-
	Others	-	-
	TOTAL OF (A)	**-**	**-**
B.	**Deferred Tax Liability:**		
	Related to Fixed Assets	-	-
	Others	-	-
	TOTAL OF (B)	**-**	**-**
	Net Deferred Tax Asset/ (Deferred Tax Liability) (A-B)	**-**	**-**

f) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

g) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

h) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

i) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

j) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash &bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

k) Other Matters

l) Disaggregated revenue information:

The table below presents disaggregated revenues from contract with customers information as per requirement of Ind AS 115, Revenue From Contract with Customer for revenue from sale of coal & others:

(₹ in lakh)

Disaggregated revenue information:	For the year ended 31.03.2021	For the year ended 31.03.2020
Types of goods or service		
- Coal	-	-
- Others	-	-
Total revenue from Sale of Coal & others	-	-
Types of customers		
- Power sector	-	-
- Non-Power Sector	-	-
- Others or Services	-	-
Total revenue from Sale of Coal & others	-	-
Types of contract		
- FSA	-	-
- E Auction	-	-
- Others	-	-
Total revenue from Sale of Coal & others	-	-
Timing of goods or service		
- Goods transferred at a point in time	-	-
- Goods transferred over time	-	-
- Services transferred at a point in time	-	-
- Services transferred over time	-	-
Total revenue from Sale of Coal & others	-	-

m) Significant accounting policy:

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under theCompanies (Indian Accounting Standards) Rules, 2015.

n) Impact of COVID-19 The area is taking continuous measures to combat the adverse impact of COVID-19 and has implemented manifold measures for ease of doing business. The area has considered the possible effects that may arise due to pandemic in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets as on 31st March 2021. The area will continue to closely monitor any material changes arising out of future economic conditions and the resultant impact on its business.

o) Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendment revised Division I, II & III of Schedule III and are applicable from April 1, 2021. The Company is evaluating the effect of the amendments on its financial statements.

p) Pursuant to the notification No. G.S.R. 463(E) dated 24th July, 2020 the definition of Materiality has been substituted in Ind AS 1(Presentation of Financial Statements). Accordingly, the Policy on Materiality in significant Accounting policy has been modified. However, there is no financial impact of the aforesaid change.

q)

a) On 24th September 2014,the Hon'ble Supreme Court cancelled allocation of 204 coal blocks made during 1993-2012 citing the allocation process as arbitrary and allocations as illigal.Accordingly the UTKAL-A Coal Block(including Gopalprasad west) allocated earlier in favour of the company also got de-allocated.However the Company has not yet received any letter of de-allocation from Ministry of Coal,Govt. of India.

b) Previous year's figures have been restated, regrouped and rearranged wherever considered necessary.

c) Note-1 and 2 represents corporate information and Significant Accounting Policies respectively, Note 3 to 23 form parts of the Balance Sheet as at 31th March, 2021, Note-24 to 28 form part of

Statement of Profit & Loss for the year ended on that date. Note- 29 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 29.

As per our report annexed

On behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
(S.Rout)	**(A.K. Ray)**	**(P.P. Gupta)**	**(A.K. Singh)**
Company Secretary	CFO	CEO/GM	Director
			DIN-08667576

As per our audit report of even date
For & on behalf of **M/s A.K. KAR & CO**
Chartered Accountants
FRN - 310081E

Sd/-
(K.R. Vasudevan)
Chairman
DIN-07915732

Sd/-
C.A. A.K. KAR
Partner, M.No. 017804

Date: 26.04.2021
Place: Angul