ANNUAL REPORT & ACCOUNTS

2011-2012

Coal India Limited

A Maharatna Company

www.coalindia.in



MISSION

The mission of Coal India Limited is to produce the planned quantity of coal efficiently and economically with due regard to safety, conservation and quality.

VISION

Be the leading energy supplier in the country, through best practices from mine to market.

Important Communication to Members

*The Ministry of Corporate Affairs has taken a **"Green Initiative in the Corporate Governance"** by allowing paperless compliances by the companies and has issued circulars, stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants.*

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Board of Directors



Shri S. Narsing Rao



Ms. Zohra Chatterji



Ms. Anjali Anand Srivastava



Prof. S. K. Barua



Dr. A. K. Rath



Dr. (Smt.) Sheela Bhide



Dr. R. N. Trivedi



Shri Mohd. Anis Ansari



Shri Kamal R Gupta



Ms. Sachi Chaudhuri



Shri R. Mohan Das



Shri A. K. Sinha



Shri N. Kumar



Shri B. K. Saxena

Permanent Invitees



Shri D. C. Garg



Shri A. K. Singh



Shri D. P. Pande

Members of the Board

as on 31st July, 2012

Functional Directors :

Shri S.Narsing Rao	:	Chairman
Shri R. Mohan Das	:	Personnel & Industrial Relations
Shri A. K. Sinha	:	Finance
Shri N. Kumar	:	Technical
Shri B.K.Saxena	:	Marketing

Part-Time Official Directors :

Ms. Zohra Chatterji	:	Additional Secretary Ministry of Coal, New Delhi.
Ms. Anjali Anand Srivastava	:	Joint Secretary and Financial Adviser, Ministry of Coal, New Delhi.

Independent Directors :

1. Prof. S. K. Barua
2. Dr. A. K. Rath
3. Dr. R. N. Trivedi
4. Dr. (Smt) Sheela Bhide
5. Shri Mohd. Anis Ansari
6. Shri Kamal R. Gupta
7. Ms.Sachi Chaudhuri

Permanent Invitees :

Shri D. C. Garg	:	Chairman-cum-Managing Director, Western Coalfields Limited.
Shri A. K. Singh	:	Chairman-cum-Managing Director, Central Mine Planning & Design Institute Limited.
Shri D. P. Pande	:	Additional Member (Traffic Transportation), Railway Board.

Company Secretary :

M. Viswanathan

Management During 2011-12

Ms . Zohra Chatterji	:	Chairman [Additional Charge] (From 01.02.2012)
Shri N. C. Jha	:	Chairman [Additional Charge] (From 01.03.2011 to 31.01.2012)

Functional Directors

Shri N. C. Jha	:	Director (Technical) (From 01.01.2007 to 31.01.2012)
Shri R. Mohan Das	:	Director (P&IR) (From 01.06.2007)
Dr A K Sarkar	:	Director (Marketing) (From 17.03.2009 to 30.04.2011)
Shri N.C.Jha	:	Director (Marketing) [Additional Charge] (From 01.05.2011 to 31.01.2012)
Ms. Zohra Chatterji	:	Director (Marketing) [Additional charge] (From 01.02.2012)
Shri A K Sinha	:	Director (Finance) (From 13.03.2010)
Shri N.Kumar	:	Director (Technical) (From 01.02.2012)

Part Time Official Directors

Shri Alok Perti	:	Special Secretary, Ministry of Coal (From 27.01.2010 to 31.08.2011)
Ms Zohra Chatterji	:	Additional Secretary, Ministry of Coal (From 12.11.2011)
Shri A.K.Bhalla	:	Joint Secretary, Ministry of Coal (From 20.09.2011 to 13.10.2011)
Ms. Anjali Anand Srivastava	:	Joint Secretary & Financial Advisor (From 20.01.2011)

Independent Directors

Prof. S. K. Barua	:	(From 24.08.2007)
Dr. A.K. Rath	:	(From 27.04.2010)
Dr. (Smt) Sheela Bhide	:	(From 04.08.2010)
Shri Kamal R. Gupta	:	(From 04.08.2010)
Dr. R. N. Trivedi	:	(From 24.08.2010)
Shri. Mohd. Anis Ansari	:	(From 24.08.2010)
Ms. Sachi Chaudhuri	:	(From 24.08.2010)

Permanent Invitees

Shri D. C. Garg	:	CMD, Western Coalfields Limited (From 21.08.2008)
Shri A. K.Singh	:	CMD, Central Mine Planning & Design Institute Limited (From 21.08.2008)
Shri Pradeep Bhatnagar	:	Addl. Member (Traffic) Railway Board (From 07.09.2010 till 31.03.2012)

Company Secretary :

Dr H. Sarkar	:	(From 30.09.1997 to 13.12.2011)
Shri M. Viswanathan	:	(From 14.12.2011)

Bankers, Auditors and Regd. Office

Bankers

1. STATE BANK OF INDIA
2. PUNJAB NATIONAL BANK
3. UNITED BANK OF INDIA
4. CANARA BANK
5. ALLAHABAD BANK
6. UNION BANK OF INDIA
7. BANK OF BARODA
8. BANK OF INDIA
9. ORIENTAL BANK OF COMMERCE
10. HDFC BANK
11. ICICI BANK
12. HSBC LTD
13. ABN AMRO BANK
14. STANDARD CHARTERED BANK
15. BNP PARIBAS
16. CITI BANK
17. DEUTSCHE BANK
18. CREDIT AGRICOLE CORPORATE & INVESTMENT BANK
19. IDBI BANK
20. UCO BANK
21. CENTRAL BANK OF INDIA
22. BANK OF MAHARASHTRA

Statutory Auditor

De Chakraborty & Sen
Chartered Accountants
Bikaner Buildings, 1st Floor,
8-B, Lalbazar Street
Kolkata-700001
Phone : 22300171/5604
E-mail : dechasen@vsnl.net

Registered Office

Coal Bhawan
10, Netaji Subhas Road
Kolkata - 700001
India

Website

www.coalindia.in

Notice

Dated : 31st July' 2012

Notice of the Thirty-Eighth Annual General Meeting of Coal India Limited

Notice is hereby given to the Members of Coal India Limited that the Thirty-Eighth Annual General Meeting of the Company will be held on **Tuesday, the 18th September, 2012 at 10.30 A.M** at the Kala Mandir Auditorium, 48, Shakespeare Sarani, Kolkata 700017 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit and Loss Account for the financial year ended on that date together with the Reports of Statutory Auditor & Comptroller & Auditor General of India and Directors' Report.

2. To confirm payment of Interim dividend paid and to declare Final Dividend on equity shares for the Financial Year 2011-12.

3. To appoint a Director in place of Prof. S.K.Barua, who retires by rotation in terms of Article 33(d) of the Articles of Association of the Company and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

ITEM No 4.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution :**

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act 1956, the Articles of Association of the company be altered to include clause 18A after clause 18 to provide for Buy back of Shares."

Clause 18A :

"Notwithstanding anything contained in these Articles, but subject to the provisions of Companies Act and Securities and Exchange Board of India (Buy back of Securities) Regulations, as amended from time to time and other provisions of law if any, the company by special resolution or the Board of Directors of the Company, as the case may be, shall have the power subject to limits, restrictions, terms and conditions and approvals, if any, as may be required, to purchase any of its fully paid shares or any other securities as may be specified under the Act, Rules and regulations from time to time and make payment thereof out of its free reserves or securities premium account or the proceeds of any shares or other specified securities issued specially for the purpose of buy-back or any other modes as may be permitted from time to time."

ITEM No 5

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

"RESOLVED THAT Shri S. Narsing Rao, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 and designated as Chairman cum Managing Director effective from 24th April, 2012 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

ITEM No 6

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

"RESOLVED THAT Ms Zohra Chatterji, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 12th November, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 7

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

"RESOLVED THAT Ms. Anjali Anand Srivastava, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 8

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

"RESOLVED THAT Dr.(Smt)Sheela Bhide, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 9.

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

"RESOLVED THAT Dr. R.N.Trivedi, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 10.

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

"RESOLVED THAT Shri. Mohd Anis Ansari, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 11.

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

"RESOLVED THAT Shri Kamal R.Gupta, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

IITEM No 12

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

"RESOLVED THAT Ms. Sachi Chaudhuri, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective from 20th September, 2011 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM No 13

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

"RESOLVED THAT Shri. N.Kumar, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956, and designated as Director (Technical) effective from 1st February, 2012 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing, under Section 257 of the companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

ITEM No 14

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

"RESOLVED THAT Shri. B.K.Saxena, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956, and designated as Director (Marketing) effective from 19th June, 2012 and holds office upto the 38th Annual General Meeting and in respect of whom, the company has received a notice in writing, under Section 257 of the companies Act, 1956 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

By order of the Board



(M. Viswanathan)
Company Secretary

Dated : 31st July '2012

Registered Office :
10, N. S. Road,
Kolkata – 700 001
India.

NOTES :-

1. Brief resume of the Director seeking re-appointment as mandated under Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto and forms part of the notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY - EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.

3. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, the 10th September, 2012 to Friday, the 14th September, 2012** (both days inclusive). The Final dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on and from **28th September, 2012** to the Members or their mandates whose names appear in the Company's Register of Members on **September 14th, 2012** in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the beneficial owners of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on **September 7th, 2012.**

4. Members are requested to :-
   i) note that copies of Annual Report will not be distributed at the Annual General Meeting.
   ii) bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
   iii) deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.
   iv) quote their Folio / Client ID & DP ID Nos. in all correspondence.
   v) note that due to strict security reasons, eatables and other belongings are not allowed inside the Auditorium.

5. Members are advised to submit their Electronic Clearing System (ECS) mandates, to enable the Company to make remittance by means of ECS. Those holding shares in physical form may obtain and send the ECS mandate form to M/s. Link Intime India Pvt. Ltd, Registrar & Share Transfer Agent (RTA) of the Company. Those holding shares in Electronic Form may obtain and send the ECS mandate form directly to their Depository Participant (DP). Those who have already furnished the ECS Mandate Form to the Company/ RTA /DP with complete details need not send it again.

6. Members may avail of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the Form-2B as prescribed in the Companies (Central Government's) General Rules and Forms, 1956, any person to whom their shares in the Company shall vest on occurrence of events stated in the Form. Form-2B is to be submitted in duplicate to M/s. Link Intime India Pvt. Ltd, RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.

7. Corporate Members intending to send their authorized representative(s) 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.

8. Members are requested to notify immediately any change of address :
   i. to their Depository Participants (DP) in respect of shares held in dematerialized form, and
   ii. to the Company at its Registered Office or to its RTA, M/s. Link Intime India Pvt. Ltd. in respect of their physical shares, if any, quoting their folio number.