

92nd
Annual Report & Accounts
2012-2013



The Singareni Collieries Company Limited

(A Government Company)



The Singareni Collieries Company Limited

(A Government Company)

Our Mission

- * To retain our strategic role of a premier Coal Producing Company in the Country and excel in a competitive business environment.
- * To strive for self-reliance by optimum utilisation of existing resources and earn adequate returns on the capital employed.
- * To exploit the available mining blocks with maximum conservation and utmost safety by adopting suitable technologies and practices and constantly upgrading them against international bench marks.
- * To supply reliable and qualitative coal in adequate quantities and strive to satisfy customers needs by constantly sharing their experience and customizing our product.
- * To emerge as a model employer and maintain harmonious industrial relations within the legal and social frame work of the State.
- * To emerge as a responsible Company through good Corporate Governance, by laying emphasis on protection of environment & ecology and with due regard for corporate social obligations.

THE SINGARENI COLLIERIES COMPANY LIMITED**(A GOVERNMENT COMPANY)****92nd ANNUAL REPORT AND ACCOUNTS 2012-13****CONTENTS**

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BANKERS:

State Bank of Hyderabad
 Indian Bank
 Canara Bank
 State Bank of Patiala
 Andhra Bank
 Bank of Maharashtra

Location of mining areas:**Khammam District**

Yellandu
 Rudrampur
 Manuguru

Warangal District

Bhoopalpalli

Karimnagar District

Ramagundam (Godavarikhani)

Adilabad District

Srirampur
 Mandamarri
 Bellampalli

AUDITORS:

M/s.Vaithisvaran & Co.,
 Chartered Accountants,
 6-3-663/C, Officers Colony,
 Panjagutta, Beside MAA TV Building,
 Hyderabad – 500 034.



BOARD OF DIRECTORS

1. Chairman & Managing Director
Sri Sutirtha Bhattacharya (From 10.5.2012 FN)
Sri Dinesh Kumar (FAC) (From 23.4.2012 to 9.5.2012)
Sri S.Narsing Rao (From 18.9.2006 to 23.4.2012 AN)
2. Director (Operations)
Sri B. Ramesh Kumar (From 13.12.2012)
Sri J.V.Dattatreyulu (From 1.10.2006 to 30.11.2012)
3. Director (Finance)
Sri S.Vivekanand (From 3.9.2010)
4. Director (Planning & Projects)
Sri A.Manohar Rao (From 13.12.2012)
Sri B. Ramesh Kumar (From 13.6.2011 to 12.12.2012)
5. Director (Electrical & Mechanical)
Sri P.Viswanadha Raju (From 12.11.2011)
6. Director (Personnel, Administration & Welfare)
Sri T.Vijaya Kumar (From 3.8.2011)
7. Sri D.C.Garg (From 21.9.2007)
Chairman-cum- Managing Director,
Western Coalfields Ltd., Nagpur
8. Sri A.K. Bhalla (From 3.4.2013)
Joint Secretary, Ministry of Coal, Govt. of India, New Delhi
Sri Sharad Kumar Ghodke (From 3.6.2011 to 29.6.2012)
Director, Ministry of Coal, Govt. of India, New Delhi
9. Sri D.N.Prasad (From 6.6.2013)
Advisor (Projects), Ministry of Coal, Govt. of India, New Delhi
Sri Anurag Kapil (From 21.5.2013 to 5.6.2013)
Dy. Secretary, Ministry of Coal, Govt. of India, New Delhi
Sri Anil Kapoor (From 28.7.2011 to 28.2.2013)
Director(Finance), Ministry of Coal, Govt. of India, New Delhi
10. Sri V.Bhaskar (From 1.7.2011 to 19.9.2013)
Special Chief Secretary, Finance Dept., Govt. of A.P.
11. Sri Mrutunjay Sahoo (From 17.10.2012)
Special Chief Secretary, Energy Dept., Govt. of A.P.
Sri Dinesh Kumar (From 16.8.2011 to 16.10.2012)
Principal Secretary, Energy Dept., Govt. of A.P.

Sri J. Rama Krishna
G.M (Corporate Affairs) & Company Secretary

Sri M. Krishna Mohan
General Manager (Finance & Accounts)

Board of Directors

(As on 28.9.2013)



Sri Sutirtha Bhattacharya
Chairman & Managing Director



Sri S. Vivekanand
Director (Finance)



Sri B. Ramesh Kumar
Director (Operations)



Sri T. Vijaya Kumar
Director (P. A & W)



Sri P. Viswanadha Raju
Director (E & M)



Sri A. Manohar Rao
Director (P & P)



Sri A.K. Bhalla
Director



Sri D.C. Garg
Director

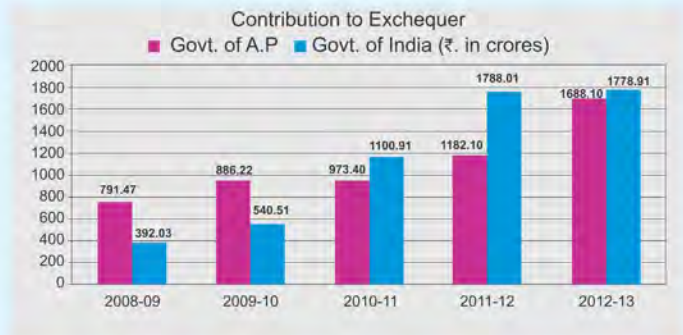
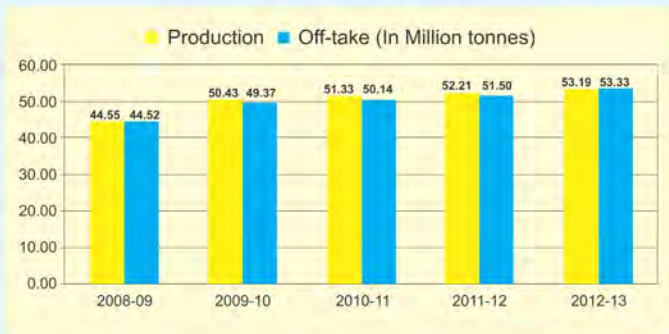


Sri D.N. Prasad
Director



Sri Mrutunjay Sahoo
Director

Graphs indicating important statistics



PERFORMANCE INDICATORS AT A GLANCE

Sl.No.	Indicators	Unit	2012-13	2011-12	2010-11	2009-10	2008-09
1.	Production:						
	a) Open cast	(Lakh Tonnes)	415.93	415.59	397.26	384.56	324.59
	b) Underground	(Lakh Tonnes)	115.97	106.52	116.07	119.69	120.87
	c) Total	(Lakh Tonnes)	531.90	522.11	513.33	504.25	445.46
2.	Off-take	(Lakh Tonnes)	533.34	515.04	501.44	493.68	445.21
3.	Stock of Coal	(Lakh Tonnes)	30.22	31.28	24.06	12.25	1.63
4.	Output per Man Shift	(Tonnes)	3.14	2.90	2.90	2.73	2.42
5.	Manpower	(Nos.)	64600	66466	67615	69043	70586
6.	Net sales	(₹ crore)	10128.29	9238.04	8165.81	6853.84	5500.40
7.	Profit before tax	(₹ crore)	558.54	568.96	536.67	396.72	248.32
8.	Profit after tax	(₹ crore)	401.14	358.27	351.37	268.01	132.83
9.	Accumulated Profit	(₹ crore)	738.90	539.15	381.60	230.95	143.78
10.	General Reserve	(₹ crore)	960.40	860.40	760.40	660.40	560.40
11.	Equity Share Capital	(₹ crore)	1733.20	1733.20	1733.20	1733.20	1733.20
12.	Long-term Debt	(₹ crore)	1028.48	616.61	331.67	464.34	530.67
13.	Net worth	(₹ crore)	3432.50	3132.75	2875.20	2624.55	2437.38
14.	Contribution to Exchequer:						
	- State Government	(₹ crore)	1688.10	1182.10	973.40	886.22	791.47
	- Central Government	(₹ crore)	1778.91	1788.01	1100.91	540.51	392.03
15.	Earning per Share	(₹)	2.31	2.07	2.03	1.55	0.77
16.	Debt - Equity Ratio	(ratio)	0.59:1	0.36:1	0.19:1	0.27:1	0.31:1
17.	Cost of sales to sales	(percentage)	94.49	93.84	93.43	94.21	95.49
18.	Debtors as No. of months' sales	(months)	1.13	0.85	0.47	0.46	0.51



THE SINGARENI COLLIERIES COMPANY LIMITED

(A Government Company)

Regd. office: Kothagudem Collieries (P.O) – 507 101, Khammam Dist., A.P.

NOTICE

Notice is hereby given to all the shareholders of The Singareni Collieries Company Limited that the 92nd Annual General Meeting of the Company will be held on Saturday, the 28th day of September 2013 at 4.00 p.m, at the Registered office, Head office building, Kothagudem Collieries (P.O) – 507 101, Khammam District, Andhra Pradesh, to transact the following business.

1. To consider and adopt the Directors' Report and the audited Annual Accounts for the financial year 2012-13.
2. To declare dividend @5% on the paid-up equity share capital for the financial year 2012-13.
3. To appoint a Director in place of Sri D.C.Garg who retires by rotation in accordance with Section 256 of the Companies Act, 1956 and Article 93 of the Articles of Association of the Company and is eligible for re-election.
4. To appoint Directors in place of Sri A.K.Bhalla, Sri Mrutunjay Sahoo and Sri D.N. Prasad who retire under Article 98 of the Articles of Association of the Company and are eligible for re-election.
5. To fix the remuneration payable to Statutory Auditors who are yet to be appointed by the C&AG of India for the financial year 2013-14.

“Resolved that pursuant to the provisions of Section 224(8)(aa) and other applicable provisions if any, of the Companies Act, 1956, the sanction be and is hereby accorded for payment of remuneration and reimbursement of T.A & out of pocket expenses as decided by the Board of Directors to Statutory Auditors to be appointed by the C&AG of India for the audit of accounts of the Company for the financial year 2013-14.”

SPECIAL BUSINESS

To consider and if thought fit to pass with or without modification the following resolutions as special resolutions.

6. Resolved that the sanction be and is hereby accorded for payment of remuneration to Sri J.V.Dattatreya as Director (Operations) on the Board of the Company for a period of 3 months from 1.9.2012 to 30.11.2012 on the existing terms & conditions laid before the meeting duly initialled by the Chairman for the purpose of identification.
7. Resolved that the sanction be and is hereby accorded for payment of remuneration to Sri S.Vivekanand as Director (Finance) on the Board of the Company for a period of one year from 31.8.2013 to 30.8.2014 on the existing terms & conditions laid before the meeting duly initialled by the Chairman for the purpose of identification.
8. Resolved that the sanction be and is hereby accorded for payment of remuneration to Sri B.Ramesh Kumar as Director (Operations) on the Board of the Company for a period of 2 years from 13.6.2013 to 12.6.2015 on the existing terms & conditions laid before the meeting duly initialled by the Chairman for the purpose of identification.
9. Resolved that the sanction be and is hereby accorded for payment of remuneration to Sri T.Vijaya Kumar as Director (P.A&W) on the Board of the Company for a period of 1 year from 15.7.2013 to 14.7.2014 on the existing terms & conditions laid before the meeting duly initialled by the Chairman for the purpose of identification.
10. Resolved that the sanction be and is hereby accorded for payment of remuneration to Sri A.Manohar Rao as Director (Planning & Projects) on the Board of the Company for a period of 2 years from 13.12.2012 to 12.12.2014 on the terms & conditions laid before the meeting duly initialled by the Chairman for the purpose of identification.

By order of the Board

Sd/-

(J. Rama Krishna)

G.M (Corporate Affairs) &

Company Secretary

Date: 2.9.2013

Place: Kothagudem.

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The explanatory statements pursuant to section 173(2) of the Companies Act, 1956 in respect of the special business are enclosed.
3. The Register of members and Share transfer books of the Company will remain closed from 14.9.2013 to 28.9.2013 (both days inclusive).
4. The shareholders are requested to intimate any change in their address to the Registered office of the Company for sending all correspondence.

ANNEXURE TO NOTICE

Explanatory statements pursuant to Section 173 (2) of the Companies Act, 1956.

Resolution No.6 :

The Board in the meeting held on 10.11.2012 co-opted Sri J.V.Dattatreyyulu as Director (Operations) for a further period of 3 months from 1.9.2012 to 30.11.2012 on the existing terms & conditions.

Copies of relevant office orders containing terms & conditions of extension are available for inspection at the Registered Office of the Company on any working day during office hours.

Approval of the shareholders is sought for payment of remuneration to Sri J.V.Dattatreyyulu from 1.9.2012 to 30.11.2012.

None of the Directors except Sri Dattatreyyulu is personally interested in the resolution proposed to be passed.

Resolution No.7 :

The Board in the meeting held on 30.7.2013 co-opted Sri S.Vivekanand as Director (Finance) for a further period of one year from 31.8.2013 to 30.8.2014 on the existing terms & conditions.

Copies of relevant office orders containing terms & conditions of extension are available for inspection at the Registered Office of the Company on any working day during office hours.

Approval of the shareholders is sought for payment of remuneration to Sri S.Vivekanand from 31.8.2013 to 30.8.2014.

None of the Directors except Sri S.Vivekanand is personally interested in the resolution proposed to be passed.

Resolution No. 8:

The Board in the meeting held on 10.6.2013 co-opted Sri B.Ramesh Kumar as Director (Operations) for a further period of 2 years from 13.6.2013 on the existing terms & conditions.

Copies of relevant office orders containing terms & conditions of extension are available for inspection at the Registered Office of the Company on any working day during office hours.

Approval of the shareholders is sought for payment of remuneration to Sri Ramesh Kumar from 13.6.2013 to 12.6.2015.

None of the Directors except Sri Ramesh Kumar is personally interested in the resolution proposed to be passed.

Resolution No. 9:

The Board in the meeting held on 30.7.2013 co-opted Sri T.Vijaya Kumar as Director (P.A&W) on the Board of the Company for a further period of 1 year from 15.7.2013 to 14.7.2014 on the existing terms & conditions.



Copies of relevant office orders containing terms & conditions of extension are available for inspection at the Registered Office of the Company on any working day during office hours.

Approval of the shareholders is sought for payment of remuneration to Sri Vijaya Kumar from 15.7.2013 to 14.7.2014.

None of the Directors except Sri Vijaya Kumar is personally interested in the resolution proposed to be passed.

Resolution No.10:

The Board in the meeting held on 22.2.2013 co-opted Sri A.Manohar Rao as Director (Planning & Projects) on the Board of the Company for a period of 2 years from 13.12.2012 to 12.12.2014 on the terms & conditions contained in Office order No. CRP/PER/C/025/3135, dt.13.12.2012.

Copies of relevant office orders containing terms & conditions of appointment are available for inspection at the Registered Office of the Company on any working day during office hours.

Approval of the shareholders is sought for payment of remuneration to Sri A.Manohar Rao from 13.12.2012 to 12.12.2014.

None of the Directors except Sri A.Manohar Rao is personally interested in the resolution proposed to be passed.

DIRECTORS' REPORT

Dear Members,

Your Directors are happy to present the 92nd Annual Report and audited financial statements of the Company for the year ended on 31st March 2013.

HIGHLIGHTS OF PERFORMANCE

During 2012-13 the Company has;

- > surpassed the production target for the 11th consecutive year;
- > achieved highest ever dispatches & sales;
- > registered growth in productivity & net profit;

The performance achieved by the Company can be seen from the following table;

Performance parameters	2012-13	2011-12	% variance over 2011-12
Production (in million tonnes)	53.19	52.21	1.88
Despatches (in million tonnes)	53.35	51.50	3.59
Gross sales (Rs. in crores)	12354.33	10859.44	13.77
Productivity (Output per manshift in tonnes)	3.14	2.90	8.28
Capacity utilisation (Coal) (Percentage)	100	103	-2.91

OPERATIONAL RESULTS

The financial performance of the Company for the year 2012-13 as compared to the previous year is as under;

(₹ in crores)

Particulars	2012-13	2011-12
Gross revenue	13030.66	11437.95
Profit before interest, depreciation, provisions, tax & prior period adjustments	1013.49	1023.05
Less : Interest	45.38	34.46
Depreciation	394.11	358.90
Provisions (net)	15.46	60.72
Prior period adjustments (net)	17.23	6.02
Provision for taxation (net of deferred Tax incl. previous years)	140.17	204.68
Net profit after tax	401.14	358.27
Appropriations :		
Dividend	86.66	86.66
Tax on Dividend	14.73	14.06
Transfer to General Reserve	100.00	100.00



Share capital:

During the year under report there is no change in the authorised and paid-up capital of the Company which was Rs.1800 crores and Rs.1733.20 crores respectively as in the previous year.

Dividend:

Your Directors are pleased to recommend dividend @5% on the paid-up capital for the financial year 2012-13 for approval of shareholders in the ensuing Annual General Meeting.

Coal prices:

The prices of G1 to G5 grade coal have been increased w.e.f., 13.4.2012.

Capital Expenditure:

During 2012-13 amount spent on capital additions is Rs.2031.74 crores as against Rs.620.23 crores incurred in the previous year.

Foreign exchange earnings and outgo:

During 2012-13 the foreign exchange outgo was Rs. 568.28 crores as against Rs.157.98 crores in the previous year, which is mainly due to import of equipment & spares, payment of consultancy charges etc. There were no foreign exchange earnings.

PRODUCTION PERFORMANCE :

Production from opencast & underground mines:

The Company has exceeded the production target for the 11th consecutive year and achieved 53.19 million tonnes of production during the year under review against the target of 53.10 million tonnes. The growth rate in production over previous year is 1.88%. While production from open cast projects was 41.59 million tonnes with a marginal growth rate of 0.05% over previous year, Underground mines have produced 11.60 million tonnes with a growth rate of 9% over the previous year. The technology-wise details of production achieved during the year under review against the targets as well as achievement in the previous year are as under;

(in million tonnes)

Sl. No.	Technology	2012-13		2011-12	% variance over 2011-12
		Target	Actual	Actual	
1.	Underground				
	a) Hand section	1.40	1.43	1.61	-11.18
	b) Machine mining:				
	i. Road header	0.30	0.16	0.13	23.08
	ii. Longwall	0.50	0.29	0.29	-
	iii. Highwall	-	0.28	0.16	75.00
	iv. Side Dump Loaders	6.36	5.28	4.81	9.77
	v. Load Haul Dumpers	1.84	2.18	1.76	23.86
	vi. Short Wall	0.30	0.12	-	-
	vii. Blasting Gallery	1.50	1.21	1.21	-
	viii. Continuous miner	0.80	0.66	0.63	4.76
	ix. Scrapper	-	-	0.03	-
	Total machine mining	11.60	10.17	9.03	12.62
	Total underground	13.00	11.60	10.64	9.02
2.	Opencast	40.10	41.59	41.57	0.05
	Total	53.10	53.19	52.21	1.88

Overburden removal performance:

During the year under review the company has achieved overburden removal of 175.84 million cubic metres in opencast projects as against 209.74 million cubic metres achieved in the previous year. The Company is outsourcing some portion of OB removal activity as per the laid down policy. The details of overburden removal by Company equipment and through outsourcing agencies are as under;

(in million Cu. Mtrs.)

Particulars	2012-13		2011-12 Actual	increase over 2011-12	
	Target	Actual		Absolute	Percentage
Company equipment	69.99	60.82	70.69	-9.87	-13.96
Outsourcing	172.98	115.02	139.05	-24.02	-17.28
Total	242.97	175.84	209.74	-33.90	-16.16

Reasons for shortfall in OB removal:

- Heavy rainfall during monsoon season and 'Neelam' cyclone during the first week of November 2012, non-materialisation of Forest land diversion for RG OC-II Extn. BPA OC-II Extn. & Kondapuram UG mine, Abbapur OC has not been permitted, two days strike on 20.2.2013 & 21.2.2013 by National trade unions, discontinuing the OB removal operations by outsourcing agency at Manuguru.
- Similarly, the performance of outsourcing agencies at RG OC-III and KTK OC was not satisfactory.
- Gap in awarding OB contracts in 3 OC projects due to introduction of bulk pricing for diesel instead of uniform pricing. (Manuguru OC-II, SRP OC-II & KTK OC).

Utilization of Capacity:

Capacity utilization achieved during the year under review was 100% as against 103% achieved in the previous year.

Productivity in terms of out put per man shift:

Productivity in terms of output per man shift in underground mines & opencast projects and for the entire Company for the year under review vis-a-vis previous year is as under;

(in tonnes)

Particulars	2012-13		2011-12 Actual	Variance over 2011-12	
	Target	Actual		Absolute	Percentage
Underground Mines					
- Hand section	0.74	0.61	0.60	0.01	1.66
- Machine mining	1.40	1.29	1.29	-	-
Total UG mines	1.24	1.13	1.10	0.03	2.72
Opencast projects	15.09	11.87	13.26	-1.39	-10.48
Overall					
- Mines	4.05	3.94	3.94	-	-
- Mines & Departments	3.24	3.14	2.90	0.24	8.27

Performance of HEMM:

The performance of Heavy Earth Moving Machinery in terms of availability and utilisation as against the previous year is indicated below;



HEMM	Numbers on roll		CMPDI Norms		% Availability		% Utilisation on Scheduled shift hours	
	2012-13	2011-12	% availability	% utilisation on SSH	2012-13	2011-12	2012-13	2011-12
Draglines	2	2	85	73	76	83	64	60
Shovels	67	65	80	60	81	84	53	54
Dumpers	453	426	67	50	70	76	39	39
Dozers	65	71	70	45	64	67	32	28
Drills	60	57	78	40	79	79	27	25
Others	135	133	-	-	71	76	28	26
Total	782	754	-	-	71	76	38	37

Performance of Underground Mining Machinery:

The performance of Underground Mining Machinery in terms of availability and utilisation as against the previous year is indicated below;

UGMM Equipment	Numbers on roll		SCCL Norms		% Availability		% Utilisation on Scheduled shift hours*	
	2012-13	2011-12	% availability	% utilisation w.r.t. SSH	2012-13	2011-12	2012-13	2011-12
Longwall	1	1	75	67	67	71	19(28)	20(30)
Shortwall	1	1	75	67	51	53	30(45)	17(26)
Continuous Miner	2	2	75	42	60	68	17(41)	16(38)
Road Header	10	10	83	42	71	80	12(29)	17(40)
Blasting Gallery	5	5	91	57	86	87	32(55)	32(56)
Load Haul Dumper	38	37	91	57	81	84	30(53)	29(51)
Side Dump Loader	162	144	91	58	92	93	35(61)	31(53)

* Figures in () indicate % achievement of system utilization.

MARKETING :

Target and off-take of coal:

During the year 2012-13 off-take of coal achieved was 53.35 million tonnes against the target of 55.60 million tonnes. As per the Coal Distribution Policy announced by the Ministry of Coal, GoI in 2008 customers drawing more than 4,200 tonnes per annum have to enter into FSA. 93% of dispatches have been covered by FSAs and MoUs. The details of sector-wise AAP target & off-take and colliery consumption during 2012-13 as compared to the previous year are as under.

(in million tonnes)

Sector	2012-13			2011-12		
	Target	Off-take	% Achieved	Target	Off-take	% Achieved
Power	38.80	41.31	106	36.70	39.53	108
Cement	6.71	5.48	82	6.71	5.13	76
Heavy Water Plant	0.50	0.45	90	0.50	0.41	82
Other Industries	9.47	6.05	64	8.87	6.32	71
Colliery Consumption	0.12	0.06	50	0.12	0.11	92
Total	55.60	53.35	96	52.90	51.50	97

Mode of dispatches:

Dispatches through different modes (excluding colliery consumption) during 2012-13 as against previous year are as indicated below;

(in million tonnes)

Year	Rail (incl. RCR)	Road	Merry-go-round	Rope-way	Total
2012-13	32.13	11.28	9.42	0.45	53.28
2011-12	30.29	10.39	10.30	0.41	51.39
Absolute increase/ decrease	1.84	0.89	-0.88	0.04	1.89

Wagon loading performance:

During the year 2012-13 daily average loading of 3,381/ 1,352 Four Wheeler Wagons/ Box wagons was done as against 3,175/ 1,270 FWW/ Box wagons in 2011-12.

Measures for improving quality:

Measures taken for improving quality of coal are as under;

- Spot analysis at the dispatch points and monitoring of coal quality shift wise, day wise and rake wise was implemented
- Two washeries are in operation one at Ramagundam and another at Manuguru. Inferior coal is being washed and clean coal is supplied to customers. Erection of washeries at RKP, Khairagura & JVR OC are in progress.
- Regular interactions, meetings and negotiations with the customers were held to take feed back about quality and other issues and necessary measures were taken based on their feed back.
- Stone and shale picking was done at OCPs, CHPs and UG mines.
- Sampling of coal is being done regularly to ensure that declared coal is being dispatched.



EXPLORATION ACTIVITIES :

During the year under review, 45.63 million tonnes of reserves were proved against 390.24 million tonnes proved in the previous year. Thus, the total proved reserves in Godavari Valley Coalfield have gone up to 9,923.31 million tonnes as on 31.3.2013. The coal extracted by the Company in the Godavari Valley Coalfield up to the year 2012-13 was about 1081 million tonnes.

INDUSTRIAL RELATIONS :

During the year under review by and large the Industrial Relation scenario was peaceful except two strikes and the details are as under;

Particulars	Unit	2012-13	2011-12
Strikes	No.	2	5
Mandays lost	No.	93,418	16,28,931
Production lost	Tonne	1,28,519	40,11,353

Trade Union elections were conducted successfully through secret ballot for 5th time on 28th June, 2012 under the supervision of Regional Labour Commissioner (Central), Hyderabad. In the elections, Telangana Boggu Gani Karmika Sangham has emerged as recognized union at Company level. INTUC, AITUC, HMS have emerged as Area Level representative status unions. Periodical Structured Meetings and Joint Consultative Committee Meetings were conducted with the unions.

EMPLOYEES' WELFARE MEASURES AND SOCIAL SECURITY SCHEMES :

Welfare and social security to the employees are given due attention and various welfare activities viz., housing & sanitation, educational, recreational, medical facilities with super specialty services and social security schemes that were in vogue are being continued. The overall housing satisfaction as on 31.3.13 was 79% as against 77% at the end of previous year.

The Singareni Collieries Educational Society sponsored by the Company has been running 10 Schools at various areas, women's degree & junior college at Kothagudem and one Polytechnic college at Srirampur. Post Graduation degree course i.e., M.Sc (Botany) has been introduced in Women's Degree College from the academic year 2012-13.

The Rangers team was introduced in Womens' Degree College in September 2012, first of its kind in AP to impart service orientation among women students.

Employees are provided sports facilities & required infrastructure and also encouraged to participate in sports & games.

An expenditure of Rs. 245 crores was incurred on various social overheads during the year 2012-13 as against Rs.227 crores incurred in the previous year.

Corporate Social Responsibility and activities through Singareni Seva Samithi:

As a responsible corporate citizen, the Company is carrying out several CSR activities under a programme known as 'Surrounding Habitats Assistance Programme' the objective of which is to improve the quality of life, living standards by making the surrounding areas as better living places.

'Singareni Seva Samithi', a non-profit organisation established by the Company in 1998 has helped to a great extent for betterment of people of coal belt area. During the year under review the Samithi activities are as under;

About 3,653 students of primary schools of SCCL in all areas were screened under School Health Programme during the year. 4,988 school children in the institutions run by Singareni Collieries Educational Society and Government were extended treatment during the year to improve Haemoglobin.

Medical assistance extended to 18 children identified with Epilepsy symptoms at KGM area with the help of NIMS Doctors.

Ancillary status was granted to 13 candidates short listed by the Company. They were also allotted plots to establish their units at concessional lease basis. All these 13 candidates were sanctioned about Rs.1.5 crore loans through commercial Banks under PMEGP scheme. They are likely to get about Rs.50 lakhs subsidy on the loans through KGMV.

About 793 candidates have undergone training in Skill Development Programmes through KGMV in different vocational trades like Electrician, Tailoring, Beautician etc.

30 candidates were trained in welding technology by Gram Tarang Institute, Rajendranagar through KGMV.

With the assistance of Seva Samithi, 187 self employment units were established at various areas during the year taking the total self units established so far to 1,411.

13 girl students of ST home, Manuguru were admitted at S.C.Womens' College, Kothagudem and extended free education.

277 candidates of SRP, MM & BPA areas were screened & counselled for establishment of ancillary units out of whom 14 candidates were finally selected for establishment of units with the assistance of APKVIB with Gram Tarang, Hyderabad.

At the initiation of the Company, Army Recruitment Rally was conducted at Kothagudem wherein 21,000 candidates from 10 Telangana districts participated. Out of 1200 candidates trained by Singareni Seva Samithi, for Army / Police recruitment rallies, 153 candidates were selected. 832 Mobile medical camps covering 160 villages conducted by the Company have benefitted 28,225 persons living in remote places by way of medical consultation & investigation and medicines have been supplied free of cost. SCCL has extended financial support for establishment of Engineering College by JNTU at Manthani, Karimnagar district. The college started functioning from the academic year 2012-13. About 603 illiterate spouses have undergone literacy training during the year taking the total beneficiaries so far to 28,125. 14 students were granted scholarship who secured 500 and above marks in SSC examination.

Extended training to 651 candidates in various vocational courses in association with Khadi Gramina Mahila Vidyalaya. 749 candidates were trained in various trades. 229 Project Affected Persons were trained in various trades. In the Yoga & Meditation camps conducted throughout areas 300 persons have participated.

INFORMATION TECHNOLOGY & NETWORKING :

Enterprise Resource Planning (ERP) package has been implemented and stabilized in Sales, Materials management, Finance & Payroll modules. Measures are being taken for GPS based surveillance system for monitoring coal transportation trucks from JVR OCP, Sathupalli to RCHP, Kothagudem. Measures are also being taken to introduce other modules of ERP.



SAFETY STATUS :

Your Company is putting all out efforts for improving the safety in mines. Accident status is as under;

Year	Fatal		Serious		Injury rate per million tonne of production	
	No. of accidents	No. of persons involved	No. of accidents	No. of persons injured	Fatal	Serious
2012-13	8	9	372	374	0.17	7.03
2011-12	11	12	322	323	0.23	6.19

Mines rescue services:

Participated in International Mines Rescue competitions-2012 held at Donetsk, Ukraine in the month of October, 2012 in which SCCL team stood 6th place in Engineering Analysis amongst 26 participating teams.

Conducted 43rd All India Mines Rescue competitions from 27.11.2012 to 29.11.2012 at Ramagundam in which SCCL team secured overall 1st & 2nd prizes in addition to 14 other events.

HUMAN RESOURCE DEVELOPMENT :

The Company has good in-house training centres with facilities like Library, LCD, Computers and Internet at various areas as indicated below.

Sl. No.	Name of the centre	No. of centres
1.	Mines Vocational Training Centres (MVTC)	8
2.	Corporate training Centre (CTC), Kothagudem	1
3.	Technical Training Centre (TTC), Ramagundam(for opencast technology)	1
4.	Underground mechanisation training Institute (UMTI), RG-II (for underground technology)	1
5.	Nargundkar Institute of Management (NIM), RG-II(for executive training)	1

Number of executives & non-executives covered under in-house and outside training programmes are as under;

Sl.No.	Particulars of training programmes	2012-13		2011-12	
		Executives	Non-Executives	Executives	Non-Executives
1.	In-house	1,582	338	1,017	775
2.	Within the country	528	152	464	171
3.	Outside the country	51	16	44	-

The manpower of the Company has come down from 66,522 as at the end of previous year to 64,600 by the end of the year under report.

One day work shop was conducted on 15.6.2012 on the topic "Processed Over Burden for Utilization as Stowing and Construction Material" at Singareni Bhawan, Hyderabad.

Quarterly HRD Bulletin and Top Management bi-monthly magazines are published for internal circulation.

MEASURES FOR CONSERVATION OF ENERGY :

Energy conservation measures like fitting energy efficient LED street lights and Solar water heating system wherever possible are being taken. Electrical, pumping and haulage lay outs were reorganized for optimum utilization of energy.

The specific energy consumption in KWH/ tonne of coal production has slightly increased during the year under review by 2.29% over the previous year as mentioned below;

Description	2012-13		2011-12		%Variance over 2011-12
	Target	Actual	Target	Actual	
Specific energy consumption in KWH/tonne	14.50	12.76	14.50	12.38	3.07

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

- Production from Short Wall technology in RK NT mine in Srirampur area has started from October 2012 using existing Long wall equipment.
- Highly mechanized Long wall at Adriyala Long wall project with rated capacity of 2.81 MT is under construction and expected to start production from 2013-14.

PROJECTS AND SCHEMES :**Projects/schemes under implementation:**

As at the end of March 2013, there are 24 mining projects (16 opencast and 8 underground) under various stages of implementation with a sanctioned capital cost of Rs.5590.90 crores. The implementation of 10 projects is as per schedule. Non-availability of land for compensatory afforestation, delay in forest land diversion and environmental clearance are main constraints effecting timely commissioning of projects. The Management is taking all possible steps to reduce slippages in implementing the projects.

Projects approved/ cleared by the Company:

The Board of Directors of the Company have approved / cleared the following projects during the year 2012-13:

Sl.No.	Name of the Project	Capacity per annum	Capital (Rs. crores)	Approved/ cleared on
1.	RG OC-III Expansion Phase-II	2.00	365.01	29.6.12
2.	Kalyanikhani OCP	1.750	417.33	24.7.12
3.	RFR of Manuguru OCP	1.500	402.84	10.11.12

Project recommended by the Board for approval of Government of India.

The Board of Directors of the Company have recommended the following project for approval of Government of India during the year 2012-13 and approval is yet to be received.



Sl.No.	Name of the Project	Capacity per annum	Capital (Rs. crores)	Approved/ cleared on
1.	2 nd RCE of Adriyala Shaft Project	2.817	1237.68	13.4.12

STATUS OF 2X600 MW POWER PROJECT:

Construction of 2x600 MW coal based Thermal Power Plant at Jaipur Mandal of Adilabad District of Andhra Pradesh with an investment of Rs.5,685 crores is in progress. Entire land required for the Power project has been acquired and environmental clearance has been obtained. Consent for Establishment for the power project has been received from AP Pollution Control Board. NoC has been obtained from Airports Authority of India. Water allotment is made by Govt. of AP. As approved by the Board of Directors in the meeting held on 12.9.2011 order was placed on BHEL for procurement of BTG package on EPC basis with zero date of commencement w.e.f., 11/11/2011. NTPC has been appointed as Consultant for pre & post-award consultancy services.

Techno-commercial evaluation report for awarding contract for Balance of Plant (BoP) package is under preparation at NTPC. Various works such as transit house, ground leveling etc., have been completed. Boundary wall, approach roads, construction of office etc., are nearing completion. Tendering process for construction of raw water storage reservoir at project site is in progress. Contract was awarded for construction of 168 MC type quarters at project site. DPR for railway siding work was submitted to Railways. Contract was awarded for 1 TMC water supply scheme from Godavari-Shetpalli source and work is in progress. Erection of 400 KV DC line from project site to Gajwel 400 KV sub-station work awarded in two packages by APTRANSCO and zero date for the same is 6.2.2013. Tendering process for providing 50 MVA startup power at 132 KV level by APTRANSCO is in process. It is estimated that the cost of the total project is likely to go up and preparation of Revised Cost Estimates by M/s. Desein Pvt. Ltd., is in progress. Boiler erection agencies for Unit-1 & Unit-2 have been finalized and erection works of Unit-1 Boiler have commenced. Foundation works of various structures pertaining to BTG package are under progress.

PROTECTION OF ENVIRONMENT, ECOLOGY & BIO DIVERSITY:

Reclamation of OB dumps is being done concurrent to mining operations. During 2012-13 plantation was done on OB dumps in 272.5 Ha., with 6,79,768 saplings, Block plantation in 476.5 Ha., with 5,15,978 saplings and avenue plantation in 15 KMs with 11,375 saplings. The Company has banned usage of plastic carry bags & other plastic materials in all the mining areas, offices, clubs, guesthouses etc.

20 Nos., of Effluent Treatment Plants and 7 Nos., of Sewage Treatment Plants are functioning at different areas.

RESEARCH & DEVELOPMENT:

During the year under review, R&D activities taken up are as under;

In UG Mines

- Strata monitoring studies in Longwall/ shortwall panels, Continuous Miner panel, BG panels, were being semi-mechanised by CIMFR and NIT Rourkela.
- Design of methods and supporting of Continuous Miner panel at VK-7 by CIMFR.
- Non-destructive testing of critical components of man riding systems.
- Subsidence prediction studies by Anna University under S&T project.

In OC Mines

- Processing OB for extracting sand.
- Periodical quality testing of OC explosives.
- Slope stability studies at GK OC and Tadicherla OCP by CIMFR.
- Testing suitability of SME explosives at Dorli as per DGMS permission.
- Stability analysis and design optimization of OB dumps and deep OC mines by CSIRO, Australia is under progress.
- Ground vibration studies at SRP OC.
- Water analysis for procuring suitable pumps.

Benefits derived as a result of the above R&D activities are improvement of mine ventilation, production, productivity and percentage extraction of coal. The studies have also facilitated obtaining DGMS permissions, smooth progress implementation of Adriyala Long Wall Project, switching over to Caving method from Yield Pillar Non-caving method at VK-7 Incline.

Future plan of action:

- Slope stability studies for deep OC mines by CSIRO.
- Ventilation studies by in-house experts for critical on-going mines and new projects.
- Strata monitoring studies in UG mines.
- Formation of new Science & Technology projects in co-ordination with CIMFR, NIRM and other National institutions.
- Consultancy projects by National Scientific Institutions for clearance of DGMS permissions.
- To enter MoU with CIMFR, Dhanbad for studies in Adriyala LWP and other R&D studies.

The expenditure incurred on R&D during the year under review is Rs. 1.91 crores as against Rs. 1.68 crores incurred in the previous year. The expenditure on R&D is 0.02% of turnover.

INTERNAL AUDIT:

The Internal Audit dept., after conducting audit of different bills during the year under report disallowed an amount of Rs.114.37 lakhs under pre-audit and advised for recovery of an amount of Rs.54.70 lakhs against the amount of Rs.26.44 lakhs disallowed under pre-audit and recovery of Rs.76.69 lakhs under post audit in the previous year.

The status of compliance of Internal Audit memos as on 31.3.13 when compared to the end of previous year is as under:

Period up to	Issued		Complied		Pending		% compliance No. of memos	Recovery percentage
	No. of memos	Value (Rs. lakhs)	No. of memos	Value (Rs. lakhs)	No. of memos	Value (Rs. lakhs)		
31.3.13	2743	464.72	2564	421.59	179	43.13	93.47	90.72
31.3.12	2502	410.05	2161	344.99	341	65.06	86.37	84.13



VIGILANCE:

While 32 cases were pending at the beginning of the year under review, 173 cases were received during the year 2012-13. The Vigilance dept., has submitted reports in 185 cases and 20 cases were pending as on 31.3.13. Based on the reports submitted by the Vigilance department action was taken on 42 employees. The Vigilance reports are being reviewed by the Board of Directors.

WHISTLE BLOWER MECHANISM:

The Board in the meeting held on 22.2.2013 accorded in principle approval for establishing 'Whistle Blower Mechanism' in the Company in line with Coal India Ltd. The modalities and guidelines for implementation of the mechanism are being formulated for operationalising the mechanism.

SUBSIDIARY:

SCCL continues to hold Rs.1408.27 lakhs of equity amounting to 81.54% in A.P Heavy Machinery & Engineering Ltd., as on 31st March 2013 as at the end of previous year. The MoU with APHMEL is in force for three years from 1.4.2012 to 31.3.2015 with a ceiling limit on order support up to Rs.100 crores. The MoU facilitates placing purchase orders on APHMEL on nomination basis on previously bench marked prices with price escalation based on RBI indices. During the year 2012-13 the Company has earned a net profit of Rs.776 lakhs as against Rs.719 lakhs earned in the previous year. A copy of audited accounts of the Company for the year 2012-13 are attached in compliance with the provisions of Section 212 of the Companies Act, 1956.

J V COMPANY WITH NTPC:

NTPC has agreed for awarding the contract for development & operation of Talaipalli coal block, Chhattisgarh to NTPC-SCCL Global Ventures Private Limited, a JV Company floated along with NTPC.

JV WITH APMDC:

Govt., of AP directed APMDC to have Joint Venture with SCCL for exploration and mining of coal from Suliyari-Belwar coal block in Madhya Pradesh. Formation of JV Company with APMDC is in final stage.

CONTRACT MINING ACTIVITIES:

As per the direction of Govt., of AP, APGENCO entrusted to SCCL the task of development & coal mining in Tadicherla-I coal block, Bhoopalpalli. Pre-mining activities are completed.

CONSULTANCY SERVICES:

During the year under report your Company has extended consultancy services to Damodar Valley Corporation, APGENCO, NMDC, APMDC mainly in the fields of exploration, training, preparation of geological/ feasibility reports/ mining plans.

MMTC Ltd approached SCCL to partner with them in UG coal mining of a coal block named Gomia. Preliminary discussions are going on.

NEW BUSINESS INITIATIVES:

MoU with ONGC for co-operation in Underground Coal Gasification, Surface Coal Gasification and Coal Bed Methane has been extended for five years. An IGCC Power Plant is being planned by ONGC for which Techno-Economic Feasibility report has been prepared.

An agreement has been reached with Heavy Water Board, Mumbai to partner in the captive power plant at Manuguru in augmenting the plant capacity from the existing 50 MW to 150 MW.

MoU was signed on 24.8.2012 with MMTCL Ltd., for formation of JV Company for development & operation of Gomia Coal Block in Jharkhand. 'Joint Business Group' was formed for finalizing modalities for formation of JV Company.

The Company has awarded a contract for processing of OB for using in stowing and the processing plant is in operation at Bhoopalpalli. Similar works were awarded for 3 more plants at Bellampalli, Srirampur & Kothagudem.

AWARDS RECEIVED;

- SAP ACE AWARD for Public services 2012 from SAP for Best Run in HR and Payroll.
- CSR Award of the year-2013 from Hyderabad Management Association (HMA)

PARTICULARS OF EMPLOYEES IN RECEIPT OF RS.5 LAKHS PER MONTH OR RS.60 LAKHS PER ANNUM:

During the year under review none of the employees received remuneration in excess of the limits prescribed in Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

STATUTORY AUDITORS:

For the financial year 2012-13, the Comptroller & Auditor General of India has appointed M/s.Vaithisvaran & Co., Chartered Accountants, Secunderabad as Statutory Auditors of the Company under Section 619 (2) of the Companies Act, 1956.

COST ACCOUNTING RECORDS:

As per the Company's (Cost Accounting Records) Rules, 2011 issued by Ministry of Corporate Affairs, Your Company has been maintaining cost accounting records.

Cost Auditors:

On the recommendation of Audit Committee and Board of Directors in the meeting held on 29.6.2012 and with the approval of Govt., of India, M/s. Narasimha Murthy & Co., have been appointed as Cost Auditors of the Company for the financial year 2012-13.

AUDIT COMMITTEE:

Audit Committee of the Company consists of all non-executive Directors (numbering 5) viz., Sri V. Bhaskar, Spl. Chief Secretary, Finance Dept., Govt. of A.P, Sri Mrutunjay Sahoo, Spl. Chief Secretary, Energy Dept., Govt. of A.P, Sri A.K.Bhalla, Joint Secretary, Ministry of Coal, Govt. of India, Sri D.C. Garg, Chairman-cum-Managing Director, Western Coalfields Ltd., and Sri D.N.Prasad, Advisor (Projects), Ministry of Coal, Govt. of India. The Board has concurred with the recommendations of the Committee given in its 2 meetings held during the year under report.

UNPAID DIVIDEND:

An amount of Rs.7595.50 is lying in the "Unpaid Dividend Account for the Year 2005-06". The amount becomes due for credit to Investor Education and Protection Fund and the same will be remitted to the Fund within the due date as per the provisions of the Companies Act, 1956.

DIRECTORS:

Govt., of AP appointed Sri Sutirtha Bhattacharya as C&MD of the Company for a period of 2 years from 10.5.2012. Sri Narsing Rao ceased to be C&MD w.e.f.,23.4.2012(AN). Sri Dinesh Kumar has been C&MD from 23.4.2012 to 9.5.2012.



The term of Sri J.V.Dattatreya as Director (Operations) was extended from 1.9.2012 to 30.11.2012 and he has ceased as Director w.e.f.,1.12.2012 on completion of tenure.

Sri S. Vivekanand, IRAS who has been appointed as Director (Finance) for a period of 2 years w.e.f.,3.9.2010 is continuing and his term is extended up to 30.8.2014.

Sri B.Ramesh Kumar, who was appointed as Director (Planning & Projects) for a period of 2 years w.e.f., 13.6.2011 has been re-designated as Director (Operations) w.e.f., 13.12.2012 and his term is extended up to 12.6.2015.

Sri A.Manohar Rao, has been appointed as Director (Planning & Projects) for a period of 2 years w.e.f., 13.12.2012.

Sri Mrutunjay Sahoo, Spl. Chief Secretary, Energy dept., Govt., of AP has been appointed as Director w.e.f., 17.10.2012 vice Sri Dinesh Kumar.

Sri T.Vijaya Kumar, IAS who has been appointed as Director (P.A&W) for a period of 2 years w.e.f.,3.8.2011 is continuing and his term is extended up to 14.7.2014.

Sri P.Viswanadharaju, who has been appointed as Director (Electrical & Mechanical) for a period of 2 years w.e.f.,12.11.2011 is continuing.

Sri V.Bhaskar, Spl. Chief Secretary, Finance dept., Govt. of A.P who has been appointed as Director w.e.f.,1.7.2011 is continuing.

Sri D.C.Garg, C-MD, WCL is continuing as Director w.e.f., 21.9.2007.

Sri Anil Kapoor, Director (Finance) Ministry of Coal, Govt. of India ceased to be a Director w.e.f., 1.3.2013. Sri Sharad Kumar Ghodke, Director, Ministry of Coal, Govt. of India ceased to be a Director w.e.f., 30.6.2012.

Sri Anurag Kapil, Dy. Secretary, Ministry of Coal, Govt. of India has been Director for a period from 21.5.2013 to 5.6.2013.

Sri A.K.Bhalla, Joint Secretary, Ministry of Coal, Govt. of India has been appointed as Director w.e.f., 3.4.2013.

Sri D.N.Prasad, Advisor (Projects), Ministry of Coal, Govt. of India has been appointed as Director w.e.f., 6.6.2013.

Sri D.C.Garg, Director retires by rotation in accordance with Sec.256 of the Companies Act, 1956 read with Article 93 of Articles of Association of the Company at the forthcoming Annual General Meeting and is eligible for re-election. Sri A.K.Bhalla, Sri Mrutunjay Sahoo and Sri D.N.Prasad retire under Article 98 of Articles of Association of the Company at the forthcoming Annual General Meeting and are eligible for re-election.

Your Directors wish to place on record their appreciation of the valuable services rendered by Sri Dinesh Kumar, Sri J.V.Dattatreya and Sri Anil Kapoor as Directors.

During the year under report 5 Board meetings were held.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, your Directors hereby confirm that-

- in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2012-13 and of the profit of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS :

Your Directors gratefully acknowledge the support and co-operation received from the Govt. of Andhra Pradesh, particularly Energy & Finance Departments and the Govt. of India particularly from the Ministries of Coal, Finance and Environment & Forests.

Your Directors express their great sense of gratitude for the confidence and support received from the valued customers, bankers & financial institutions and all stake holders of the Company. Your Directors express their thankfulness for the valuable guidance extended by the Statutory Auditors, Cost Auditors, the Comptroller & Auditor General of India, Ministry of Corporate Affairs and the Director General of Mines Safety.

Your Directors convey their deep sense of gratefulness and admiration for the relentless efforts of employees but for which the success achieved by the Company would have never been possible.

Date : 21.8.2013
Place : Hyderabad

for and on behalf of the Board of Directors
Sd/-
(Sutirtha Bhattacharya)
Chairman & Managing Director



Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of The Singareni Collieries Company Limited - For the year ended 31 March 2013

The preparation of financial statements of The Singareni Collieries Company Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30.7.2013.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of The Singareni Collieries Company Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of The Singareni Collieries Company Limited, Kothagudem - For the year ended 31st March 2013	Replies of the Management forming part of the Director's Report to the Shareholders
<p>Statement of Profit & Loss Expenses: Rs. 10246.08 crore Provision for Mine Closure Activity (Note No. 34. 12 ii): Rs. 62.36 crore</p> <p>The Mine Closure Provision was estimated by the company in 2009-10 as per the guidelines dated 27th August 2009 of Ministry of Coal considering the area of the Mine and estimated balance life and the same is followed each year with applicable escalation. Subsequently, the estimated life of some of the mines has undergone changes. However, the provision for Mine Closure Expenditure was not adjusted as per the actual mine life as on 31.3.2013. Due to non adoption of actual life of the Mines, the provision for mine closure expenditure was understated and profit was overstated by Rs. 9.34 crore.</p>	<p>As observed by Audit the provision was made as per the guidelines of Ministry of Coal (MoC) dated 27.8.2009.</p> <p>Mine closure Plans are to be got approved by MoC within a period of one year from the date of publication of latest guidelines i.e 7th January, 2013. Accordingly the company submitted Mine Closure Plans for 12 Mines in the first phase and approval is awaited for the same. Mine Closure Plans in respect of remaining mines will be submitted to MoC in due course.</p> <p>On approval of Mine Closure Plans by MoC, the actual Mine Closure cost will crystallize and based on the same provision will be trued up. Till such time the provision made is only an estimate made in accordance with MoC guidelines.</p>

Dt. 15.10.2013
Place: Hyderabad

Sd/-
Accountant General (E&RSA)

Dt. 22.10.2013
Place: Hyderabad

For and on behalf of the Board
Sd/-
(Sutirtha Bhattacharya)
Chairman & Managing Director



Felicitating Best Workmanship

Honoured with “Best CSR Award-2013”



High-end precision in coal supplies



Technology initiatives with CIMFR (CSIR)





Promoting ancillary units

Integrated townships



Imparting technical education

Facilitating Healthy future



INDEPENDENT AUDITORS' REPORT

To
The Members of
The Singareni Collieries Company Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **The Singareni Collieries Company Limited** ('the Company'), which comprise the Balance Sheet as at **31st March 2013**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. --

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. --
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating --

Management reply on the audit observations
(Under Section 217(3) of the Companies Act, 1956)



INDEPENDENT AUDITORS' REPORT (Contd.)

the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

6. **Long term provisions (Note No.05) include Rs.4,258.42 crore as at 31 March 2013 (current year Rs.1078.30 crore) towards backfilling of final voids. The consequential effect of the same on the deferred tax asset as at balance sheet date is Rs.1381.64 crore (Note No.12). Since the backfilling provision is based on technical assessments and reportedly not likely to happen before eight years from this balance sheet date, we are unable to express an opinion on the adequacy or otherwise of the aforesaid provision and its consequential impact on the deferred tax asset.**

Qualified Opinion

7. In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements read with the above, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;

Management reply on the audit observations (Contd.)

(Under Section 217(3) of the Companies Act, 1956)

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Ministry of Environment & Forests, Govt. of India while issuing Environmental clearances for the projects has been stipulating that the depth of final void in an opencast mine should be reduced to 30 / 35 / 40 meters as the case may be from the surface. This can be done either by re-handling Overburden (OB) from external/ internal dumps or by dumping OB from the adjacent / relay projects. In case, from adjacent/ relay projects, the back filling of void is done at the time of OB removal of adjacent/ relay project no provision is separately required. In case of rehandling OB from external/ internal dumps provision is required and has been made up to 31.3.2013 for Rs.4258.42 Crore (Previous year Rs.3180.12 Crore) at weighted average OB Removal Rate of the Company for the year considering off loading & Company operations in the same proportion.

Deferred Tax Asset on the above provision was recognised as per AS-22 to account for the timing difference of recognition of provision in Books and admission in Income Tax on incurrance of expenditure. Considering the Income Tax pay outs of Rs.800 – Rs.900 Crore per annum, the deferred tax can be realised simultaneously on incurrance of backfilling expenditure.

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INDEPENDENT AUDITORS' REPORT (Contd.)**Management reply on the audit observations (Contd.)**

(Under Section 217(3) of the Companies Act, 1956)

- | | |
|---|----|
| (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and | -- |
| (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date. | -- |

Emphasis of Matter

8. Without qualifying our opinion, we draw attention to:

- a. Note 34.1.xi of notes to accounts: The Company estimates a Contingent Liability of Rs.312.22 Crores towards reimbursement of estimated service tax liability (excluding interest and penalty) of its contractors performing overburden removal. The service tax department has raised service tax demands on the contractors towards free supply of explosives and diesel by the company. The contractors have contested this demand with the service tax department. The company has issued letter of comfort to its contractors to reimburse service tax, interest and penalty to the extent it is finally adjudicated upon them. Should the contractors be finally adjudicated to pay the demand, the cash flow and profitability of the company will be significantly impacted in such year to the extent of tax (not claimable as CENVAT credit), interest and penalty which is not presently quantifiable.**

These facts were disclosed under Contingent Liability in Additional Note No.34.1(xi) of Notes to Accounts. Statutory Auditors are only drawing attention.

After obtaining expert opinion from Tax Consultants, Diesel and Explosives for OB removal operations are issued to Contractors.

The demands raised by Service Tax Dept. on issue of materials by the Company are contested by OBR Contractors with the Dept and at CESTAT.

Efforts are being made to mitigate disputed Service Tax on issue of materials in view of availability of CENVAT.

Report on Other Legal and Regulatory Requirements

- | | |
|--|----|
| 9. As required by the Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order. | -- |
| 10. As required by section 227 (3) of the Act, we report that: | -- |
| (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 the books; | -- |



INDEPENDENT AUDITORS' REPORT (Contd.)

- (c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (e) Being a Government Company, Clause (g) of the sub section (1) of Section 274 of the Companies Act, 1956 is not applicable.
- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company

for M/s.Vaithisvaran & Co.,
Chartered Accountants
(Firm Registration Number: 04494S)

Sd/-
(S. Shankar Raman)
Partner (M. No. 209163)

Date : 30.7.2013
Place : Hyderabad

Management reply on the audit observations (Contd.)

(Under Section 217(3) of the Companies Act, 1956)

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for and on behalf of the Board
Sd/-
(Sutirtha Bhattacharya)
Chairman & Managing Director

Date : 24.8.2013
Place : Hyderabad

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

As required by the Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we report that;

- | | |
|--|---|
| (i) In respect of its fixed assets: | |
| (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. | This being a statement of fact calls for no comment separately. |
| (b) The Company has a phased programme of verification of fixed assets that is reasonable having regard to the size of the company and the nature of its business. As per the phased programme, during the year, the management has carried out physical verification of fixed assets and discrepancies noted have been properly dealt with in the books of account. | This being a statement of fact calls for no comment separately. |
| (c) No material fixed assets were disposed during the year so as to affect the going concern assumption. | This being a statement of fact calls for no comment separately. |
| (ii) (a) The Company has conducted physical verification of its inventory during the year in a phased manner. In our opinion, having regard to the size of the company and nature of its business, the frequency of inventory verification process is reasonable and commensurate. | This being a statement of fact calls for no comment separately. |
| (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and nature of its business. | This being a statement of fact calls for no comment separately. |
| (c) The company has maintained proper records of its inventories. The discrepancy noticed between book stocks and physical stocks have been properly dealt in books of account. | This being a statement of fact calls for no comment separately. |
| (iii) In our opinion and according to the information and explanations given to us, the Company has not taken / granted any loans, secured or unsecured from/to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The paragraphs 4 (iii) (b), (c), (d), (f) and (g) of the order are not applicable to the company. | This being a statement of fact calls for no comment separately. |
| (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and sale of | This being a statement of fact calls for no comment separately. |

Management reply on the audit observations

(Under Section 217(3) of the Companies Act, 1956)



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

(Referred to in our report of even date)

goods, services. During the course of the audit, we have not observed any continuing failure to correct major weaknesses in such internal controls in these areas.

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|---|--|
| <p>(v) To the best of our knowledge and belief and according to the information and explanations given to us, there are no contracts required to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956. Further in our opinion, no transactions have been made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956.</p> | <p>This being a statement of fact calls for no comment separately.</p> |
| <p>(vi) The Company has not accepted deposits from the public.</p> | <p>This being a statement of fact calls for no comment separately.</p> |
| <p>(vii) The Company has an internal audit system. The internal audit system in our opinion is adequate and commensurate with the size and nature of operations.</p> | <p>This being a statement of fact calls for no comment separately.</p> |
| <p>(viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the Central Government for the maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however, made a detailed examination of the records with the view to determine whether they are complete.</p> | <p>This being a statement of fact calls for no comment separately.</p> |
| <p>(ix) (a) In respect of statutory and other dues, according to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including Employees Provident Fund, investor education and protection fund, Income-tax, wealth-tax, Sales Tax, Service Tax, excise duty and other material statutory dues with the appropriate authorities during the period. There are no arrears of outstanding statutory dues as at 31st March 2013 for a period of more than six months from the date they became payable.</p> | <p>This being a statement of fact calls for no comment separately.</p> |
| <p>(b) According to information and explanation given to us and records of the company examined by us, the particulars of sales tax, income-tax act, excise duty, service tax, wealth tax, clean energy cess etc as at 31st March 2013 which have not been deposited on account of dispute pending are as below:</p> | <p>This being a statement of fact calls for no comment separately.</p> |

Management reply on the audit observations (Contd.)

(Under Section 217(3) of the Companies Act, 1956)

**ANNEXURE TO THE INDEPENDENT
AUDITORS' REPORT (Contd.)**
(Referred to in our report of even date)

Management reply on the audit observations (Contd.)
(Under Section 217(3) of the Companies Act, 1956)

Sl. No.	Name of Statute	Nature of dues	Amount not deposited (₹ in Lakh)	Financial Year/ Period for which the demand pertains to	Forum where the dispute is pending
1.	Clean Energy Cess	Clean Energy Cess on captive consumption of coal	4.08	February 2012 to November 2012	Assistant commissioner, Central Excise.
2.	The Central Excise Act, 1944	Refund order for Education Cess and Secondary & Higher Education Cess issued and later set aside	77.65	March 2011	CESTAT Bangalore
3.	The Central Excise Act, 1944	Education Cess and Secondary & Higher Education Cess on Excise Duty on Coal	1553.35	April 2011 to March 2012	CESTAT Bangalore
4.	The Central Excise Act, 1944	Education Cess and Secondary & Higher Education Cess on Excise Duty on Coal	1847.68	April 2012 to March 2013	CESTAT Bangalore
5.	Clean Energy Cess	Clean Energy Cess due to difference in quantity between Excise Returns and Clean Energy Cess Returns	47.74	March 2011 to January 2012	CESTAT Bangalore
6.	The Central Excise Act, 1944	Central Excise due to difference in quantity between Excise Returns and Clean Energy Cess Returns	33.92	March 2011 to January 2012	CESTAT Bangalore
7.	The Central Excise Act, 1944	Education Cess and Secondary & Higher Education Cess on Excise Duty on Coal due to Difference in quantity between Excise Returns and Clean Energy Cess Returns	1.02	August 2011 to January 2012	CESTAT Bangalore
8.	Clean Energy	Clean Energy Cess due to difference in quantity between Excise Returns and Clean Energy Cess Returns	55.34	February 2012 to November 2012	Commissioner Central Excise
9.	The Central Excise Act 1944	Central Excise due to difference in quantity between Excise Returns and Clean Energy Cess Returns	114.62	February 2012 to November 2012	Commissioner Central Excise
10.	The Central Excise Act, 1944	Central Excise Duty (with-held pending adjustment with credit notes)	6.10	January and February 2012	Commissioner of Central Excise
11.	APGST Act, 1957	Sales Tax (on steel, Cement, HSD oil, Explosives etc to Contractors)	614.65	2000-01 to 2004-05	Sales Tax Appellate Tribunal

The appeals pending at various stages are being contested by the Company with the help of professional firms wherever necessary for an early and favourable settlement.



**ANNEXURE TO THE INDEPENDENT
AUDITORS' REPORT (Contd.)**
(Referred to in our report of even date)

Management reply on the audit observations (Contd.)
(Under Section 217(3) of the Companies Act, 1956)

Sl. No.	Name of Statute	Nature of dues	Amount not deposited (₹ in Lakh)	Financial Year/ Period for which the demand pertains to	Forum where the dispute is pending
12.	AP VAT Act, 2005	VAT	2.82	2005-06	AC(CT) Warangal, Andhra Pradesh
13.	AP VAT Act, 2005	VAT	6.13	2005-06	ADC(CT)
14.	APGST Act, 1957	Sales tax	43.74	2001-02	High Court of Andhra Pradesh
15.	APGST Act, 1957	Sales tax	54.20	2004-05	Notice has been DROPPED by DC(CT), Warangal.
16.	Entry Tax Act	Entry Tax	15.71	2003-04	High Court of Andhra Pradesh
17.	Entry Tax Act	Entry Tax	590.58	2007-08 & 2008-09	Supreme Court
18.	Entry Tax Act	Entry Tax	7.96	2008-09	Supreme Court
19.	Entry Tax Act	Entry Tax	8315.45	From 2009-10 to 2011-12	Supreme Court
20.	Life tax on motor vehicles under A.P. Motor Vehicles Act.	Life Tax (Vehicle)	209.46	Various years up to 2010-11	High Court of Andhra Pradesh
21.	Central Sales Tax Act, 1956	Central Sales Tax	43.89	2007-08	AC(CT) Warangal, Andhra Pradesh
22.	Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987	Professional Tax	17644.03	1990-91 to 2012-13	Deputy. C.T.O, Kothagudem
23.	Income Tax Act, 1961	Income Tax	384.07	2008-09 and 2009-10	CIT (Appeals), Vijayawada
24.	Income Tax Act, 1961	Interest on Dividend Distribution Tax	6.07	2004-05	CIT (Appeals), Vijayawada
25.	Income Tax Act, 1961	Fringe benefit Tax	112.47	2005-06 to 2007-08	CIT (Appeals), Vijayawada
26.	Finance Act, 1994/Central Excise Act, 1944	Interest on Alleged availment of Cenvat Credit of ServiceTax	1382.18	2005-06 to 2007-08	STAT, Bangalore.

The appeals pending at various stages are being contested by the Company with the help of professional firms wherever necessary for an early and favourable settlement.

**ANNEXURE TO THE INDEPENDENT
AUDITORS' REPORT (Contd.)**

(Referred to in our report of even date)

Management reply on the audit observations (Contd.)

(Under Section 217(3) of the Companies Act, 1956)

- | | |
|--|--|
| (x) The Company has no accumulated losses and it has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year. | This being a statement of fact calls for no comment separately. |
| (xi) According to information and explanation given to us and records of the Company examined by us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders. | This being a statement of fact calls for no comment separately. |
| (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities. Hence, provisions of clause 4(xii) of the Order are not applicable. | This being a statement of fact calls for no comment separately. |
| (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause of 4(xiii) of the Order are not applicable to the Company. | This being a statement of fact calls for no comment separately. |
| (xiv) In our opinion and according to the information and explanations given to us, the Company is not trading or dealing in share, securities, debenture or other investments. Therefore provisions of clause 4(xiv) of the Order are not applicable. | This being a statement of fact calls for no comment separately. |
| (xv) According to the information and explanations given to us the Company has not given any guarantee for the loans taken by others from bank or financial institution. Hence provisions of clause 4(xv) of the Order are not applicable. | This being a statement of fact calls for no comment separately. |
| (xvi) The Company has applied term loans for the purposes for which the loans were obtained. | This being a statement of fact calls for no comment separately. |
| (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, and we report that funds raised on short term basis have, prima facie, been used during the period for long term investment by Rs.433.21 Crores. | During the year Rs.1000 Crore coal dues were liquidated by APGENCO by issue of Power Bonds, which were grouped under Investments as per Schedule-VI to Companies Act, 1956. In case of necessity of Funds bonds can be liquidated in market or loans can be raised by pledging etc. Therefore, the diversion of short term funds shall be viewed duly considering the above facts. |
| (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of The Companies Act, 1956. | This being a statement of fact calls for no comment separately. |



**ANNEXURE TO THE INDEPENDENT
AUDITORS' REPORT (Contd.)**
(Referred to in our report of even date)

- (xix) No debentures have been issued during the year hence provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issue of shares hence provision of clause 4(xx) of the Order is not applicable.
- (xxi) ***To the best of our knowledge and belief, and according to the information and explanations given to us, during the year frauds aggregating to Rs.34.92 Lakhs has been reported, as detailed hereunder, on the company.***

Sl.No	Nature of the fraud	Amount involved (₹ in lakhs)
1.	Pilferage of coal	5.76
2.	Pilferage / Theft of ferrous & non-ferrous material / scrap.	1.78
3.	Confiscation of amounts from the employees and private persons who are working / laundering at weigh bridges and coal loading points. The amounts are collected / intended for offering as illegal gratifications.	0.38
4.	Despatch of higher grade coal in place of lower grade coal.	27.00

The above frauds are reportedly under investigation by the company.

According to the information and explanation provided to us no fraud by the company has been reported during the year.

for M/s.Vaithisvaran & Co.,
Chartered Accountants
(Firm Registration Number: 04494S)

Sd/-
(S. Shankar Raman)
Partner (M. No. 209163)

Date : 30.7.2013
Place : Hyderabad

Management reply on the audit observations (Contd.)
(Under Section 217(3) of the Companies Act, 1956)

This being a statement of fact calls for no comment separately.

This being a statement of fact calls for no comment separately.

Vigilance department is conducting surprise inspections regularly to curb pilferages/ misappropriation of the property of the Company.

for and on behalf of the Board
Sd/-
(Sutirtha Bhattacharya)
Chairman & Managing Director

Date : 24.8.2013
Place : Hyderabad

Balance Sheet as at 31st March 2013

(₹ in Crore)

PARTICULARS	NOTE	2012-2013		2011-2012	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
a) Share Capital	1	1,733.20		1,733.20	
b) Reserves & Surplus	2	1,699.30		1,399.55	
			3,432.50		3,132.75
2. Non-current Liabilities					
(a) Long-term borrowings	3	1,028.48		616.61	
(b) Other long term liabilities	4	92.64		283.31	
(c) Long-term provisions	5	8,147.35		5,920.75	
			9,268.47		6,820.67
3. Current Liabilities					
(a) Short-term borrowings	6	40.21		9.51	
(b) Trade payables	7	594.45		309.57	
(c) Other current liabilities	8	2,041.86		1,878.66	
(d) Short-term provisions	9	646.13		525.74	
			3,322.65		2,723.48
Total			16,023.62		12,676.90
II. ASSETS					
1. Non-Current assets					
(a) Fixed Assets	10				
(i) Tangible Assets		3,274.70		3,134.31	
(ii) Intangible Assets		304.54		351.75	
(iii) Capital Work-in-Progress	10.1	1,603.42		320.55	
(iv) Intangible Assets under Development	10.2	538.94		298.64	
(b) Non-current Investments	11	1,022.80		23.13	
(c) Deferred tax assets (net)	12	2,491.31		1,773.30	
(d) Long-term loans and advances	13	885.13		1,038.40	
			10,120.84		6,940.08
2. Current Assets					
(a) Inventories	14	671.43		575.97	
(b) Trade Receivables	15	1,225.18		802.59	
(c) Cash and cash equivalents	16	3,262.40		3,711.67	
(d) Short-term loans and advances	17	359.30		308.42	
(e) Other current assets	18	384.47		338.17	
			5,902.78		5,736.82
Total			16,023.62		12,676.90
Significant Accounting Policies	33				
Additional Notes to Accounts	34				

Notes referred to above form an integral part of the Financial Statements

Sd/- (J.Rama Krishna) G.M (C.A)& Company Secretary	Sd/- (M.Krishna Mohan) General Manager (F & A)	Sd/- (S.Vivekanand) Director(Finance)	For and on behalf of the Board Sd/- (Sutirtha Bhattacharya) Chairman & Managing Director
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Date : 30.7.2013
Place : Hyderabad

As per our report of even date
For M/s.Vaithisvaran & Co.(Firm Regn.No.004494S)
Chartered Accountants

Date : 30.7.2013
Place : Hyderabad

Sd/-
(S.Shankar Raman)
Partner (M.No.209163)



Statement of Profit & Loss for the year ended 31st March 2013

(₹ in Crore)

Particulars	Note	2012-2013	2011-2012
INCOME			
Revenue from operations	19	10,231.75	9,322.23
Other Income	20	572.87	494.32
Total		10,804.62	9,816.55
EXPENSES			
Cost of Materials consumed	21	1,708.78	1,622.86
Changes in Inventories	22	(26.81)	(115.35)
Employee benefits expenses - Salaries and Wages	23	4,313.03	4,088.62
Employee benefits expenses - Staff Welfare Expenses	24	105.01	97.10
Power & Fuel	25	449.12	251.23
Repairs & Maintenance	26	94.98	79.13
Contractual Expenses	27	746.77	920.46
Finance Costs	28	45.38	34.46
Depreciation and Amortization expense	10	394.11	358.90
Provisions	29	5.58	3.84
Write offs	30	9.88	56.88
Other expenses	31	127.42	101.64
Overburden Adjustment		1,132.17	496.31
Provision for Back filling (Note No.34.12.i)		1,078.30	1,192.12
Provision for Mine Closure Activity (Note No.34.12.ii)		62.36	59.39
Total		10,246.08	9,247.59
Profit before exceptional and extraordinary items and tax		558.54	568.96
Exceptional items (Net)	32	17.23	6.02
Profit before extraordinary items and tax		541.31	562.94
Tax expense:			
(1) Current tax		863.64	972.86
(2) Deferred tax		(718.01)	(742.25)
(3) Earlier years taxes		(5.46)	(25.93)
Profit for the year		401.14	358.27
Basic and Diluted Earnings per Share (Rs.) (Note No.34.6)		2.31	2.07
Significant Accounting Policies	33		
Additional Notes	34		

Notes referred to above form an integral part of the Financial Statements

Sd/- (J.Rama Krishna) G.M (C.A)& Company Secretary	Sd/- (M.Krishna Mohan) General Manager (F & A)	Sd/- (S.Vivekanand) Director(Finance)	For and on behalf of the Board Sd/- (Sutirtha Bhattacharya) Chairman & Managing Director
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Date : 30.7.2013
Place : Hyderabad

As per our report of even date
For M/s.Vaithisvaran & Co.(Firm Regn.No.004494S)
Chartered Accountants

Date : 30.7.2013
Place : Hyderabad

Sd/-
(S.Shankar Raman)
Partner (M.No.209163)

Cash Flow Statement for the year ended 31st March 2013

(₹ in Crore)

Sl. No.	Particulars	2012-2013		2011-2012	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before Tax and Prior Period adjustments		558.54		568.96
	Adjustments For				
	Depreciation	394.11		358.90	
	Assets written off	6.25		43.95	
	Provisions Written back	(0.61)		(43.53)	
	Interest income on investments	(69.50)		(0.85)	
	Interest income on Deposits and Others	(418.54)		(394.72)	
	Interest expense	45.38		34.47	
	Profit on sale of fixed assets	(0.30)		-	
	Foreign Exchange loss	0.07		2.66	
	Exceptional items (Net)	(17.56)		(7.32)	
			(60.70)		(6.44)
	Operating profit before working capital changes		497.84		562.52
	Adjustments towards changes in				
	Inventories	(95.46)		(102.44)	
	Trade Receivables	(422.58)		(491.97)	
	Other Current Assets	(46.30)		(199.10)	
	Short-term Loans and Advances	(50.89)		(88.71)	
	Long-term Loans and Advances	153.27		(306.53)	
	Trade payables	284.88		33.33	
	Other Long Term Liabilities	(190.68)		68.45	
	Other Current Liabilities	163.13		593.06	
	Long Term Provisions	2226.60		2237.24	
	Short Term Provisions	108.16		230.05	
	Taxes paid including TDS	(846.00)	1284.13	(1006.02)	967.36
	Net Cash flow from operating activities (A)		1781.97		1529.88



Cash Flow Statement for the year ended 31st March 2013 (Contd.)

(₹ in Crore)

Sl. No.	PARTICULARS	2012-2013		2011-2012	
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Increase in fixed assets (including Capital Work-in-progress)	(2016.05)		(608.11)	
	Sale of Fixed Assets	0.30		-	
	Investment in APSFC Bonds	(1000.00)		-	
	Interest Income	69.50		0.85	
	Interest Income on Deposits and Others	418.54		394.72	
	Cash flow from investing activities (B)		(2527.71)		(212.54)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Long-term borrowings	478.20		351.28	
	Repayment of Government of India Loan	(66.33)		(66.33)	
	Repayment of Demand loan	0.00		(495.00)	
	Changes in Cash Credit	30.70		(18.89)	
	Interest expense	(45.38)		(34.47)	
	Dividend paid	(86.66)		(86.66)	
	Dividend Tax paid	(14.06)		(14.06)	
	Cash flow from Financing activities (C)		296.47		(364.13)
D	Net increase in cash and cash equivalents (A+B+C)		(449.27)		953.21
E	Cash & cash equivalents at the beginning of the year		3711.67		2758.46
F	Cash & cash equivalents at the end of the year (D+E)		3262.40		3711.67

Notes referred to above form an integral part of the Financial Statements

Sd/- (J.Rama Krishna) G.M (C.A)& Company Secretary	Sd/- (M.Krishna Mohan) General Manager (F & A)	Sd/- (S.Vivekanand) Director(Finance)	For and on behalf of the Board Sd/- (Sutirtha Bhattacharya) Chairman & Managing Director
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Date : 30.7.2013
Place : Hyderabad

As per our report of even date
For M/s.Vaithisvaran & Co.(Firm Regn.No.004494S)
Chartered Accountants

Date : 30.7.2013
Place : Hyderabad

Sd/-
(S.Shankar Raman)
Partner (M.No.209163)

Notes to Balance sheet as at 31st March 2013**NOTE – 1**
SHARE CAPITAL

(₹ in Crore)

Particulars	2012-13	2011-12
AUTHORIZED 180,00,00,000 Equity Shares of Rs.10/ each	1,800.00	1,800.00
ISSUED, SUBSCRIBED AND PAID-UP 173,31,98,119 Equity Shares of Rs.10/- each fully paid (includes 6,32,145 Equity Shares of Rs.10/- each allotted as bonus shares by capitalisation of general and capital reserves)	1,733.20	1,733.20
TOTAL	1,733.20	1,733.20

NOTE – 1.1
THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5%:

Name of the Shareholder	2012-13		2011-12	
	No. of Shares	% Held	No. of Shares	% Held
Government of Andhra Pradesh	88,55,99,147	51.0962	88,55,99,147	51.0962
Government of India	84,75,60,000	48.9015	84,75,60,000	48.9015

NOTE - 2
RESERVES & SURPLUS

Particulars	2012-13		2011-12	
GENERAL RESERVE				
Opening balance	860.40		760.40	
Add: Transfer from Surplus	100.00		100.00	
Closing balance		960.40		860.40
SURPLUS				
Opening Balance	539.15		381.60	
Add : Net Profit for the Year	401.14		358.27	
Less: Proposed Dividend	86.66		86.66	
Less: Corporate Dividend Tax	14.73		14.06	
Less: Transfer to General Reserve	100.00		100.00	
Closing Balance		738.90		539.15
TOTAL		1,699.30		1,399.55



Notes to Balance Sheet as at 31st March, 2013 (Contd.)

NOTE - 3

LONG TERM BORROWINGS

(₹ in Crore)

Particulars	2012-13	2011-12
Term Loans		
Secured		
From Government of India (Rs.265.33 Cr., - 66.33 Cr. Current Maturities)	199.00	265.34
From Power Finance Corporation (PFC)	829.48	351.27
TOTAL	1,028.48	616.61

3.1 (i) Loan from Government of India is secured by a first charge created by equitable mortgage on the entire immovable assets of the Company, except 300 acres of free hold land required for employee welfare. This loan is also guaranteed by Govt. of Andhra Pradesh as per Tripartite agreement dated 11th June, 2010.

(ii) This loan is interest free loan and repayable in four annual instalments of Rs.66.33 Crore each.

3.2 (i) Loan from Power Finance Corporation is secured by an exclusive first charge by hypothecation of all movable fixed assets (including movable equipment, equipment spares, tools and accessories, fuel stock, spares and materials) at project site, present and future with the prescribed coverage ratio (presently 1.1 times) and an exclusive second charge by way of mortgage on all immovable fixed assets, present and future. Further the PFC shall have an exclusive first charge on the project assets movable and immovable on repayment of Govt. of India loan as explained in Note 3.1.

(ii) This Loan is repayable in forty eight equal quarterly instalments of Rs.17.28 Crore each from July, 2015. Interest on this loan is payable @12.25% p.a. on Rs.602.48 Crore and @12% p.a. on Rs.227.00 Crore with three year reset option.

NOTE - 4

OTHER LONG - TERM LIABILITIES

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Trade Payables		22.15		27.70
(b) Others				
Deposits from Coal Customers	-		177.63	
Deposits from Others	-		1.43	
Commitment Deposit from Coal Customers	38.84		38.84	
Deposits from Suppliers & Contractors	31.65		37.71	
		70.49		255.61
TOTAL		92.64		283.31

Notes to Balance Sheet as at 31st March, 2013 (Contd.)**NOTE - 5
LONG-TERM PROVISIONS**

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Provision for Employee Benefits (Unfunded)				
Gratuity	1,073.91		1,171.59	
Leave Encashment	341.85		309.35	
Monthly Monetary Compensation & Low Productive Employee Compensation	65.93		60.53	
		1,481.69		1,541.47
(b) Others				
Overburden Removal Provision (Net of Advance Action Rs.454.15 Crore, Previous Year Rs.568.07 Crore)	2,178.59		1,032.87	
Back Filling (Note-34.12.i)	4,258.42		3,180.12	
Mine Closure (Note-34.12.ii)	228.65		166.29	
		6,665.66		4,379.28
TOTAL		8,147.35		5,920.75

**NOTE - 6
SHORT-TERM BORROWINGS**

(₹ in Crore)

Particulars	2012-13	2011-12
Loans payable on demand - from Banks Secured :		
Cash Credit	40.21	9.51
TOTAL	40.21	9.51

6.1 Cash Credit - Secured by first charge in favour of participating banks ranking pari-passu on the stocks & receivables and other Current Assets.

**NOTE - 7
TRADE PAYABLES**

(₹ in Crore)

Particulars	2012-13	2011-12
(a) Due to Micro, Small & Medium Enterprises	0.84	0.92
(b) Due to Subsidiary - Andhra Pradesh Heavy Machinery & Engineering Limited (APHMEL)	5.41	7.61
(c) Due to Others (includes Stores-in-Transit net of Advances)	588.20	301.04
TOTAL	594.45	309.57



Notes to Balance Sheet as at 31st March, 2013 (Contd.)

NOTE - 8

OTHER CURRENT LIABILITIES

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Current maturities of long-term debt (Government of India Loan) Refer Note No.3.1 (i)		66.33		66.33
(b) Interest accrued but not due on borrowings		15.79		8.96
(c) Unclaimed dividends (Refer Note No.16.2)		-		-
(d) Other payables				
(i) Salaries & Wages (previous year including NCWA-IX provision)		230.97		593.87
(ii) Others				
- Recoveries from employees	98.82		98.17	
- Recoveries from Coal Customers (Statutory Dues)	174.50		123.32	
- Other payables including recoveries from Contractors	107.48		75.43	
- Deposits from Vendors	37.25		36.94	
- Advances from Coal Customers & Others	790.57		826.31	
- Deposits from Customers	327.34		-	
- Deposits from others	1.45		-	
- Overdraft in Current Account	2.54		3.71	
- Creditors for Capital Expenditure	188.82		45.62	
		1,728.77		1,209.50
TOTAL		2,041.86		1,878.66

(₹ in Crore)

8.1 Recoveries from Coal Customers does not include Royalty on Closing Stock of Coal of 30.11 Lakh Tonnes (Previous Year 30.37 Lakh Tonnes) which will be transacted in Books on despatch of coal as per consistent practice.	2012-13	2011-12
		44.82

Notes to Balance Sheet as at 31st March, 2013 (Contd.)**NOTE - 9****SHORT-TERM PROVISIONS**

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Provision for employee benefits				
Gratuity (unfunded)	1.41		1.41	
Leave Encashment (unfunded)	55.58		27.54	
Monthly Monetary Compensation (unfunded)	14.00		14.00	
Superannuation Benefit	99.40		79.28	
Post Super Annuation Medical Benefit	40.40		32.23	
Performance Related Pay	64.35		56.50	
Performance Linked Bonus/ Performance Linked Reward	168.30		137.67	
Corporate Special Incentive	68.20		57.25	
		511.64		405.88
(b) Others				
Corporate Tax (Net of Advance Tax & TDS Rs.2591.28 Crore, Previous Year Rs.2201.10 Crore)	13.58		1.39	
Proposed Dividend	86.66		86.66	
Tax on Dividend	14.73		14.06	
Excise duty on closing stock of coal	18.28		16.76	
Shale & Stone	1.24		0.99	
		134.49		119.86
TOTAL		646.13		525.74

9.1. Performance Related Pay for the period 2007-08 to 2012-13 payable to Executives of the Company as part of Revised Pay Package, which was adopted by Company on par with CPSUs. The issue has been deliberated by Board and referred to Govt. of Andhra Pradesh.

Notes to Balance sheet as at 31st March, 2013 (Contd.)

NOTE – 10
FIXED ASSETS
Tangible Assets

(₹ in Crore)

	Gross block				Depreciation/ Amortisation				Provisions for diminution in value of assets		Net block	
	As at 31.03.2012 (1)	Additions during the year (2)	Adjustments/ deductions (3)	As at 31.03.2013 (4)	Up to 31.03.2012 (5)	for the year (6)	Adjustments/ deductions (7)	Up to 31.03.2013 (8)	As at 31.03.2012 (9)	As at 31.03.2013 (10)	As at 31.03.2013 (11)	As at 31.03.2012 (12)
1. Lands												
i) Freehold	382.91	50.18	-	433.09	3.27	-	-	3.27	-	-	429.82	379.64
ii) Leasehold	372.84	34.41	-	407.25	145.86	58.33	-	204.19	-	-	203.06	226.98
2. Buildings:												
i) Factory	100.03	7.75	(0.10)	107.68	34.31	3.32	(0.05)	37.58	-	-	70.10	65.72
ii) Others	802.43	19.18	(0.01)	821.60	148.00	13.17	(0.18)	160.99	0.03	-	660.61	654.40
3. Railway sidings	37.24	1.37	-	38.61	21.69	1.22	-	22.91	-	-	15.70	15.55
4. Plant & Equipment	3806.24	375.52	(86.68)	4095.08	2058.29	263.42	(81.04)	2240.67	0.52	0.52	1853.89	1747.43
5. Furniture & Fixtures	12.25	0.62	(0.05)	12.82	8.26	0.46	(0.05)	8.67	-	-	4.15	3.99
6. Vehicles	42.70	2.59	(2.72)	42.57	22.31	3.55	(2.68)	23.18	-	-	19.39	20.39
7. Office Equipment	45.97	3.10	(1.80)	47.27	25.75	5.31	(1.77)	29.29	-	-	17.98	20.21
TOTAL	5602.61	494.72	(91.36)	6005.97	2467.74	348.78	(85.77)	2730.75	0.55	0.52	3274.70	3134.31
Previous year	5512.80	339.96	(250.15)	5602.61	2364.83	310.42	(207.51)	2467.74	0.64	0.55	3134.32	3147.33

Notes to Balance sheet as at 31st March, 2013 (Contd.)**NOTE – 10 (CONTD...)**
Intangible Assets

(₹ in Crore)

	Gross block				Depreciation/ Amortisation				Provisions for diminution in value of assets		Net block	
	As at 31.03.2012	Additions during the year	Adjustments/ deductions	As at 31.03.2013	Up to 31.03.2012	for the year	Adjustments /deductions	Up to 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013
	1. ERP – Software	17.30	0.29	-	17.59	12.95	3.46	-	16.41	-	-	1.18
2. Mine development	925.24	13.56	(0.93)	937.87	577.85	57.60	(0.94)	634.51	-	-	303.36	347.40
Total	942.54	13.85	(0.93)	955.46	590.80	61.06	(0.94)	650.92	-	-	304.54	351.75
Previous year	923.55	20.19	(1.20)	942.54	532.05	60.66	(1.91)	590.80	-	-	351.74	391.50
TOTAL	6545.15	508.57	(92.29)	6961.43	3058.54	409.84	(86.71)	3381.67	0.55	0.52	3579.24	3486.06
Previous year	6436.35	360.15	(251.35)	6545.15	2896.88	371.08	(209.42)	3058.54	0.64	0.55	3486.06	3538.82

10 (i). Land measuring Acres:717, Guntas:12 ½ (Previous year Acres:717, Guntas:12 ½) shown under Fixed Assets has not been registered in the name of the Company.

10 (ii). Land measuring Acres:63, Guntas:18 (Previous year Acres: 63, Guntas: 18) is in Company's possession not reflected in Accounts since acquisition proceedings are not completed.

10 (iii). Land measuring Acres 5.00 shown under Fixed Assets, for the land handed over to Ramagundam Municipality since the matter pending with the District Collector for fixing the market value.

10 (iv). Freehold lands include assigned lands.

10 (v). Buildings - Others include Rs.3.00 Crore (Previous year Rs.6.27 Crore) and Plant and Machinery include Rs.10.88 Crore (Previous year Nil) of grants receivable from Coal Conservation Development Advisory Committee.

10 (vi). Depreciation for the year Rs.409.84 Crore includes - Capitalised Depreciation of Rs.15.73 Crore (Previous Year Rs.12.18 Crore).

- Revenue Charge: Rs.394.11 Crore (Previous Year Rs.358.90 Crore).



Notes to Balance sheet as at 31st March, 2013 (Contd.)

NOTE – 10.1
CAPITAL WORKS-IN-PROGRESS

(₹ in Crore)

	Balance as at 31.3.2012	Additional expenditure	Deletions/ adjustments	Balance as at 31.3.2013
I. Lands	6.11	124.99	84.59	46.51
II. Buildings				
a) Factory	35.51	124.50	7.75	152.26
b) Others	13.64	36.92	19.18	31.38
III. Plant & Equipment (including in transit)	264.74	1488.07	379.99	1372.82
IV. Furniture & Fixtures	0.01	1.06	0.62	0.45
V. Vehicles	0.54	2.05	2.59	-
TOTAL	320.55	1777.59	494.72	1603.42
Previous year's total	146.97	513.54	339.96	320.55

NOTE – 10.2
INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

	Balance as at 31.3.2012	Additional expenditure during the year	Deletions/ adjustments during the year	Balance as at 31.3.2013
ERP - Software	-	0.29	0.29	-
Mine Development	298.64	253.86	13.56	538.94
TOTAL	298.64	254.15	13.85	538.94
Previous year's total	212.83	106.69	20.88	298.64

10.2 (i) Mine Development - includes Rs.40.45 Crore paid to Irrigation Department for diversion of NTR canal at JVR OC, Sattupalli (Previous Year Rs.40.45 Crore).

Notes to Balance sheet as at 31st March, 2013 (Contd.)**NOTE - 11****NON-CURRENT INVESTMENTS**

(₹ in Crore)

Particulars	2012-13		2011-12	
Non-Trade Investments				
(A) Investment in Equity instruments				
Quoted, fully paid-up Shares				
14,750 Laxmi Porcelains Ltd of Rs.10/- each	0.01		0.01	
Less: Provision for Diminution in the value of Investments	0.01	-	0.01	-
Unquoted, fully paid-up Shares				
Investments in Co-operative Societies				
1,86,214 Singareni Collieries Co-operative Central Stores Ltd of Rs.10/- each		0.19		0.19
Investment in Joint Venture				
50,000 NTPC-SCCL Global Ventures Pvt.Ltd of Rs.10/- each		0.05		0.05
Investment in Subsidiary				
(i) 91,80,000 Andhra Pradesh Heavy Machinery & Engineering Limited of Rs.10/- each		9.18		9.18
(ii) 49,02,700 APHMEL of Rs.10/- each for total consideration of Re.1/-		-		-
(B) Investments in debentures or bonds				
Quoted, fully paid-up				
i. 10,000 - 9.75% APPFC power Bonds (Series 2/2012) of Rs.10 lakhs each.		1000.00		-
ii. 100 - 8.50% APSFC-Non SLR Bonds (Series II/2008) of Rs.10 lakhs each.		10.00		10.00
(C) Investment Properties		3.38		3.71
TOTAL		1022.80		23.13

NOTE - 12**DEFERRED TAX ASSET (NET)**

(₹ in Crore)

Particulars	2012-13	2011-12
(A) Deferred tax asset:		
Back filling & Mine Closure plan	1455.83	1085.74
Gratuity	348.43	378.67
Other Employee Benefits	262.01	226.90
VRS Amortisation	6.75	31.85
Overburden Removal	707.04	335.05
Total (A)	2780.06	2058.21
(B) Deferred Tax Liability:		
Depreciation	288.75	284.91
Total (B)	288.75	284.91
Deferred Tax Asset (A-B)	2491.31	1773.30



Notes to Balance sheet as at 31st March, 2013 (Contd.)

12.1. The amount of Deferred Tax Asset of Rs.2491.31 Crore (previous year Rs.1773.30 crore) includes amount of Rs.1455.83 Crore (previous year Rs.1085.74 crore) on account of provision for back filling and mine closure plan. As per the current estimates, the amount of deferred tax asset (non-current) for back filling and mine closure plan is realisable at the earliest after 8 to 9 years and so on, on commencement of Back Filling and Mine Closure activities at JK-5 OC, MOCP, GKOC. Similarly Long-term Provision for Back filling & Mine Closure Rs.4487.07 Crore (previous year Rs.3346.41 Crore) will also crystallise simultaneously in the same time frame.

NOTE - 13

LONG-TERM LOANS AND ADVANCES

(₹ in Crore)

Particulars	2012-13		2011-12	
Unsecured, considered good				
a. Capital Advances		466.58		451.07
b. Security Deposits		103.36		140.41
c. Other loans and advances:				
Deposits with Life Insurance Corporation of India	266.91		406.56	
Deposits under Protest (VAT, CST, SERV.TAX, WCT, APGST, ENTRY TAX)	48.28		40.36	
		315.19		446.92
TOTAL		885.13		1,038.40

13.1 Capital Advances include Rs.3.87 Crore paid towards 15000 Cu.Metres Axial Ventilation Fan from M/s. Talleres Zitron, Spain which was damaged in transit and sent back to Morley, UK for repairs. Claim preferred for Rs.1.00 Crore with United Insurance Company Limited which is pending for final assessment and settlement.

13.2 Other loans and advances include Advances to the Directors and Officers of the Company of Rs.1,90,309/- (Previous Year Rs.3,54,621/-). Current portion amounts to Rs.1,27,505/- (Previous Year Rs.1,64,313/-).

NOTE - 14

INVENTORIES (As taken certified and valued by the management)

(₹ in Crore)

Particulars	2012-13		2011-12	
(i) Stores and spares	348.60		266.85	
(ii) Loose tools	2.14		1.75	
	350.74		268.60	
Less: Provision for obsolete, Non-moving stores & shortages and damages	24.35		21.18	
		326.39		247.42
(iii) Finished goods		314.17		296.06
(iv) Work-in-progress		1.00		0.16
(v) Stores in transit		29.87		32.33
TOTAL		671.43		575.97

Notes to Balance sheet as at 31st March, 2013 (Contd.)**NOTE - 15****TRADE RECEIVABLES**

(₹ in Crore)

Particulars	2012-13		2011-12	
Unsecured, considered good:				
i) Exceeding six months				
Coal		0.94		1.09
ii) Others:				
(a) Coal	1,221.70		800.97	
(b) Services	2.54		0.53	
		1,224.24		801.50
Unsecured, considered doubtful	12.22		12.31	
Less: Provision for doubtful debts	12.22		12.31	-
TOTAL		1,225.18		802.59

NOTE - 16**CASH AND CASH EQUIVALENTS**

(₹ in Crore)

Particulars	2012-13		2011-12	
(i) Cash on hand		0.09		0.08
(ii) Balances with banks in Current and Deposit Accounts				
In Deposit Account	3,253.60		3,661.68	
In Current Account	8.71		49.91	
Unpaid dividend accounts	-		-	
		3,262.31		3,711.59
TOTAL		3,262.40		3,711.67

16.1. Balance in Deposit Account includes deposits of Rs.430 Crore (Previous Year Rs.1605 Crore) with maturity of more than 12 months.

16.2. Balance with Banks includes unclaimed dividend of Rs.34,522.30 (Previous year Rs.42,698.80).

(₹ in Crore)

Particulars	2012-13	2011-12
16.3. Securities by way of deposits in the form of fixed deposit receipts etc., received from the Contractors/ Suppliers etc., are kept in the Company's custody and not accounted for	23.80	25.05



Notes to Balance sheet as at 31st March, 2013 (Contd.)

NOTE - 17
SHORT-TERM LOANS AND ADVANCES

(₹ in crore)

Particulars	2012-13		2011-12	
Unsecured, considered good Loans & Advances:				
(a) Loans & Advances to Subsidiary Company (APHMEL)		3.50		3.00
(b) Advances to Staff (Refer Note – 13.2)		83.03		183.36
(c) Advances against Purchases & Services		134.79		68.30
Considered Doubtful Advances against purchases & services	1.11		0.68	
Less: Provision for Bad & Doubtful Advances	1.11		0.68	
(d) Prepaid Expenses		0.18		0.81
(e) Cenvat & VAT Credit available		106.12		27.43
(f) Advance Fringe Benefit Tax		4.16		4.16
(g) Security Deposits		27.52		21.36
TOTAL		359.30		308.42

NOTE - 18
OTHER CURRENT ASSETS

(₹ in crore)

Particulars	2012-13		2011-12	
Interest Accrued On Investments - Government Securities		24.05		0.01
Interest accrued on other Investments		262.20		238.82
Interest Accrued on Loans, Advances & Deposits		2.52		2.16
Other Receivables - CCDAC, Sand stowing subsidy, Rent, Water, Electricity		95.70		97.18
Other receivables considered doubtful	9.19		8.36	
Less: Provision for bad and doubtful	9.19		8.36	
TOTAL		384.47		338.17

Notes to statement of Profit and Loss for the year ended 31st March 2013

NOTE - 19

REVENUE FROM OPERATIONS

(₹ in crore)

Particulars	2012-13		2011-12	
(a) Sale of Coal				
Turnover (Gross)		12,354.33		10,859.44
Less : Statutory Levies:				
Royalty	1,183.58		769.06	
Stowing excise duty	53.28		51.37	
Clean energy cess	265.68		257.17	
Excise Duty	689.20		514.40	
		2,191.74		1,592.00
		10,162.59		9,267.44
Less: Transfer to Development		34.30		29.40
Turnover (Net)		10,128.29		9,238.04
(b) Income from Services:				
Consultancy Services (TDS Rs.0.53 Crore. Previous Year Rs.0.42 Crore)		5.98		5.09
(c) Other operating revenue:				
Penalty for Short lifting of Coal	2.28		4.57	
Sand Stowing Assistance/Subsidy	69.34		69.24	
Bonus for Supply of Coal	25.86		5.29	
		97.48		79.10
TOTAL		10,231.75		9,322.23



Notes to statement of profit & Loss for the year ended 31st March, 2013 (Contd.)

NOTE - 20

OTHER INCOME

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Interest Income				
Interest on Investment (Non-trade) Gross	69.50		0.85	
Interest on Term Deposits (TDS Rs.36.98 Cr. Pre.Yr. Rs.33.65 Cr.)	369.01		329.35	
Interest on Sundry Debtors for Coal, Loans, Advances(TDS Rs.1.28 Cr. Prev.Yr.Rs.1.23 Cr.)	49.53		65.37	
		488.04		395.57
(b) Other non-operating income (net of expenses directly attributable to such income)				
Rents (TDS Rs.0.15 Cr. Prev.Yr. Rs.0.28 Cr.)	4.11		3.92	
Electricity & Fuel	26.41		15.37	
Water charges	0.71		0.72	
Provisions and Liabilities no longer required	0.61		43.53	
Miscellaneous Receipts	52.99		35.21	
		84.83		98.75
TOTAL		572.87		494.32

NOTE - 21

COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	2012-13	2011-12
Stores & Spares	577.24	500.32
Explosives	203.68	193.73
Petrol & Oil	907.72	898.20
Internal consumption of coal	8.70	17.04
Others	11.44	13.57
TOTAL	1,708.78	1,622.86

NOTE - 22

CHANGES IN INVENTORIES

(₹ in Crore)

Particulars	2012-13	2011-12
Closing Stock	314.17	296.06
Add : Internal consumption of coal	8.70	17.04
Less: Opening Stock	296.06	197.75
TOTAL	26.81	115.35

Notes to statement of profit & Loss for the year ended 31st March, 2013 (Contd.)**NOTE - 23****EMPLOYEE BENEFITS EXPENSES - SALARIES AND WAGES**

(₹ in Crore)

Particulars	2012-13	2011-12
Salaries, Wages and Allowances	3,143.59	2,830.39
CMPF including administrative charges	354.36	257.05
Attendance Bonus	253.35	107.10
Performance Linked Reward	199.32	181.23
Gratuity	320.94	656.11
Superannuation Benefit	27.92	45.71
Workmen's Compensation, Group Insurance & Group Personal Accident Insurance	4.65	3.60
Directors' Remuneration	1.29	1.13
Life cover premia under Gratuity Scheme with LIC	7.61	6.30
TOTAL	4,313.03	4,088.62

NOTE - 24**EMPLOYEE BENEFITS EXPENSES - STAFF WELFARE EXPENSES**

(₹ in Crore)

Particulars	2012-13	2011-12
Social Amenities:		
Employee Welfare Expenses	54.42	64.07
Lumpsum/ Monthly Monetary Compensation for dependants	22.37	5.00
VRS/ Golden Hand Shake Monetary terminal payments / exgratia	-	0.15
Grants to Singareni Collieries Educational Society	28.22	27.88
TOTAL	105.01	97.10

NOTE - 25**POWER & FUEL**

(₹ in Crore)

Particulars	2012-13	2011-12
Electricity	448.38	249.43
Others	0.74	1.80
TOTAL	449.12	251.23



Notes to statement of profit & Loss for the year ended 31st March, 2013 (Contd.)

NOTE - 26

REPAIRS & MAINTENANCE

(₹ in Crore)

Particulars	2012-13	2011-12
Railway sidings	2.74	2.93
Buildings	22.93	23.09
Plant & Machinery	69.31	53.11
TOTAL	94.98	79.13

NOTE - 27

CONTRACTUAL EXPENSES

(₹ in Crore)

Particulars	2012-13	2011-12
Coal Offloading	81.91	81.41
OBR Offloading	353.68	549.02
Transportation Charges	194.14	184.02
Hiring of Heavy Earth Moving Machinery (HEMM), Weighbridge and others	65.87	54.18
Others	51.17	51.83
TOTAL	746.77	920.46

NOTE - 28

FINANCE COST

(₹ in Crore)

Particulars	2012-13	2011-12
Interest expense:		
Interest on Cash Credit	0.04	0.21
Interest on Others	32.58	6.16
Interest on Loans	12.76	28.09
TOTAL	45.38	34.46

NOTE - 29

PROVISIONS

(₹ in Crore)

Particulars	2012-13	2011-12
Obsolete Stores	3.17	2.04
Shortages & Damages	0.01	0.09
Doubtful Debts / Advances	1.34	0.90
Others	1.06	0.81
TOTAL	5.58	3.84

Notes to statement of profit & Loss for the year ended 31st March, 2013 (Contd.)

NOTE - 30

WRITE-OFFS

(₹ in Crore)

Particulars	2012-13	2011-12
Bad & Doubtful Debts	0.23	12.21
Advances	1.10	0.09
Assets	6.25	43.95
Obsolete Stores	2.30	0.63
TOTAL	9.88	56.88

NOTE - 31

OTHER EXPENSES

(₹ in Crore)

Particulars	2012-13		2011-12	
(a) Selling & Distribution		50.52		33.73
(b) Exchange Variation Loss		0.07		2.66
(c) Others:				
Rents	0.38		0.53	
Rates & Taxes	5.05		4.98	
Insurance	0.95		0.51	
Travelling Expenses	6.57		4.05	
Postage, Telegrams and Telephone	2.11		2.05	
Legal Expenses	1.71		1.22	
Bank Charges and Commission	1.16		1.56	
CISF Salaries and Wages	29.70		24.21	
Directors' Travelling Expenses	0.79		0.21	
Auditors' Remuneration:				
Audit Fee	0.10		0.10	
Out Of Pocket Expenses	0.04		0.02	
Other Expenses- Certifications / services	0.04		-	
Tax Audit	0.03		0.02	
Advertisements	4.78		2.49	
Research and Development Expenses	1.91		1.68	
Other Expenses	15.53		14.99	
Journals and Periodicals	0.12		0.11	
Printing and Stationary	0.33		0.31	
Voluntary Retirement Compensation	0.02		0.01	
Plantation Expenditure	5.51		6.20	
		76.83		65.25
TOTAL		127.42		101.64



Notes to Statement of Profit & Loss for the year ended 31st March, 2013 (Contd.)

NOTE - 32

EXCEPTIONAL ITEMS

(₹ in crore)

Particulars	2012-13		2011-12	
INCOME:				
Depreciation Provided in Earlier Years Written Back	0.33		1.30	
Credits & Adjustments pertaining to Earlier Years	0.07		0.12	
Income from Services	-		0.32	
		0.40		1.74
EXPENDITURE:				
Maintenance Charges etc., on Railway Sidings	-		- 0.12	
Welfare Expenses	-		0.06	
Interest	3.47		-	
Other Expenses	14.16		7.82	
		17.63		7.76
TOTAL		17.23		6.02

32.1. The revised Cost Estimates of KTK-OC were approved by the Board on 6.2.2012. Inter-alia Stripping Ratio was revised from 11.02 cum.per ton to 12.56 cum.per ton. The revision was effected in 2012-13 with retrospective effect and charged under Prior Period expenditure.

Notes to Accounts as at 31st March, 2013**NOTE – 33****SIGNIFICANT ACCOUNTING POLICIES****I. ACCOUNTING CONVENTION:**

Financial Statements are prepared on the basis of Historical Cost and on Accrual Basis following Going Concern concept. Accounting Standards and Generally Accepted Accounting Principles are followed except otherwise stated elsewhere.

II. SYSTEM OF ACCOUNTING:

Company follows Mercantile System of Accounting except, in the following cases:

- a. Penalty for short lifting of coal, interest on belated payment of coal dues and loans & advances to subsidiary company on realisation.
- b. Escalation in prices and duties for explosives, equipment and spares supplied on payment.
- c. Credit towards Powder factor is accounted as and when recovered from the suppliers of Explosives.
- d. Additional claims from contractors on Capital Works when claims are settled.
- e. Scrap on Realisation; and
- f. Insurance Claims on receipt.

III. INVENTORIES:**a) Coal**

- i) Wherever variation (+/-) between volumetrically measured coal stocks (including washery products) and the book stocks at any particular storage location grade-wise is more than (+/-) 5%, the volumetrically measured stock balances are adopted.
- ii) The quantities of closing stock of coal (including washery products) thus arrived at are valued after effecting a reduction of 5%, to provide for anticipated losses due to storage.
- iii) Closing stock of coal including stock at power houses, washeries, coal-in-wagons, washed coal, is valued at lower of cost and net realisable value. ***Closing stock of washery by products viz., rejects, slurry and fines are valued at net realisable value (shale and stone at nil value)***
- iv) The cost is calculated by taking average cost of production per tonne. The cost of production is arrived at after excluding interest and other borrowing costs, selling and distribution costs and administrative overheads etc., to the extent not related to production of coal.
- v) Cost of washed coal is calculated at average cost of production of coal ***as at (iv) above*** plus washery charges adjusted to standard yield, ***and by deducting NRV of by products from cost thus arrived.***
- vi) The net realisable value of grade-wise coal ***(including washed coal, rejects, slurry and fines)*** is arrived at on the basis of selling price for each grade less Rehandling charges wherever applicable.

b) Stores & Spares:

- i) Stores & Spares (including loose tools) are valued at Weighted Average cost.
 - ii) Provision for slow, non-moving and obsolescence is made annually on review of stores and spares.
 - iii) Stock of Stores issued to Mines/ Depts., wherever charged to consumption on issue, such stocks as at year end are taken credit for.
- c) Stock of medicines, provisions, stationery and sand are not valued and are charged directly to consumption on receipt.**



Notes to Accounts as at 31st March, 2013

(NOTE-33 SIGNIFICANT ACCOUNTING POLICIES (contd.))

IV. PRE-PAID & PRIOR PERIOD ITEMS:

Transactions are accounted under Pre-paid & Prior period items, only where the individual item exceeds Rs.5.00 lakhs in each case.

V. DEPRECIATION / AMORTISATION:

1. Depreciation is provided on Straight Line Method in respect of 18 MW Power House at Ramagundam from inception and on additions to Fixed Assets from 1-4-1985. Depreciation on other Fixed Assets is provided on written down value method on the assets purchased before 1-4-1985.
2. Depreciation is provided at the rates specified in Schedule XIV of the Companies Act, 1956, except the following:
LHDs (14.28%), Jumbo Drills (13.33%) at CDF Panel and SDLs (25%) and Self Contained Self Rescuers (10%) are depreciated on the basis of estimated life, which is lower than Schedule XIV, thus entailing higher depreciation charge.
3. Value of leasehold lands is amortised over a period of 10 years or over the lease period whichever is lower.
 - From the date of possession in case of fresh leases.
 - From the date of payment in case of renewal of leases.
4. Intangible Assets –
 - a) ERP software was amortised over a period of 5 years.
 - b) Mine Development is amortised over a period of 21 years (i.e., corresponding to 4.75% SLM rate) or on the life of the Project, if it is lower.

VI. OVERBURDEN REMOVAL (OBR):

- i. Expenditure on Overburden Removal is charged at Stripping Ratio of the Open Cast projects irrespective of the Ratio of Actual Removal during the year. Expenditure on OB Removal is booked in the natural heads. The variance between actual OB Removal expenditure and OB Removal charge as per Stripping Ratio is shown as OB Removal adjustment account. Interest, Depreciation and Overheads on OB Removal are treated as period cost and not considered for arriving at OB Removal charge.
- ii. Stripping Ratio of the Open Cast Projects are to be generally reviewed starting from 2004-05, and thereafter 2009-10, 2014-15 and so on except those;
 - a) Projects that have not completed 5 years Revenue workings. Such projects will be taken up in the general review due after completion of 5 years.
 - b) In case of closure, reorganization, addition & deletion of coal / Overburden Provision etc., such review will be taken-up on occurrence.
- iii. Provision for future Overburden Removal is restated at current year cost and difference is taken to profit and loss account. Advance Action for Overburden removal is valued at weighted average cost.

VII. REVENUE RECOGNITION:

- a. Revenue in respect of Sale is recognized when the property in the goods with the significant risks and rewards of ownership are transferred to the buyer.
- b. Sales of coal are net of statutory dues and accepted deductions made by customers on account of quality of coal etc.
- c. The revenue recognition is done where there is a reasonable certainty of collection. Revenue recognition is postponed in case of uncertainty only as assessed by management.

Notes to Accounts as at 31st March,2013

(NOTE-33 SIGNIFICANT ACCOUNTING POLICIES (contd.))

VIII. FIXED ASSETS:

1. Land:

- a. **Lands are capitalized from the date of taking possession / Award whichever is earlier. Payments made for Renewal of Leasehold lands are capitalized from the date of payment.**
- b. Freehold Lands include cost of acquisition, compensation, rehabilitation expenses and interest up to the date of taking possession.
- c. Leasehold Lands include cost of compensatory land, NPV, afforestation and deforestation expenditure with regard to acquisition of forest land.

2. Railway sidings:

Complete track renewals and sleeper renewals on Railway Sidings are capitalised on completion of the work.

3. Plant & Equipment:

- a. Following items are classified as Capital;
 - i) PVC Armoured Cables of all sizes; and
 - ii) G.I. Pipes of 2" Dia and above.
- b. Expenditure on Rehabilitation of HEMM and other Major Plant and Machinery is treated as Capital expenditure, if such expenditure increases the future benefit from the Asset beyond its previously assessed standard of performance.
- c. Equipment received for Projects under construction / Mines under development but not installed and commissioned by the end of the year is shown as Capital Works-in-Progress.

4. Mine Development:

- A. The Projects/Mines under development are brought to Revenue —
 - i) either from the month following;
 - a) the achievement of 25% of the rated production, or
 - b) completion of two years after touching the coal

OR

 - ii) from the beginning of the year, wherein the value of production is more than the total related expenses of such developed project/ mine whichever is earlier.
- B. Expenditure incurred on Projects under Construction / Mines under Development till they are brought to revenue and Long wall / BG Projects up to the date of commissioning of the equipment are capitalised.
- C. Overheads specifically incurred for the projects under construction will be capitalised.
- D. Sale **value** of coal **produced by** Projects/Mines under construction is credited to Development Account at the Average Monthly Selling Price for the Area.
- E. Expenditure incurred on Prospecting Department including Drilling is apportioned based on average normal cost per metre drilled and treated as under:
 - i) Drilling done for production support and general prospecting is treated as Revenue Expenditure; and
 - ii) Drilling done for projects under construction is capitalised with the project cost.



Notes to Accounts as at 31st March, 2013

(NOTE-33 SIGNIFICANT ACCOUNTING POLICIES (contd.))

- F. Residual Development Expenditure on Mines taken-up for reconstruction is treated as Development Expenditure of New Reconstruction Projects.

IX. FOREIGN CURRENCY TRANSACTIONS:

- a. Monetary items related to Foreign currency transactions remaining unsettled at the end of the year are reported at the exchange rate at the Balance Sheet date.
- b. Profit or Loss on account of exchange differences either on settlement or on restatement is recognised in the Profit and Loss Account.

X. GOVERNMENT GRANTS:

- a. Subsidy/Grants received/ receivable on Capital Account are deducted from the cost of respective assets to which they relate.
- b. Grants from Government towards Revenue Expenditure for the year will be exhibited separately as other income in the Profit and Loss Account.

XI. INVESTMENTS:

Long term investments are carried at cost except for other than temporary diminution in value.

XII. EMPLOYEE BENEFITS:

1.
 - (a) Gratuity is a defined benefit scheme. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in Profit & Loss Account. The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations as reduced by the fair value of scheme assets.
 - (b) Leave encashment is provided based on actuarial valuation carried out at each balance sheet date.
 - (c) Termination benefits viz., Monthly Monetary Compensation & Low Productive Employees is provided on Actuarial valuation.
2. Employer's contribution under Coal Mines Provident Fund Act, Superannuation Benefit and Post Superannuation Medical Benefit are defined Contribution Plans and the expenditure on the above is charged to Profit & Loss Account.
3. Voluntary retirement compensation is expensed in the year of incurrence.

XIII. BORROWING COSTS:

Borrowing costs are capitalised and added to the value of qualifying assets, where they are directly identified or at weighted average cost of borrowing if they are not directly identified.

XIV. TAXES ON INCOME:

Deferred tax liabilities and assets are recognized at substantively enacted tax rates, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods as required under AS-22 - Accounting for Taxes on income.

XV. PROVISIONS, CONTINGENT LIABILITIES:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are disclosed when the Company has possible obligation or a present obligation and it is not probable that a cash outflow will be required to settle the obligation.

Notes to Accounts as at 31st March, 2013

NOTE – 34
ADDITIONAL NOTES

(₹ in Crore)

SI.No	Particulars	31.03.13	31.03.12
34.1	Contingent liabilities:		
	Claims against the Company not acknowledged as debts :		
i)	Demand from Divisional Forest Officer towards NPV for renewal of different mining leases – contested by the company.	7.91	7.91
ii)	Workmen Compensation (cases contested – court)	0.92	0.79
iii)	Motor Accident claims(cases contested – court)	1.29	1.59
iv)	Police Guard(excess man power billed disputed)	4.75	4.75
v)	S C Railways(damages, demurrages etc. disputed)	1.14	0.99
vi)	Water Royalty(billed at Industrial rate disputed)	3.39	3.05
vii)	Vacant Land Tax (Levy contested)	16.06	16.06
viii)	Contractors & Suppliers (OBR and other Contractual disputes)	57.60	33.17
ix)	Disputed Electricity Bills for non segregation of Light & Fan loads from Industrial supply load.	63.34	54.01
x)	Other disputed claims & Legal cases etc.	10.15	7.58
xi)	Service Tax demands were raised on OBR contractors by Service Tax Department, treating value of explosives and HSD oil issued by SCCL free of cost for use in the execution of OBR works, as additional consideration to them. The demands of Service Tax Department have been contested by the Service Providers. Pending adjudication of disputed demands, SCCL issued letter of comfort to the contractors with commitment to reimburse Service Tax. In case the verdict of the competent authority /court goes against the contractors and consequent to their discharge of Tax liability	312.22	278.67
xii)	(a) Customs, Central Excise & Service Tax Department, issued Notice No. O.C.No.650/2010, dated 22.09.2010, demanding Interest payment of Rs.13,82,17,534/- on alleged availment of Input Service Tax Credit on ineligible services of Rs.52,62,75,583/- (from 2006-07 to 2008-09), though the same was not utilized by SCCL. Appeal is filed before CESTAT Bangalore and the same is pending adjudication.	13.82	13.82
	(b) Excise Duty demands on quantity disputes.	2.59	—
	(c) Education Cess and Sec. Higher Education Cess demand raised by Excise Department from March,2011 to Feb,2013 contested by SCCL	34.79	—
	(d) Demand for Clean Energy Cess	0.28	—
xiii)	Tax Demands from Commercial Taxes Department (including entry tax) which are disputed by SCCL and pending before various appellate authorities for adjudication.	98.42	106.17
xiv)	Tax Demands from Income Tax Department which are disputed by SCCL and pending before various appellate authorities for adjudication.	35.93	26.30
xv)	Profession Tax: Dy. C.T.O., KGM has issued a Demand Notice as per G.O. No. 14897/CT-IV/2004, Dt.23.02.2013 for arrears of professional tax recovery from NCWA employees for the years 1990-91 to 2012-13. As per above mentioned G.O., Govt. has rescinded the orders keeping in abeyance payment of Profession Tax by employees of SCCL retrospectively. Principal Secretary is requested vide Ltr.No.CRP/PER/IR/654, Dt.26.03.2013 to review the above G.O.	176.44	162.49
xvi)	Claims in respect of suits filed by the Pattadars for additional compensation for Acres:5600, Guntas:28¼ (Previous year: Acres 8326, Guntas: 21¼) contested by the Company and pending in Courts.	Not quantifiable	Not quantifiable



Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

xvii)	An amount of Rs.1.18 Crore has been charged to supplier M/s. Indian Explosives Limited towards deficiency in powder factor on explosives supplied, and recognised as income during 2006-07. The supplier has initiated arbitration proceedings challenging the above charges.
xviii)	An amount of Rs.1.16 Crore and Rs.4.15 Crore were recovered from M/s.Advanced Mining Technologies towards Performance Bank Guarantee. M/s. Advanced Mining Technologies invoked Arbitration proceedings and made a total claim of Rs.94.82 Crore against the company (excluding interest @18% p.a. and Arbitration costs) which includes Rs.5.50 Crore towards Bank Guarantee invoked.
xix)	An amount of Rs10.66 Crore has been charged to M/s. B.G.R Mining & Infra Pvt.Ltd., towards lead variation charges and recognised as income during the year 2012-13. A case has been filed by the contractor before the Hon'ble Principal Dist.Judge, Khammam challenging the above charges. The items above (excluding Item No.xi) are mentioned excluding interest at applicable rates.

34.2

(₹ in Crore)

Sl.No	Particulars	31.03.2013	31.03.2012
i)	a) Estimated value of capital commitment for 2x600 MW MPP Singareni Thermal Power Project, Jaipur, A.P.	3828.79	4072.00
	b) Estimated value of capital commitments of other contracts to be executed .	482.69	541.06
ii)	The balance value of Surrounding Habitats Assistance Programme (SHAPE) works to be executed.	18.09	8.55

34.3 Disclosures as per Accounting Standard AS:15 (Revised) : Employee benefits.
Gratuity and Leave Encashment Plan:

(₹ in Crore)

Particulars	Gratuity		Leave Encashment	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Changes in the present value of obligations				
Obligations at beginning of the year	*2497.54	*1834.11	336.35	224.24
Current Service cost	94.66	78.12	71.59	48.08
Interest cost	195.66	141.21	26.91	17.94
Benefits paid	(-173.70)	(-)110.65	-	-
Actuarial(gain)/loss	163.76	554.76	(-)45.00	46.09
Obligations at the end of the year, at present value	*2777.92	*2497.54	389.85	336.35
Change in Fair value plan assets				
Plans assets at beginning of the year, at fair value	1325.96	1120.82	} Unfunded }	} Unfunded
Expected return on plan assets	126.74	105.79		
Actuarial(gain)/loss	-	-		
Contributions	425.01	210.01		
Benefits paid	(-173.70)	(-)110.65		
Fair value of plan assets at the end of the year	1704.01	1325.96		
Reconciliation of present value of the obligation and the fair value of the plan assets.				
Present value of the defined benefit obligations at the end of the year	2777.92	2497.54	389.85	336.35

Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

(₹ in Crore)

Particulars	Gratuity		Leave Encashment	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Fair value of plan assets at the end of the year	1704.01	1325.96	-	-
Assets/(liability) recognized in the balance sheet	(-1073.91)	(-1171.58)	(-389.85)	(-336.35)
Expense Recognised in Profit & Loss Account:				
Current Service cost	94.66	78.12	71.59	48.08
Interest cost	195.66	141.21	26.91	17.94
Expected return on plan assets	(-126.74)	(-105.79)	-	-
Actuarial(gain)/loss	163.76	554.76	(-45.00)	46.09
Net Gratuity cost	327.34	668.30	53.50	112.11
Assumptions:				
Interest rate	8%	8%	8%	8%
Expected return on plan assets	9.60%	9.60%	-	-
Expected rate of salary increase	4%	4%	4%	4%

* Includes Rs.51.81 Crore towards claims unsettled at the beginning of the year and Rs.101.25 Crore at the end of the year

34.4 Defined Contribution Plan includes the following:

(₹ in Crore)

	31.3.2013	31.3.2012
i) Coal Mines Provident Fund Scheme is a defined Contribution Plan, and charged off to Profit and Loss Account.	354.36	255.27
ii) Superannuation Benefit to the Executive cadre employees was provided and charged off to Profit and Loss Account.	19.85	37.72
iii) Post Superannuation Medical Benefit to the Executive Cadre employees was provided and charged off to Profit and Loss Account.	8.07	7.99

34.5 Related Party Transactions (AS-18):

Related Parties:

- i) Subsidiary Company: Andhra Pradesh Heavy Machinery & Engineering Limited, Vijayawada. Disclosure of transactions with the subsidiary company is not required since both the companies are state controlled entities.
- ii) NTPC-SCCL Global ventures Private Limited, a Joint venture by SCCL and NTPC. During the year there are no operations.
- iii) Whole time Directors of SCCL: Sri Sutirtha Bhattacharya, C & M.D. (from 10.05.2012 FN), Dinesh Kumar, (FAC) (from 23.04.2012 (AN) to 09.05.2012), S.Narsing Rao, C&M.D. (upto 23.04.2012 FN) and other Directors: S/Sri J.V.Dattatreylu (upto 30.11.2012), S. Vivekanand, B. Ramesh Kumar, T. Vijaya Kumar, P. Viswanadha Raju, A. Manohar Rao (from 13.12.2012).
- iv) Advances due from Directors and Officers are disclosed under Note No.13 & 17.

34.6 Earnings Per share (AS-20): (Basic and Diluted)

(₹ in Crore)

	31.3.2013	31.3.2012
i) Profit after Tax (Rs.in Crore)	401.14	358.27
ii) Number of Ordinary Equity Shares (fully paid-up) (Nos.)	1733198119	1733198119
iii) Earnings per share (i / ii) (Rs.)	2.31	2.07



Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

34.7 Changes in Accounting Policies resulted in net decrease of profit by Rs. 0.03 Crore.

Existing	Proposed	Remarks and impact on Profit/ Loss
III) INVENTORIES		
a) COAL		
iii) Closing stock of coal (including stock at power houses, washeries, coal-in-wagons, washed coal, <i>rejects, slurry and washery input fines</i>) is valued at lower of cost and net realisable value.	iii) Closing stock of coal including stock at power houses, washeries, coal-in-wagons, washed coal, is valued at lower of cost and net realisable value. <i>Closing stock of washery by products viz., rejects, slurry and fines are valued at net realisable value (shale and stone at nil value)</i>	The Net realisable value of washery by product is deducted from the cost of production of washed coal i.e., main product and by products are valued at NRV, instead of lower of cost and NRV, as per assurance given to C&AG in the year 2011-12. Hence rejects, slurry, and fines are deleted from lower of cost of NRV and valuation method stated in the Policy. No impact on Profit/Loss as these by-products are valued at NRV in previous years also.
iv) Closing stock of reject fines and washery shale are not valued due to uncertain market and income is recognised on sale.	iv) - Deleted-	Fines are being valued at Rs.738/T as per price notification dated 11.6.13. Besides, the product is included in e-auction sales in June, 2013 and 6545 Tonnes was sold as against closing stock of 4972.19 Tonnes as at 31.3.13. Hence, valued at NRV. Shale and stone will have no value and indicated in (iii) above. Impact of valuation of Fines is increase in Profit by Rs.0.42 Crore.
v) The cost is calculated by taking average cost of production per tonne. The cost of production is arrived at after excluding interest and other borrowing costs, selling and distribution costs and administrative overheads etc., to the extent not related to production of coal.	iv) The cost is calculated by taking average cost of production per tonne. The cost of production is arrived at after excluding interest and other borrowing costs, selling and distribution costs and administrative overheads etc., to the extent not related to production of coal.	No change in Policy Renumbered as (iv) instead of (v)
vi) Cost of washed coal is calculated at average cost of production of coal plus washery charges adjusted to standard yield.	v) Cost of washed coal is calculated at average cost of production of coal <i>as at (iv) above</i> plus washery charges adjusted to standard yield, <i>and by deducting NRV of by products from cost thus arrived.</i>	The NRV of washery by products is deducted from cost of washed coal (main product), as per assurance given to C & AG in the year 2011-12. <i>Impact is reduction in Profit by Rs.0.45 Crore.</i> <i>Renumbered as (v) instead of (vi)</i>

Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

Existing	Proposed	Remarks and impact on Profit/ Loss
vii) The net realisable value of grade-wise coal (including washed coal, washery input fines, rejects and washery slurry) is arrived at on the basis of selling price for each grade less Rehandling charges wherever applicable.	vi) The net realisable value of grade-wise coal (including washed coal, rejects, slurry and fines) is arrived at on the basis of selling price for each grade less Rehandling charges wherever applicable.	For the reasons indicated at para-iv, policy rephrased. <i>Renumbered as (vi) instead of (vii).</i>
viii) COMMISSIONING OF MINES/PROJECTS: The Projects/Mines under development are brought to Revenue – i) either from the month following; a) the achievement of 25% of the rated production, or b) completion of two years after touching the coal OR ii) from the beginning of the year, wherein the value of production is more than the total related expenses of such developed project/ mine whichever is earlier.	Deleted	Accounting Policy of Commissioning of Mines/ Projects merged under Mine development for a more plausible reading. No change in the accounting policy and no impact on profit.
ix) FIXED ASSETS: 1. Land: Not existing a. Freehold Lands include cost of acquisition, compensation, rehabilitation expenses and interest up to the date of taking possession.	VIII. FIXED ASSETS: 1. Land: a. <i>Lands are capitalized from the date of taking possession / Award whichever is earlier. Payments made for Renewal of Leasehold lands are capitalized from the date of payment.</i> b. Freehold Lands include cost of acquisition, compensation, rehabilitation expenses and interest up to the date of taking possession.	The practice being followed has been disclosed as Accounting Policy. <i>No impact on Profit/ Loss.</i> No change in policy. Renumbered as (b) instead of (a).



Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

Existing	Proposed	Remarks and impact on Profit/ Loss
<p>b. Leasehold Lands include cost of compensatory land, NPV, afforestation and deforestation expenditure with regard to acquisition of forest land.</p> <p>c. Payments made for Renewal of Leasehold lands are capitalized from the date of payment and in case of Fresh leases the expenditure is capitalized from the date of taking possession.</p>	<p>c. Leasehold Lands include cost of compensatory land, NPV, afforestation and deforestation expenditure with regard to acquisition of forest land.</p>	<p>No change in policy. Renumbered as (c) instead of (b).</p>
	<p>Deleted.</p>	<p>Indicated at para (ix) 1(a). Hence deleted. <i>No impact on Profit/Loss.</i></p>
<p>4. Mine Development:</p>	<p>4. Mine Development:</p>	
	<p>A. The Projects/Mines under development are brought to Revenue –</p> <p>i) either from the month following;</p> <p>a) the achievement of 25% of the rated production, or</p> <p>b) completion of two years after touching the coal;</p> <p>OR</p> <p>ii) from the beginning of the year, wherein the value of production is more than the total related expenses of such developed project/ mine whichever is earlier.</p>	
<p>a. Expenditure incurred on Projects under Construction / Mines under Development till they are brought to revenue and Long wall / BG Projects up to the date of commissioning of the equipment are capitalised.</p>	<p>B. Expenditure incurred on Projects under Construction / Mines under Development till they are brought to revenue and Long wall / BG Projects up to the date of commissioning of the equipment are capitalised.</p>	<p>Accounting Policy of Commissioning of Mines/ Projects merged under Mine development for a more plausible reading.</p>
<p>b. Overheads specifically incurred for the projects under construction will be capitalised.</p>	<p>C. Overheads specifically incurred for the projects under construction will be capitalised.</p>	<p>No change in the accounting policy and no impact on profit.</p>

Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

Existing	Proposed	Remarks and impact on Profit/ Loss
c. Sale value of coal from Projects/Mines under construction is credited to Development Account at the Average Monthly Selling Price for the Area.	D. Sale value of coal produced by Projects/Mines under construction is credited to Development Account at the Average Monthly Selling Price for the Area.	Subsequent to the above merger the Accounting Policies will be renumbered.
d. Expenditure incurred on Prospecting Department including Drilling is apportioned based on average normal cost per metre drilled and treated as under: i) Drilling done for production support and general prospecting is treated as Revenue Expenditure; and ii) Drilling done for projects under construction is capitalised with the project cost.	E. Expenditure incurred on Prospecting Department including Drilling is apportioned based on average normal cost per metre drilled and treated as under: i) Drilling done for production support and general prospecting is treated as Revenue Expenditure; and ii) Drilling done for projects under construction is capitalised with the project cost.	
e. Residual Development Expenditure on Mines taken-up for reconstruction is treated as Development Expenditure of New Reconstruction Projects.	F. Residual Development Expenditure on Mines taken-up for reconstruction is treated as Development Expenditure of New Reconstruction Projects.	

34.8 Physical verification of all Fixed Assets with original value of Rs.3 lakhs and above will be covered in block of 3 years. First block of 2009 - 2012 was completed and next block of 2012 - 15 will commence from 2012 - 13.

- i) Fixed Assets with original value > Rs.50 Lakhs annually
- ii) Fixed Assets with original value > Rs.10 Lakhs and < Rs.50 Lakhs once in three years (2nd year i.e.2013-14).
- iii) Fixed Assets with original value > Rs.3 Lakhs and < Rs.10 Lakhs once in three years (3rd year i.e.2014-15).



Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

In respect of (i) the Assets were physically verified during 2012-13 and deviations accounted and in respect of other assets the same are confirmed as available based on certification by the unit head.

34.9

(₹ in Crore)

Sl. No.	Details of MSMED Vendors	31.3.2013	31.3.2012
i)	The principal amount remaining unpaid to any supplier as at the end of each accounting year	0.84	0.92
ii)	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Nil	0.0057
iii)	The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iv)	The amount of 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 MSMED Act, 2006	Nil	Nil
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.02	0.02
vi)	The amount of 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 for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	Nil	Nil

34.10 The Company has formed a 50:50 Joint venture company under the name and style of NTPC-SCCL Global ventures Pvt. Ltd., on July 31st 2007 with NTPC Ltd to undertake various activities in coal and power sectors including acquisition of coal / lignite mine block development and operation of integrated coal based power plants and providing consultancy services.

Details of Interest of the Company in Joint Venture as per AS-27:

- i) Name of the Joint Venture entity : NTPC – SCCL Global Ventures Private Limited
- ii) Country of Incorporation : India
- iii) Principal Activities : Coal & Lignite mining; and Setting up integrated power plants
- iv) Ownership interest : 50%
- v) Original cost of Investment: Rs.5 lakhs
- vi) Aggregate amounts related to interest in Joint Venture entity

The Company's interest in the afore mentioned entity's assets, liabilities, income and expenditure are as under;

Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

(₹ in Crore)

	Particulars	31.3.2013 (Audited)	31.3.2012 (Audited)
	Assets	0.0475	0.0458
	Liabilities	0.0475	0.0458
	Income	0.0042	0.0036
	Expenditure	0.0012	0.0012
	Profit before tax	0.0030	0.0024
	Corporate Tax	(-) 0.0013	(-) 0.0011
	Profit after tax	0.0017	0.0013
	Cumulative Profit/Loss	(-) 0.0031	(-) 0.0048

34.11 Consequent to handing over of 10 schools, 2 colleges and 1 Polytechnic to Singareni Collieries Educational Society, all running expenses of these institutions, after deduction of receivables from these institutions viz., Grant-in-Aid, Fee collections from students, recoveries from the employees towards amenities provided etc., are being met by the Company by way of Educational Grant. Further, infrastructure used by the Society is continued to be under the ownership of the Company for which no recovery is made from the Society.

34.12:

- i) An amount of Rs.1078.30 Crore (Previous Year Rs.1192.12 Crore) has been provided being the back filling liability of final void to the required depth as per Environment Management Plan (EMP) sanction from Government of India and in compliance of AS-29. The liability for back filling is arrived by reckoning back filling quantity in proportion of coal extracted and annual weighted average rate of Over Burden Removal cost. Besides, provision made in earlier years are updated to current cost.
- ii) An amount of Rs.62.36 Crore (Previous year Rs.59.39 Crore) for Mine Closure Activities like technological and biological reclamation, fencing etc., as per guidelines of Ministry of Coal (MoC) @ Rs.6 lakhs/ Rs.1 lakh per Hectare for Opencast (OC) & Underground (UG) mines respectively prorated to balance life of the mines and with 5% annualized increase from 2009-10. The above methodology is as per the guidelines issued by MoC, vide letter dt.27.08.2009. As per the above guidelines, amount equivalent to the provision made is to be deposited in an ESCROW account set up for this purpose. The criteria for selection of Bankers for opening of such ESCROW account is presently under formulation at MoC. Pending above no ESCROW account is opened yet.
- iii) Contractors performing Over Burden Removal are eligible for Bonus in respect of the quantity of explosives and HSD oil saved by them during the course of the contract, to be set off against future excess consumption as per contractual terms. Further, these contractors can claim and encash such accrued Bonus at the end of every financial year. The value of explosives and HSD oil saved by contractors and not claimed by them as bonus eligible for set off against future excess consumption amounts to Rs.2.84 Cr. (Pre.Yr. Rs. 18.37 Cr.) as on 31.3.2013, not provided in Books of Account.

(₹ in Crore)

		31.3.2013	31.3.2012
34.13	Turnover, closing stock and opening stock:		
	*Turnover	10162.59	9267.44
	Closing stock	314.17	296.06
	Opening Stock	296.06	197.75

*Turnover includes capital sales valuing Rs.34.30 Crore (Pre.Yr. Rs.29.40 Crore)



Notes to Accounts as at 31st March, 2013 (N O T E – 34 ADDITIONAL NOTES (Contd.))

34.14 CIF Value of Imports:

(₹ in Crore)

Particulars	31.3.2013	31.3.2012
Components ,Stores & Spare Parts	82.00	49.48
Capital Goods	457.49	84.32

34.15 Expenditure in Foreign Currency:

(₹ in Crore)

Particulars	31.3.2013	31.3.2012
Foreign Tours	0.85	0.36
Consultancy Payments	0.94	2.21
Others	27.00	21.61

34.16 Consumption of Stores & Spares:

(₹ in Crore)

Particulars	31.03.2013		31.03.2012	
	Amount	% of total consumption	Amount	% of total consumption
Imported	55.86	3.27	49.96	3.08
Indigenous	1,652.93	96.73	1,572.90	96.92
Total	1,708.78	100.00	1,622.86	100.00

34.17 Certain balances of trade payables are subject to confirmation, reconciliation and adjustments, if any.

34.18 Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signatures to Notes

For and on behalf of the Board

Sd/
(J.Rama Krishna)
G.M (C.A)& Company Secretary

Sd/
(M.Krishna Mohan)
General Manager (F & A)

Sd/
(S.Vivekanand)
Director(Finance)

Sd/
(Sutirtha Bhattacharya)
Chairman & Managing Director

Date : 30.7.2013
Place : Hyderabad

As per our report of even date
For M/s.Vaithisvaran & Co.(Firm Regn.No.004494S)
Chartered Accountants

Date : 30.7.2013
Place : Hyderabad

Sd/
(S.Shankar Raman)
Partner (M.No.209163)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(As per Schedule VI, Part IV of the Companies Act, 1956)

I. Registration details

Registration No	000571	State Code: 01
Balance Sheet Date	31.03.2013	CIN No.: U10102AP1920SGC000571

II. Capital raised During the year (Amount ₹ in crore)

Public issue	Rights Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

III. Position of Mobilisation and Deployment of Funds (Amount ₹ in crore)

Total Liabilities	Total Assets
16023.62	16023.62

Sources of Funds

Paid-up Capital	Reserves & Surplus
1733.20	1699.30

Non-current liabilities	Current liabilities
9268.47	3322.65

Application of Funds

Non-current Assets
10120.84

Current Assets
5902.78

IV. Performance of Company (Amount ₹ in crore)

Income	Total Expenditure
10804.62	10246.08

Profit Before Tax	Profit After Tax
558.54	401.14

Earnings per share (in Rs.)	Dividend rate (%)
2.31	5

V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

Item Code No.(ITC Code)	270112.00
Product Description	BITUMINOUS COAL
Item Code No.(ITC Code)	—
Product Description	CONSULTANCY SERVICES



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary	Andhra Pradesh Heavy Machinery & Engg. Ltd.
1. The financial year of the Subsidiary Company ended on	31 st March, 2013
2. Shares in the Subsidiary held by the Holding Company as at the above date	
(a) Number of Shares	1,40,82,700 Equity Shares out of 1,72,71,293 Shares of Rs.10/- each
(b) Extent of Holding	81.54 %
3. Net aggregate amount of profit/(loss) of the Subsidiary Company so far as they concern the members of the Holding Co. and	
(a) Not dealt within the Holding Company's account for the year ended 31 st March, 2013	
(i) For the Subsidiary's financial year ended as aforesaid	Rs.6.33 crore
(ii) For the Previous financial years of the subsidiary since it became the Holding Company's Subsidiary	Rs.37.18 crore
(b) Dealt within the Holding Company's account for the year ended 31 st March, 2013	
(i) For the subsidiary's financial Year ended as aforesaid	- Nil -
(ii) For the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary	- Nil -
4. (a) Change in the interest of the Holding Company between the end of the last financial year of the Subsidiary and 31 st March, 2013.	- Nil -
(b) Material changes occurred between end of the financial year of the Subsidiary and the end of the Holding Company's financial year.	Not applicable

For and on behalf of the Board

Sd/-
(J.Rama Krishna)
G.M (C.A)& Company Secretary

Sd/-
(M.Krishna Mohan)
General Manager (F & A)

Sd/-
(S.Vivekanand)
Director(Finance)

Sd/-
(Sutirtha Bhattacharya)
Chairman & Managing Director

Date : 30.7.2013
Place : Hyderabad

ANDHRA PRADESH HEAVY MACHINERY & ENGINEERING LIMITED

(A subsidiary of The Singareni Collieries Company Limited)

36th ANNUAL REPORT AND ACCOUNTS 2012 – 13

(Pursuant to section 212 of the Companies Act, 1956)

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BOARD OF DIRECTORS

Sri B.Ramesh Kumar	Chairman	from	11-06-2013
Sri S.Vivekanand	Chairman	upto	10-06-2013
Sri J.V. Dattatreylu	Chairman	upto	05-12-2012
	Director	upto	30-04-2013
Sri I.V.N. Prasad	Managing Director	from	09-10-2010
Sri G. Rajender Reddy		from	26-05-2011
Sri R.K. Wanchoo		upto	23-03-2013
Smt. Anita Rajendra, IAS	APIDC Nominee	from	29-06-2013
Sri K. Rajendra Prasad	APIDC Nominee	upto	09-05-2013
Sri N.V.V.N.M. Murali Rao		upto	29-12-2012
Sri Juvva Seshagiri Rao		from	24-09-2005
Sri Kuchipudi Srinivasa Rao		from	23-09-2006

**Company Secretary &
Finance Manager (IA)**

Sri V.Venkateswara Rao

REGISTERED OFFICE

KONDAPALLI - 521 228
Krishna District

ADMINISTRATIVE OFFICE & FACTORY

KONDAPALLI - 521 228

PRODUCTION UNIT

20-2, Industrial Estate
VIJAYAWADA - 520 007

BANKERS

State Bank of India
Vijayawada - 520 007

AUDITORS

M/s. RAO & NARAYAN,
Chartered Accountants,
D.No.29-4-8,
Kodandaramireddy Street,
Governorpet,
Vijayawada - 520 002

ANDHRA PRADESH HEAVY MACHINERY & ENGINEERING LIMITED**NOTICE**

NOTICE IS HEREBY GIVEN TO ALL THE MEMBERS OF ANDHRA PRADESH HEAVY MACHINERY & ENGINEERING LIMITED THAT 36th Annual General Meeting of the Members of the Company will be held on Friday, the 20th day of September, 2013 at 3.00 p.m. at the Administrative Building-cum-Registered Office & Factory Premises, Kondapalli to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as on 31st March, 2013 and the Profit & Loss Account for the year ended as on that date together with the Auditors Report, Comments of Comptroller and Auditor General of India along with the replies and report of Directors therein.
2. To appoint a Director in place of Sri G. Rajender Reddy who retires by rotation and is eligible for re-election.
3. To appoint a Director in place of Smt. Anita Rajendra, IAS, who retires by rotation and is eligible for re-election.
4. To appoint a Director by the members other than SCCL & APIDC.
5. To fix the remuneration payable to the Statutory Auditors for the financial year 2013-14.

Registered Office:
Kondapalli – 521 228
Krishna District
Date: 29.6.2013.

By order of the Board of Directors
Sd/-
(V.Venakateswara Rao)
Company Secretary &
Finance Manager (IA).

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies duly completed, signed and stamped with Re.1 revenue stamp should be deposited at the Company's Registered Office not less than 48 hours before the time of the aforesaid meeting.
3. 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.
4. The register of members and the share transfer books of the Company will remain closed from 13.9.2013 to 20.9.2013 (both days inclusive).
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. The members are requested to intimate any change in their address to the Registered Office of the Company for sending all correspondence.
7. Members other than SCCL and APIDC can send nominations before 5.00 P.M. on 5.9.2013 for election of one post of Director which has fallen vacant due to demise of Sri N.V.V.N.M. Murali Rao, Director on 29.12.2012, who was elected by shareholders other than SCCL and APIDC. Only those who have obtained Director Identification Number from Ministry of Corporate Affairs, Government of India are eligible for the post of Director. Any clarifications in this regard can be sought from the Company Secretary.

DIRECTORS' REPORT

To

The Members,
A.P. Heavy Machinery & Engineering Limited,
KONDAPALLI – 521 228.

Gentlemen,

Your Directors have pleasure in presenting the Thirty Sixth Annual Report of your company with the Audited Accounts for the financial year ended on 31st March 2013.

The Company recorded a Net Profit of Rs.775.95 Lakhs during the current financial year i.e 2012-13 as against Rs. 719.40 Lakhs during the previous year. With the patronization extended by SCCL through order as well as working capital support to execute the orders, the performance of the Company has been encouraging.

The Company achieved production of Rs.8426.86 lakhs and turnover of Rs. 8206.92 lakhs against the targeted turnover of Rs.8119.00 lakhs. There is increase in the turnover to an extent of Rs.836.84 lakhs in the year 2012-13 as against the previous year turnover of Rs.7370.08 lakhs.

REVIEW OF FINANCIAL RESULTS & PRESENT SCENARIO

The summarized financial results are as under:

(₹ in lakhs)

	2012-13	2011-12
Turnover of the Company	8206.92	7370.08
Gross Profit (+)/Loss (-) before interest and depreciation	1228.11	1051.25
Interest	91.11	83.20
Depreciation	20.17	22.29
Profit for the year before charging provisions	1116.83	945.76
Net Profit for the year after charging prior period adjustments and provisions	1139.71	1053.37
Profit after Tax	775.95	719.40

The net profit for the financial year under review is Rs. 775.95 lakhs against the profit of Rs. 719.40 lakhs of the previous year. The earning of profit by the Company was possible due to improved production planning, increased sales volume and implementation of various cost reduction measures apart from enforcing work norms and discipline among work force.

FUTURE OUTLOOK

The Management is making efforts constantly for development and diversification. It is optimistic about positive results for the efforts being put in.

Marketing efforts are being strengthened through publication of brochures and interaction with customers. Vigorous campaign by way of discussions, power point presentations is organized with various prospective customers.

Manufacture and fabrication of Belt Conveyor Drive Heads of various capacities, Armoured Chain Conveyors and Men transport systems are continued and expansion in these lines is under progress. Repairs and overhauling works of AM50 Road Headers and Jumbo Drill machines are continued. The Company expects increase in demand for Man riding systems from coal producing companies in India.

Efforts are being made to take up turnkey projects for coal handling systems and jobs in Railways.

CONTRIBUTION TO EXCHEQUER

During the year under review, the Company contributed an amount of Rs.1551.61 lakhs to Government by way of taxes and duties compared to previous year amount of Rs. 1589.49 lakhs.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO

As required under section 217(1)(e) of the Companies Act, 1956 details relating to conservation of energy, technology absorption, foreign exchange earnings and out-go are given in the Annexure-I forming part of the Directors' Report.

Because of the steps taken for conservation of energy, it is observed that on load power consumption decreased only by 4.48% compared to its earlier consumption against an increase of 11.20% of production.

		2012-2013	2011-2012
A)	Units (KWH) Annual Consumption	1030240	1078599
B)	Turnover (Rupees in lakhs)	8206.92	7370.08

DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of section 58-A of the Companies Act, 1956 and (Acceptance of Deposits) Rules, 1975.

EMPLOYMENT

As on 31-5-2013 the total number of employees is 484. There are no employees covered by the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and the particulars of employees under section 217(2A) of the Companies Act, 1956.

INDUSTRIAL RELATIONS

During the year under review, the industrial relations were cordial and peaceful.

SAFETY

Continuous efforts are made to ensure adherence to safety measures at work places and safety record consequently is quite satisfying.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company state:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Net Profit of the Company for that period;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors had prepared the annual accounts on going concern basis.

BOARD OF DIRECTORS

Sri B. Ramesh Kumar, Director(Operations), SCCL has been appointed as part-time Director and Chairman of the Company in place of Sri S. Vivekanand, Director (Finance),SCCL with effect from 11.6.2013. Sri N.V.V.N.M. Murali Rao, Director, expired on 29.12.2012 who was elected by shareholders other than SCCL and APIDC and the post has been vacant since then. The Singareni Collieries Company Ltd., has withdrawn its nomination of Sri R.K. Wanchoo, Executive Director, BHEL, Hyderabad and Sri J.V. Dattatreylu, SCCL due to their superannuation with effect from 24.3.2013 and 1.5.2013 respectively. APIDC has withdrawn its nomination of Sri K. Rajendra Prasad with effect from 10.5.2013 and in his place Smt. Anita Rajendra, IAS, Vice-Chairman & Managing Director, APIDC has been appointed as part-time Director of the Company with effect from 29.6.2013 as nominated by APIDC.

The Board of Directors placed on record its appreciation of the services rendered to the Company by Sri S. Vivekanand, Sri J.V. Dattatreylu, Sri R.K. Wanchoo, Sri K. Rajendra Prasad and late Sri N.V.V.N.M. Murali Rao as Directors during their tenure.

Sri G. Rajender Reddy and Smt. Anita Rajendra, IAS, are due to retire by rotation and are eligible for re-election in the ensuing 36th Annual General Meeting.

AUDIT COMMITTEE

The Board of Directors constituted the Audit Committee in compliance with the provisions of section 292A of the Companies Act, 1956 to exercise powers and discharge functions as stipulated in that section. The Audit Committee consists of four Directors:

- | | | |
|---|-----|---------------------------|
| 1. Sri R. K. Wanchoo | ... | CHAIRMAN of the Committee |
| 2. Sri J.V. Dattatreylu | ... | MEMBER |
| 3. Sri I.V.N. Prasad, Managing Director | ... | MEMBER |
| 4. Sri Juvva Seshagiri Rao, | ... | MEMBER |

Two Meetings of the Audit Committee were held in the financial year under review.

AUDITORS

In terms of Sec.619 (2) of the Companies Act, 1956 as amended vide the Companies (Amendment) Act, 2000, the Comptroller & Auditor General of India have appointed M/s. Rao & Narayan, Chartered Accountants, Vijayawada as Statutory Auditors of the Company for the financial year 2012-13.

ACKNOWLEDGEMENTS

Your Directors acknowledge with appreciation the co-operation and support extended by The Singareni Collieries Company Ltd.,(Holding Company) and State Bank of India during the year under review. Your Directors are also grateful to the valued customers viz., SCCL, BHEL, CPPL, NSC, WCL,SECL, NTTPS, SCR,SMS Infra , TATA and others for the reliance & assurance reposed on APHMEL and for their continued patronage.

Your Directors gratefully acknowledge the valuable guidance extended by the Statutory Auditors and the Comptroller & Auditor General of India.

Your Directors thank all the Employees of your company for their service, which enabled your company to achieve excellent results and performance during the year and also wish to express their appreciation to union leaders and the shareholders for their support and co-operation.

for and on behalf of the Board	
Sd/-	Sd/-
(B. Ramesh Kumar)	(I.V.N. Prasad)
Chairman	Managing Director

Registered Office:
KONDAPALLI - 521 228
Krishna District.
Date: 29.6.2013

ANNEXURE-1

ANNEXURE TO DIRECTORS' REPORT

Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

FORM – A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

SL.NO.	POWER & FUEL CONSUMPTION	CURRENT YEAR	PREVIOUS YEAR
1.	Electricity		
	a. Purchased		
	Unit (KWH)	10,30,240	10,78,599
	Total amount (Rs.)	95,21,906	64,38,241
	Rate/Unit (Rs./ KWH)	9.24	5.97
	b. Own generation		
	i. Through diesel generator		
	Unit (KWH)		
	Units per litre of diesel oil (KWH)	Not applicable	Not applicable
	Cost/Unit (Rs.)		
	ii. Through steam turbine/generator		
	Units per litre of fuel oil/gas		
	Cost/Unit		
2.	Coal		
	Quantity (Tonnes)		
	Total cost (Rs.)	Not applicable	Not applicable
	Average rate (Rs.)		
3.	Furnace oil		
	Quantity (K. Litres)		
	Total amount (Rs.)	Not applicable	Not applicable
	Average rate (Rs.)		
4.	Other/Internal generation		
	Quantity		
	Total cost (Rs.)	Not applicable	Not applicable
	Rate/Unit		

FORM – B

Form for disclosure of particulars with respect to absorption:

RESEARCH AND DEVELOPMENT (R&D):**1. Specific areas in which R&D carried out by the Company:**

1. Efforts are continued for manufacture of different capacity Shovel Buckets.
2. Development of low height Man Riding System and Endless hauler type Man Riding System for mines.
3. Development of Mono Rail suspension type Man Riding System.

2. Contributions of R&D

1. R&D activities presently under consideration:
2. Development of Pit Bottom Buffers and endless hauler type Man Riding System.

3. Future plan of action:

- a) Continuous R&D efforts to improve quality, reduce costs and manufacture import substitutes.
- b) Manufacture/Overhaul of AM50 Road Header and Jumbo Drills.
- c) Manufacture higher capacity Belt conveyor drive heads and Chain Conveyors
- d) Powered Roof Support.

4. Expenditure on R&D

Expenditure on R&D is not being separately quantified since it is continuous exercise merged in the design, manufacturing, quality control and service activity.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

The Company is developing designs for manufacture of 20 Ton and 10 Ton Trolleys indigenously which are hitherto imported.

FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the year under review, the out go of Foreign Exchange amounts to Rs.7,18,862/- towards purchase of material. There have been no foreign exchange earnings during the year under review.

for and on behalf of the Board

Sd/-

(B. Ramesh Kumar)
Chairman

Sd/-

(I.V.N. Prasad)
Managing Director

Registered Office:
KONDAPALLI - 521 228
Krishna District.
Date: 29.6.2013

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of Andhra Pradesh Heavy Machinery & Engineering Limited - For the year ended 31 March 2013

The preparation of financial statements of Andhra Pradesh Heavy Machinery & Engineering Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 29.6.2013.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619 (3)(b) of the Companies Act, 1956 of the financial statements of Andhra Pradesh Heavy Machinery & Engineering Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619(4) of the Companies Act, 1956.

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

Sd/-
(Lata Mallikarjuna)
Accountant General (E & RSA)

Place: Hyderabad
Date: 5.9.2013

AUDITORS' REPORT**Replies of the Management**

To
The Members,
Andhra Pradesh Heavy Machinery & Engineering
Limited.

- | | |
|---|----|
| 1) We have audited the attached Balance Sheet of ANDHRA PRADESH HEAVY MACHINERY & ENGINEERING LIMITED as at 31 st March, 2013, the Profit and Loss Account and also the Cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit. | -- |
| 2) We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. | -- |
| 3) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the Order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company. | -- |
| 4) Further to our comments in the Annexure referred to in paragraph 3 above, we report that: | |
| a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. | -- |
| b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books. | -- |

AUDITORS' REPORT (Contd.)

- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) On the basis of the written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2013 from being appointed as Director in terms of clause (g) of sub-section (1) of sec.274 of the Companies Act, 1956 on the said date;

Subject to item 1(i) to (k) and 15 to Notes forming part of accounts, in our opinion, and to the best of our information and according to explanations given to us, the said accounts, read together with the Company's accounting policies and the Notes thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for M/s.Rao & Narayan
Chartered accountants

Sd/-
(P.V.Subba Rao)
Partner, (M.No. 09269)
F.R.N:3097S

Date : 29.6.2013
Place: Hyderabad.

Replies of the Management (Contd...)

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for and on behalf of the Board

Sd/-
(I.V.N.Prasad)
Managing Director

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

Replies of the Management

- | | |
|--|----|
| (i) In respect of its fixed assets; | |
| (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. | -- |
| (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification. | -- |
| (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of the fixed assets during the year. | -- |
| (ii) In respect of inventories; | |
| (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. | -- |
| (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. | -- |
| (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records. | -- |
| (iii) The Company has not granted or taken any loan secured/ unsecured to / from Companies, firms or parties covered in the register maintained under sec.301 of the Companies Act, 1956. Accordingly, clause (iii) of paragraph 4 of the Companies (Auditor's Report) order, 2003 is not applicable to the Company. | -- |
| (iv) In our opinion, and according to the information and explanation given to us, there is an internal control system commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. | -- |

ANNEXURE TO THE AUDITORS' REPORT (Contd.)
(Referred to in paragraph 3 of our report of even date)

Replies of the Management (Contd.)

During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

- | | | |
|--------|--|----|
| (v) | According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956. Accordingly, the provisions of clause (v) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company. | -- |
| (vi) | In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public, and consequently, the directives issued by the Reserve Bank of India, the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder with regard to the deposits accepted from the public are not applicable to the Company. | -- |
| (vii) | In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business. | -- |
| (viii) | According to the information and explanations given to us, maintenance of cost records by the company is not required under the provisions of section 209 (1) (d) of the Companies Act, 1956 in respect of the business activities carried out by the company. | -- |
| (ix) | a) According to the records of the company and information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, and Excise Duty, Cess and other material statutory dues applicable to it during the year. | -- |
| | b) According to the information and explanations given to us, the details of the dues of which have not been deposited on account of dispute are as follows: | -- |

ANNEXURE TO THE AUDITORS' REPORT (Contd.)
(Referred to in paragraph 3 of our report of even date)

Replies of the Management (Contd.)

Name of the Statute	Nature of the dues	Amount of dispute (₹ in Lakh)	Amount of deposit (₹ in Lakh)	period to which the amount relates	Forum where dispute is pending
Sales Tax	Sales Tax	4.59	2.75	1991-92	Appellate Tribunal
Sales Tax	Sales Tax	4.21	2.75	1994-95	-do-
Sales Tax (APGST)	Sales Tax (APGST)	138.49	34.62	2003-04	-do-
Sales tax (CST)	Sales tax (CST)	6.98	1.74	2003-04	-do-
Sales Tax (APGST)	Sales Tax (APGST)	273.98	68.49	2004-05	-do-
Sales tax (CST)	Sales tax (CST)	19.06	4.78	2004-05	-do-
Customs duty	Customs duty	To be ascertained	6.78	1988	CEGAT
ESI	ESI Contributions	107.72	-	01.01.1997 to 28.02.2002	High Court of AP
Central Excise	Roof Bolts case	122.21	-	January, 2006 to March, 2010	CESTAT, Bangalore
Service tax	E-1 sales (Business auxiliary services)	33.10	-	From 2004-05 to 2008-09	CCE Appeals, Guntur.
Provident Fund	PF dues to EPFO by the Sub-contracts	50.28	15.08	2005-06-2008-09	EPF Appellate Tribunal, New Delhi
	Total		136.99	-	-

ANNEXURE TO THE AUDITORS' REPORT (Contd.)
(Referred to in paragraph 3 of our report of even date)

Replies of the Management (Contd.)

- | | | |
|-------|---|----|
| x. | In our opinion, the company does not have any accumulated losses during the year under report. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year. | -- |
| xi. | Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks. | -- |
| xii. | According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence the question of maintenance of adequate records for this purpose does not arise. | -- |
| xiii) | In our opinion and according to the information and explanations given to us, the Company is not a Chit fund or a Nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company. | -- |
| xiv) | In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company. | -- |
| xv) | In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. | -- |
| xvi) | In our opinion and according to the information and explanations given to us, the Company has not raised any term loans during the financial year 2012-13. | -- |
| xvii) | According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital. | -- |

ANNEXURE TO THE AUDITORS' REPORT (Contd.)
(Referred to in paragraph 3 of our report of even date)**Replies of the Management (Contd.)**

- | | |
|---|----|
| xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. | -- |
| xix) The Company has not issued any debentures during the year, hence the question of Creation of security or charge in respect of debentures issued does not arise. | -- |
| xx) The Company has not raised any money by way of public issue during the year hence the question of disclosure and verification of end use of such money does not arise. | -- |
| xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year. | -- |

for M/s.Rao & Narayan
Chartered accountants

Sd/-
(P.V.Subba Rao)
Partner, (M.No. 09269)
F.R.N:3097S

for and on behalf of the Board

Sd/-
(I.V.N.Prasad)
Managing Director

Date : 29.6.2013
Place: Hyderabad.

BALANCE SHEET AS AT 31st MARCH 2013

Amount (Rs)

PARTICULARS	NOTES	As at	
		31.03.2013	31.03.2012
EQUITY AND LIABILITIES			
SHARE HOLDERS FUNDS			
Share Capital	1.1	17,27,12,930	17,27,12,930
Reserves and Surplus	2	24,69,38,911	16,93,44,368
Share Application Money Pending Allotment		5,310	5,310
NON CURRENT LIABILITIES			
Long Term Borrowings	3	1,00,00,000	1,00,00,000
CURRENT LIABILITIES			
Short Term Borrowings	4	2,84,12,655	6,22,86,722
Trade Payables	5	14,34,40,734	9,01,77,497
Other Current Liabilities	6	4,90,39,242	4,75,19,821
Short Term Provisions	7	11,46,95,857	12,52,62,752
TOTAL		76,52,45,639	67,73,09,400
ASSETS			
NON CURRENT ASSETS			
a) Fixed Assets:			
Tangible Assets	8	3,38,54,228	3,36,10,036
Capital Work-in-Progress	8	8,80,801	12,48,136
b) Deffered Tax Asset	9	1,06,40,263	1,27,16,477
c) Long Term loans and Advances	10	10,28,72,555	9,56,62,484
d) Other Non Current Assets	11	1,50,76,293	1,47,75,753
CURRENT ASSETS			
Inventories	12	30,26,69,296	20,02,84,486
Trade Receivables	13	29,70,85,211	31,71,54,045
Cash and Cash Equivalents	14	15,48,762	15,39,154
Short Term Loans and Advances	15	6,18,230	3,18,829
TOTAL		76,52,45,639	67,73,09,400
Summary of significant accounting policies.	24		
Notes on Accounts	25		

For and on behalf of the Board

Sd/-
(V.Venkateswara Rao)
Company Secretary & FM (I.A)

Sd/-
(N.Chakravarthy)
Chief(Finance&Accountants)

Sd/-
(B. Ramesh Kumar)
Chairman

Sd/-
(I.V.N.Prasad)
Managing Director

Date : 29.06.2013
Place : Hyderabad

As per our report of even date
For M/s.Rao & Narayan
Chartered Accountants
(FRN: 3097S)

Date : 29.06.2013
Place : Hyderabad

Sd/-
(P.V.Subba Rao)
Partner (M.No.09269)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2013

Amount (₹)

PARTICULARS	REFER NOTE NO.	For the year ended	
		31.03.2013	31.03.2012
INCOME			
Revenue from operations	16	82,06,91,980	73,70,08,087
Other Income	17	1,98,65,533	2,24,22,604
Total Revenue		84,05,57,513	75,94,30,691
Expenses:			
Cost of Material and Other Consumbles	18	46,44,26,577	39,57,32,186
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	19	(2,22,29,150)	(2,11,28,931)
Employee Benefit Expenses	20	19,28,72,339	18,80,03,866
Finance Costs	21	1,01,83,299	93,37,534
Depreciation and Amortisation Expenses	8	20,16,742	22,29,039
Other Expenses	22	8,16,04,323	9,06,80,648
Total Expenses		72,88,74,130	66,48,54,342
Profit before exceptional and extraordinary items and tax		11,16,83,383	9,45,76,349
Exceptional Items: Income/Expenditure(-)	23	22,87,374	1,07,60,784
Profit before extraordinary items and tax		11,39,70,757	10,53,37,133
Tax Expenses:			
Less: Current Tax		3,43,00,000	3,23,00,000
Less: Decrease in deferred Tax		20,76,214	10,96,949
PROFIT AFTER TAX		7,75,94,543	7,19,40,184
PROFIT FOR THE PERIOD		7,75,94,543	7,19,40,184
Earning per equity share			
Basic		4.49	4.17
Diluted		4.49	4.17

For and on behalf of the Board

Sd/-
(V.Venkateswara Rao)
Company Secretary & FM (I.A)

Sd/-
(N.Chakravarthy)
Chief(Finance & Accountants)

Sd/-
(B. Ramesh Kumar)
Chairman

Sd/-
(I.V.N.Prasad)
Managing Director

Date : 29.06.2013
Place : Hyderabad

As per our report of even date
For M/s.Rao & Narayan
Chartered Accountants
(FRN: 3097S)

Date : 29.06.2013
Place : Hyderabad

Sd/-
(P.V.Subba Rao)
Partner (M.No.09269)

NOTES TO BALANCE SHEET AS AT 31st MARCH 2013NOTE – 1.1
SHARE CAPITAL

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
AUTHORIZED 2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000	20,00,00,000
Issued Equity Shares of Rs.10/- each 1,73,01,713 Shares issued	17,30,17,100	17,30,17,100
Subscribed and fully paid up of the above 1,72,71,293 Equity Shares of Rs. 10/- each fully paid up	17,27,12,930	17,27,12,930
Total	17,27,12,930	17,27,12,930

NOTE – 1.2

The Company has only one class of shares referred to as equity shares having par value Rs.10/-.

Each holder is entitled to one vote per share. In event of liquidation of the company, the holders of equity shares will be entitled to receive remaining of assets of the company, after distribution of preferential amount.

NOTE – 1.3

RECONCILIATION OF EACH CLASS OF SHARE

Particulars	As at			
	31.03.2013		31.03.2012	
	No. of Shares	Amount (Rs)	No. of Shares	Amount (Rs)
Shares outstanding at the beginning of the year	1,72,71,293	17,27,12,930	1,72,71,293	17,27,12,930
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,72,71,293	17,27,12,930	1,72,71,293	17,27,12,930

NOTE – 1.4

Equity Shares held by its holding Company or its ultimate holding Company (Singareni Collieries Company Limited) is 1,40,82,700.

NOTE – 1.5

Details of shares held by each Share holder holding more than 5 percent.

Particulars	As at			
	31.03.2013		31.03.2012	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Equity Shares with voting rights:				
Singareni Collieries Company Limited	1,40,82,700	81.54	1,40,82,700	81.54
APIDC	10,00,000	5.79	10,00,000	5.79

NOTE – 2
RESERVES & SURPLUS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Surplus in the statement of Profit & Loss: Opening Balance	16,93,44,368	9,74,04,184
Add: Net profit for current year	7,75,94,543	7,19,40,184
Closing Balance	24,69,38,911	16,93,44,368

NOTE – 3
LONG TERM BORROWINGS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Unsecured:		
Interest free loan from Government of Andhra Pradesh	1,00,00,000	1,00,00,000
Total	1,00,00,000	1,00,00,000

NOTE – 4
SHORT TERM BORROWINGS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Secured : Cash credit with SBI	2,84,12,655	6,22,86,722
Total	2,84,12,655	6,22,86,722

Cash Credit and purchases of DDs from State Bank of India, Vijayawada is secured by first charge on current assets and fixed assets of the company.

NOTE – 5
TRADE PAYABLES

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
SR.CRS. LIABILITIES FOR MATERIALS	2,95,57,965	1,65,08,399
SR.CRS. LIABILITIES FOR MSME	1,78,23,677	1,61,69,785
SUNDRY CREDITORS FOR CAP.ITEMS	3,39,032	7,18,598
SUNDRY CREDITORS FOR SUPPLS.&CONT.	49,00,295	47,68,501
SR.CREDITORS FOR TRANSPORTATION	18,18,974	8,92,398
ADVANCE FROM CUSTOMERS	7,76,90,281	4,29,45,733
SECURITY DEPOSIT PAYABLE	1,03,91,018	76,65,211
EMD FROM CONTRACTORS	9,19,492	5,08,872
Total	14,34,40,734	9,01,77,497

NOTE – 6
OTHER CURRENT LIABILITIES

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
a) Employee benefits		
SALARIES PAYABLE	1,42,49,956	1,28,39,554
WAGES PAYABLE	1,58,199	1,34,664
FOR STAFF BENEFITS	8,58,962	12,43,972
STIPEND PAYABLE	1,32,794	1,14,452
b) Others		
LIC PREMIUM PAYABLE	5,33,857	4,89,980
PAYABLE TO TEMPLE	2,365	2,655
ESI PAYABLE	3,205	2,791
UNION FUND PAYABLE	1,992	2,466
ASSOCIATION FUND PAYABLE	3,560	4,040
PROFESSIONAL TAX PAYABLE	90,685	98,575
CYCLE SHED RENT PAYABLE	2,090	1,970
INCOMETAX PAYABLE-SALARIES	2,26,756	1,88,078
INCOMETAX PAYABLE-CONTRACTORS	8,00,179	4,66,198
APHMEL EPF TRUST	20,77,761	23,01,376
APHMEL GRATUITY TRUST	1,00,267	1,00,267
VAT PAYABLE	2,15,58,121	1,31,45,435
DRF PAYABLE	1,880	71,848
PAYABLE TO DISTRICT COURT	47,730	32,661
WORKS CONTRACT TAX	86,567	99,723
SERVICE TAX PAYABLE	334	24,307
PAYABLE TO RPF COMMISSIONER	3,70,623	3,86,490
HIRE VEHICLES PAYABLE	2,55,580	2,27,302
ESI PAYABLE - OTHERS	16,536	20,813
SHARE DEPOSIT REFUNDABLE	23,450	23,450
SHARE DEPOSIT SUSPENSE	11,954	11,954
FOR OTHERS	74,23,839	1,54,84,800
Total	4,90,39,242	4,75,19,821

NOTE - 7
SHORT TERM PROVISIONS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
a)Employees		
PROVISION FOR EARNED LEAVE	2,37,04,520	2,19,71,020
PROVISION FOR GRATUITY	1,94,89,592	3,01,07,017
b)Others		
PROVISION FOR TAX	6,66,00,000	6,83,00,000
PROVISION FOR SCRAP	10,000	10,000
PROVISION FOR WARRANTY LIABILITY	47,92,808	47,92,808
PROVISION FOR FRINGE BENEFIT TAX	81,907	81,907
PROVISION FOR CANTEEN UTENSILS	17,030	-
Total	11,46,95,857	12,52,62,752

NOTE - 8
TANGIBLE ASSETS AS PER COMPANIES ACT, 1956

Fixed assets	Gross Block			Accumulated Depreciation						Net Block	
	Balance as at 1.4.2012 ₹	Additions ₹	Disposals ₹	Balance as at 31.3.2013 ₹	Balance as at 1.4.2012 ₹	Depreciation charge for the year ₹	Adjustment due to revaluations ₹	On disposals ₹	Balance as at 31.3.2013 ₹	Balance as at 1.4.2012 ₹	Balance as at 31.3.2013 ₹
A. Tangible Assets											
Land	42,51,720	-	-	42,51,720	-	-	-	-	-	42,51,720	42,51,720
Buildings	3,56,66,102	26,466	-	3,56,92,568	2,60,64,644	3,17,584	-	-	2,63,82,228	96,01,458	93,10,340
Plant & Equipment											
i) Indigenous	6,37,10,001	1,57,990	21,58,002	6,17,09,989	5,24,76,828	5,98,648	-	20,39,592	5,10,35,884	1,12,33,173	1,06,74,105
ii) Imported	2,99,97,679	-	-	2,99,97,679	2,84,97,796	-	-	-	2,84,97,796	14,99,883	14,99,883
Furniture & Fixtures	20,51,031	2,00,047	4,795	22,46,283	15,79,892	46,575	-	4,555	16,21,912	4,71,139	6,24,371
Vehicles	21,05,680	-	66,417	20,39,263	7,96,634	1,74,492	-	63,147	9,07,979	13,09,046	11,31,284
Office equipment	18,41,015	2,43,465	82,157	20,02,323	9,01,831	56,913	-	68,878	8,89,866	9,39,184	11,12,457
Others	2,04,59,765	18,46,328	9,84,251	2,13,21,842	1,61,55,332	8,22,530	-	9,06,088	1,60,71,774	43,04,433	52,50,068
Total (A)	16,00,82,993	24,74,296	32,95,622	15,92,61,667	12,64,72,957	20,16,742	-	30,82,260	12,54,07,439	3,36,10,036	3,38,54,228
B. Capital work in progress											
Total (B)	12,48,136	-	3,67,335	8,80,801	-	-	-	-	-	12,48,136	8,80,801
C. Intangible assets under development											
Total (C)	-	-	-	-	-	-	-	-	-	-	-

NOTE – 9
DEFERRED TAX ASSET

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Deferred tax asset	1,06,40,263	1,27,16,477
Total	1,06,40,263	1,27,16,477

NOTE – 10
LONG TERM LOANS AND ADVANCES

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Other advances: Secured considered good		
Material advances	34,29,702	75,81,158
Advance for rent	30,000	30,000
Adv. for local purchases	1,674	-
Advance for repairs & others	1,23,498	-
Deposit with central excise	46,819	41,478
Deposit with education cess	1,801	3,063
Dep. with S&H Edn. cess	1,116	3,803
EMD on outside orders	25,91,750	1,73,300
Dues recoverable from others	3,91,677	4,20,937
Cenvat Cr. recv. inputs	34,97,089	16,82,107
Edn. cess Cr. recv. inputs	71,665	33,273
Cenvat Cr. on S&H	31,206	11,949
Service tax Cr. recv. Inputs	8,34,713	2,62,292
Vat account	181	3,050
Advance income tax	8,35,25,000	7,69,24,998
Advance fringe benefit tax	1,03,000	1,03,000
Prepaid expenses	6,06,323	8,37,419
Prepaid insurance	5,39,334	4,43,999
Income tax deducted at source	40,41,628	41,66,873
Works cont. tax deducted at source	30,19,378	29,39,785
	10,28,87,555	9,56,62,484
Less: provisions		
EMD on outside orders	15,000	-
Total	10,28,72,555	9,56,62,484

NOTE – 11
OTHER NON- CURRENT ASSETS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Other advances: Secured considered good		
a) Security Deposits		
Deposit with telephone dept.	82,997	82,997
Deposit with court	3,57,700	3,57,700
Deposit with APSEB	13,19,175	11,04,175
Deposit with IOL	7,000	7,000
Deposit with post office	2,000	2,000
Deposits	71,170	21,170
Deposit with customs duty	6,78,518	6,78,518
Security deposit	5,76,305	5,40,765
Sec. dep. with Commr. of Labour	9,000	9,000
	31,03,865	28,03,325
Less: Provisions		
Provision for customs duty	6,78,518	6,78,518
Provision for VTPS deposit	5,30,765	5,30,765
	18,94,582	15,94,042
b) Others		
Advance to sales tax	1,15,12,833	1,15,12,833
Advance to suppliers & Contrs.	1,60,366	1,60,366
PF paid under protest	15,08,512	15,08,512
Total	1,50,76,293	1,47,75,753

**NOTE – 12
INVENTORIES**

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Valued at cost on weighted Average Basis		
Raw materials	12,94,59,553	4,41,96,252
Gases	1,61,475	83,123
Paints	4,74,931	4,68,362
Electrodes	20,06,264	33,99,182
Bought out items	7,18,41,300	7,56,39,913
Stock items	74,48,994	71,11,766
Tools	58,68,890	64,10,849
Spares	46,82,313	33,06,646
Maintenance material	14,49,708	12,22,257
Stock of scrap (Valued at Market price)	70,39,804	68,04,447
Work-in-progress (Valued at cost or market value whichever is less)	8,29,65,919	6,09,72,126
	31,33,99,151	20,96,14,924
Less: Provn. on non-moving items	94,98,060	93,30,439
Provn. on work-in-progress	8,22,647	-
Provn. of shortage of material	4,09,148	-
Total	30,26,69,296	20,02,84,486

NOTE – 13
TRADE RECEIVABLES

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Trade Receivables Due from the date of payment: Less than six months, Secured considered good	23,20,74,729	27,37,26,325
Trade Receivables Due from the date of payment: More than six months, Secured considered good	6,50,10,482	4,34,27,720
Total	29,70,85,211	31,71,54,045

NOTE – 14
CASH AND CASH EQUIVALENTS

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
a) Bank balances		
Current account with HDFC	48,676	48,676
SBH Kothagudem	28,877	28,877
SBH BHPV Vizag	1,13,890	1,14,615
SBI, BILASPUR	10,750	10,750
b) Cash on hand	1,46,569	1,36,236
c) FDRs with SBI(Towards margin money)	12,00,000	12,00,000
Total	15,48,762	15,39,154

NOTE – 15
SHORT TERM LOANS AND ADVANCES

Amount (₹)

Particulars	As at	
	31.03.2013	31.03.2012
Advance for expenses	3,320	48,024
Festival advance to staff	4,92,600	1,27,000
Advance to staff	12,800	-
Advance for travelling exp.	11,103	74,818
Dues recoverable from staff	3,241	115
Int. acc. but not due on loans & dep.	95,166	68,872
Total	6,18,230	3,18,829

NOTE – 16
INCOME FROM OPERATIONS

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Material handling equipment	77,68,59,861	71,16,84,898
Job orders	1,19,19,486	1,42,79,340
Spares	8,80,14,751	5,92,49,955
Maintenance and repairs/ reconditioning	3,71,14,848	2,59,95,852
	91,39,08,946	81,12,10,045
Less: Excise duty	9,32,16,966	7,42,01,958
Total	82,06,91,980	73,70,08,087

NOTE – 17
OTHER INCOME

Amount (₹)

Particulars	For the year ended			
	31.03.2013		31.03.2012	
INTEREST INCOME:				
Interest on FDRs	1,11,270		2,58,220	
Interest on security deposit	75,565		65,890	
Interest on income tax refund	3,32,178	5,19,013	-	3,24,110
Freight on sales	28,15,845		47,48,322	
Sale of scrap	1,14,43,986		1,20,03,248	
Rent received	19,80,264		18,17,417	
Sale of tender schedules	22,900		1,654	
Miscellaneous receipts	1,51,968		25,357	
Recovery of liquidated damages	26,33,380		32,04,680	
Profit on sale of vehicles	7,390		-	
Damages for use of company land	2,90,787	1,93,46,520	2,97,816	2,20,98,494
Total		1,98,65,533		2,24,22,604

NOTE - 18
COST OF MATERIALS AND OTHER CONSUMABLES

	2012-13						2011-12						
	Opening balance ₹	Purchases ₹	Total ₹	Consumption ₹	Others ₹	Closing balance ₹	Opening balance ₹	Purchases ₹	Total ₹	Consumption ₹	Provisions withdrawn ₹	Others ₹	Closing balance ₹
Raw materials	4,41,96,252	36,10,59,232	40,52,55,484	27,54,58,300	3,37,631	12,94,59,553	8,37,08,920	19,20,11,733	27,57,20,653	22,90,69,094	23,88,213	67,094	4,41,96,252
Gases	83,123	10,15,815	10,98,938	9,37,463	-	1,61,475	81,672	7,38,985	8,20,657	7,37,534	-	-	83,123
Paints	4,68,362	11,23,846	15,92,208	11,17,277	-	4,74,931	5,08,933	8,10,038	13,18,971	8,50,501	-	108	4,68,362
Electrodes	33,99,182	51,80,051	85,79,233	65,72,969	-	20,06,264	36,94,966	37,73,474	74,68,440	40,69,258	-	-	33,99,182
Bought out items	7,56,39,913	16,33,48,300	23,89,88,213	16,69,62,112	1,84,801	7,18,41,300	6,84,05,171	16,15,52,112	22,99,57,283	15,19,56,406	22,34,753	1,26,211	7,56,39,913
Stock items	71,11,766	1,14,59,406	1,85,71,172	95,95,719	15,26,459	74,48,994	53,64,392	87,29,174	1,40,93,566	64,14,970	-	5,66,830	71,11,766
Tools	64,10,849	15,34,996	79,45,845	20,76,955	-	58,68,890	50,62,352	33,98,123	84,60,475	20,49,626	-	-	64,10,849
Spares	33,06,646	25,75,136	58,81,782	-	11,99,469	46,82,313	27,00,647	13,99,015	40,99,662	-	-	7,93,016	33,06,646
Maintenance materials	12,22,257	47,05,688	59,27,945	17,05,782	27,72,455	14,49,708	7,58,263	28,31,220	35,89,483	5,84,797	-	17,82,429	12,22,257
Total	14,18,38,350	55,20,02,470	69,38,40,820	46,44,26,577	60,20,815	22,33,93,428	17,02,85,316	37,52,43,874	54,55,29,190	39,57,32,186	46,22,966	33,35,688	14,18,38,350

NOTE – 19
**CHANGES IN INVENTORIES OF FINISHED GOODS
 WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
A) Opening stock of work-in-progress	6,09,72,126	4,01,86,593
B) Closing stock of work-in-progress	8,29,65,919	6,09,72,126
C) Increase in stock (A-B)	(2,19,93,793)	(2,07,85,533)
D) Opening stock of scrap	68,04,447	64,61,049
E) Closing stock of scrap	70,39,804	68,04,447
F) Increase in scrap	(2,35,357)	(3,43,398)
G) Increase in stock (C+F)	(2,22,29,150)	(2,11,28,931)

NOTE – 20
EMPLOYEE BENEFIT EXPENSES

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Salaries	15,63,68,470	14,45,83,809
Wages	19,67,563	19,22,615
Stipend	10,54,001	9,89,348
Bonus	1,30,137	1,33,306
Ex-gratia	17,37,527	17,32,282
Incentive	18,43,077	-
Remuneration to MD	19,77,280	22,67,160
Employees state insurance	93,352	6,13,193
Provident fund	1,05,27,848	1,00,38,929
Family pension fund	33,23,186	29,80,883
Group gratuity assurance scheme	43,82,575	1,44,21,815
Staff welfare expenses	29,96,879	21,66,129
Conveyance to staff	46,90,474	43,67,926
Medical expenses	54,735	47,857
DRF Co. Contribution	1,55,000	2,17,000
Inspn. Charges on PF trust	2,05,043	2,04,204
Employees dep. linked insurance	5,70,256	5,68,165
HRA to officials	6,03,296	4,09,110
Workmen compensation	11,640	1,60,135
HRA to MD	1,80,000	1,80,000
Total	19,28,72,339	18,80,03,866

NOTE – 21

FINANCE COST

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Interest on cash credit	47,34,999	77,64,371
Interest on SCCL mobilisation advances	43,37,238	5,43,201
Interest others	38,732	12,423
Bank charges	10,72,330	10,17,539
Total	1,01,83,299	93,37,534

NOTE – 22

OTHER EXPENSES

Amount (₹)

Particulars	For the year ended			
	31.03.2013		31.03.2012	
Sub-contracts		2,64,89,578		4,46,90,661
Repairs and maintenance:				
Repairs and maintenance-buildings	3,76,297		1,68,603	
Repairs and maintenance-machinery	1,48,23,504		86,71,366	
Repairs and maintenance-vehicles	54,732		43,819	
Repairs and maintenance-general	36,39,255	1,88,93,788	26,79,076	1,15,62,864
Travelling expenses:				
Travelling expenses-general	24,75,062		24,92,468	
Travelling expenses-transfer	-		2,18,881	
Travelling expenses-MD	1,58,368		3,09,078	
Travelling expenses-Directors	1,00,509	27,33,939	1,73,645	31,94,072
Freight:				
Freight on raw materials	87,902		1,31,160	
Freight on general materials	1,52,021		1,20,390	
Freight on outside orders	64,85,485	67,25,407	57,51,216	60,02,766
VAT account		19,23,062		13,90,379
Electricity charges		95,81,611		64,38,241
Printing & stationery		7,33,748		9,85,536
Advertisement & publicity		6,14,600		5,22,511
Liaisoning charges		4,23,597		-
Erection & commissioning charges		-		71,000
Service charges		5,618		-
Petrol, oil , lubricants		3,34,429		3,07,441
Water charges		33,021		37,420
AGM expenses		2,01,514		2,02,106
Patterns written off		1,30,212		1,22,678
Rent		73,632		73,632
Postage & telegraph		1,88,925		1,43,875

Particulars	For the year ended	
	31.03.2013	31.03.2012
Telephone & telex charges	8,58,905	2,78,870
Excise duty	10,61,157	81,626
Loss due to theft	-	10,000
Fixed assets written off	2,10,952	-
Board meeting expenses	39,677	22,698
Directors sitting fee	32,000	29,000
Packing & forwarding charges	2,000	1,565
Consultancy charges	57,500	1,301
Clearing charges	24,823	-
Conveyance charges	76,968	74,051
Commission on scrap sales	3,37,594	2,41,173
Directors incidentals	4,650	4,350
Insurance on fixed assets	2,33,007	1,41,905
Insurance - others	31,256	16,518
Insurance - transit	3,32,421	3,35,276
Audit fees	67,416	44,944
Professional charges	5,82,427	5,52,335
Legal expenses	38,126	32,600
Hospitality expenses	4,00,195	3,95,615
Books & periodicals	49,096	11,262
Subscription & membership	24,582	27,068
Conference, seminar & training	1,08,814	96,740
Staff recruitment expenses	26,919	-
ESI demurrages	-	24
Crane hire charges	10,080	3,474
Exhibition expenses	-	20,559
Misc. Expenses	4,93,625	3,86,273
Liquidated damages	18,42,989	49,84,317
Rates & taxes	13,44,078	6,11,273
Licence & renewals	13,42,640	1,12,836
Testing charges	4,05,788	2,98,813
Filing fee	4,000	4,900
Hire vehicles	8,23,182	7,42,787
Hire charges-machinery	29,700	-
Computers maint. Charges	1,05,018	1,13,167
Tender schedules - purchase	19,690	-
Computer software charges	13,16,301	32,621
Rework/ rectn. expenses on sales	-	2,69,199
Non moving stores written off	-	46,22,966
Computer hire charges	-	49,935
Programmers hired charges	1,80,065	2,83,424
Total	8,16,04,323	9,06,80,648

NOTE – 23
EXCEPTIONAL ITEMS

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
INCOME		
Provisions withdrawn	-	49,80,152
Short/excess of earlier years tax	12,30,423	33,02,662
Exp./ income Per. to earlier years	24,88,397	23,77,910
Income tax refund	-	1,00,060
	37,18,820	1,07,60,784
EXPENDITURE		
Provisions:		
Provn. on non-moving items	1,67,622	-
Provn. for EMD on outside orders	15,000	-
Provn. on work-in-progress	8,22,647	-
Provision on canteen utensils	17,030	-
Provision on shortage of material	4,09,148	-
	14,31,447	-
Total	22,87,374	1,07,60,784

Summary of Significant accounting policies – NOTE - 24

STATEMENT ON ACCOUNTING POLICIES OF THE COMPANY FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING 31ST MARCH, 2013.

1. SYSTEM OF ACCOUNTING

The Company is following Mercantile system of accounting.

2. FIXED ASSETS & DEPRECIATION

Fixed assets are shown at cost less depreciation to date. Depreciation is provided on Straight Line Method as per revision of rates of depreciation prescribed in schedule XIV of the Companies Act, 1956. Depreciation is charged as per the old rates in respect of assets existing as on the date of notification i.e., 16.12.1993 and as per the new rates in respect of assets acquired subsequent to the date of notification.

3. INVENTORY VALUATION

- i) Inventories are valued at cost on weighted average basis.
- ii) Finished goods and work-in-progress are valued at lower of cost or market value whichever is less.
- iii) Scrap is valued at market price.

4. SALES

Sales are being accounted for on dispatch of the goods unless the agreement for supply of goods explicitly specify otherwise.

5. TURNOVER

The sales are accounted exclusive of excise duty and other taxes.

6. INCOME & EXPENDITURE

All items of income & expenditure were recognized on accrual basis except –

- a) Insurance claims which are considered in accounts on receipt basis.
- b) Stationery was accounted as expenditure in the year of purchase.

7. RETIREMENT BENEFITS

- i) Contribution to Provident Fund accounted on accrual basis.
- ii) Earned leave benefits are accounted on accrual basis.
- iii) The liability for gratuity to employees covered under the Group Gratuity Scheme with the Life Insurance Corporation of India. The company accounts its liability for future Gratuity benefit based on actuarial valuation, as at the Balance Sheet date, determined every year by LIC.

NOTES ON ACCOUNTS, N O T E - 25

A. NOTES FORMING PART OF ACCOUNTS

1. CONTINGENT LIABILITIES

- a) Sales tax claim of Rs.4.59 lakhs and Rs.4.21 lakhs towards Orissa sales tax for the assessment year 1991-92 and 1994-95 respectively is pending against Rourkela Steel Plant works. The company has preferred appeals within stipulated time for both the years. An amount of Rs.5.50 lakhs (Rs.2.75 lakhs for each for the assessment years 1991-92 and 1994-95) was paid to the Orissa Sales Tax authorities as per the order Nos.345(2),dt.21.2.2003, case No.II Ast-85 for the assessment year 1991-92 and 346(2),dt.21.02.2003 case No.II Ast-84 for the assessment year 1994-95). During the financial year 2009-10 the Hon'ble Tribunal has passed orders in respect of assessment year 1992-93 duly allowing the company's appeal for Rs.3.78 lakhs and allowing the case in favour of Orissa Sales Tax department for Rs.0.41 lakh in respect of the assessment year 1993-94. The notices in respect of above orders are yet to be received from the Orissa Sales Tax department. No provision has been made in the books in respect of the above claims.
- b) Sales tax claim of Rs.145.47 lakhs (APGST & CST) and Rs.293.04 lakhs (APGST & CST) for the assessment year 2003-04 and 2004-05 respectively is pending. For the above Sales tax claim there is no provision available in the books. The company has preferred appeals within stipulated time for both the years before the Sales Tax Appellate Tribunal after payment of 25% of the disputed tax amounting to Rs.109.63 lakhs (Rs.36.36 lakhs and Rs.73.27 lakhs for the assessment years 2003-04 and 2004-05 respectively) in advance and the same was kept in advance sales tax account under the current assets.
- c) Income-tax assessments for the assessment year 2010-11 to 2012-13 are pending.
- d) Guarantees given by the bank on behalf of the Company for an amount of Rs.91.20 lakhs for which counter guarantees of even amount are given by the Company to the Bank (Previous year Rs.95.30 lakhs).
- e) An amount of Rs.20.48 lakhs towards extra claims by contractors involved in legal suits (Previous year Rs.20.48 lakhs).
- f) An amount of Rs.14.91 lakhs which has been claimed as Interest by certain suppliers against belated payments is not accounted in the books in view of the pending court cases. The total amount involved in the court cases is Rs.31.32 lakhs.

- g) ESI authorities have raised a demand for Rs.107.72 lakhs towards contributions payable for the period from 1-1-1997 to 28-2-2002. The company has filed an appeal in Hon'ble Andhra Pradesh High Court. Arguments in the case were concluded during the year 2009-10 and the Hon'ble High Court redirected the case back to Hon'ble Employees Insurance Court for fresh disposal on merits in accordance with Law. Pending disposal of the case no provision was made in the books.
- h) Municipal Corporation, Vijayawada, had raised a demand for interest of Rs.5,48,625/- on the dues of rent of Rs.2,11,090/-. The Government of A.P. has waived Rs.1,02,010/- of rent dues vide G.O.Ms.No.201, dt.21.8.1997. The net rent due as on 30-9-2004 was Rs.1,07,060/-. The company has appealed for waiver of both the dues of rent and interest thereon. Provision has been made towards the rent dues. But pending disposal, no provision has been made towards the demand of interest of Rs.5,48,625/-.
- i) Against the orders issued by Commissioner of Central Excise, Guntur, for payment of Excise Duty amounting to Rs.1,49,30,949 and penalty of Rs.1,00,00,000;
- (a) the Company has paid under protest an amount of Rs.1,27,10,074 for which no provision was made in the books of account.
- (b) for balance tax of Rs.22,20,875/- the Company has filed an appeal with CESTAT, Bangalore, for which no provision was made in the books of account.
- (c) the Company has filed an appeal and stay petition against penalty imposed before CESTAT, Bangalore for which stay was granted. Pending disposal of appeal no provision was made in the books of account for penalty.
- j) The company had received order from Assistant Commissioner Central Excise and Service Tax, Vijayawada levying tax towards non-payment of Service Tax on E-1 sales amounting to Rs.33,10,988/- which was subsequently dropped by the Additional Commissioner Central Excise and Service Tax, Guntur. The department had preferred an appeal against the said order with Commissioner (Appeals), Guntur. Orders have been issued by Commissioner (Appeals), Guntur in favour of the department and the company has filed an appeal before the Hon'ble CESTAT against the orders issued by the Commissioner (Appeals), for which the Honorable CESTAT, Bangalore (Rs.32,39,672) and Commissioner of Appeals, Guntur(Rs.71,316), have given the stay orders. Pending disposal of the appeal no provision has been made in the books towards the disputed liability amounting Rs.33,10,988/-.
- k) Provident Fund authorities have issued a demand for payment of Rs.50,28,373/- towards the Provident Fund payable in respect of employees engaged by the sub-contractor. The company has filed an appeal in Hon'ble EPF Appellate Tribunal, New Delhi. The Tribunal has issued stay vide their order dated 16.06.2011. An amount of Rs.15,08,512/- was paid under protest. No provision has been made for the disputed demand of Rs.50,28,373/- in the books of account. The Tribunal vide orders dated 28.02.2013 has set aside the order issued by Regional Commissioner Provident Fund and the matter is reminded back for fresh determination.
2. The Company has filed suits against sub-contractors for recovery of 149.767 M.Ts of steel and 9.768 M.Ts of scrap for the materials drawn by them (Since completed) for executing VSP Sinter Plant order amounting to Rs.22.19 lakhs for which decrees were awarded in favour of the Company. Suits for recovery of 37.095 M.Ts steel and 2.625 M.Ts of scrap from the sub-contractors are pending in court of law.
3. Bank Guarantees amounting to Rs.104.14 lakhs furnished by suppliers and contractors were held by the Company as on 31-03-2013 (previous year Rs.113.98 lakhs).
4. Share deposit amount of Rs.5,310 (previous year Rs.5,310) from public towards share capital contribution. Shares to public could not be allotted because of legal implications.
5. As per G.O.No.227, dt.30-11-1996 write off proposal for Government of A.P. shareholdings of Rs.14.90 lakhs was not carried out in the accounts since the Company requested the Government of A.P. for amended action.
6. Gratuity Plan: Company has taken a policy with LIC for payment of gratuity to all its employees through a "Group Gratuity Scheme". Effective from 1.11.2000 the company adopted the Accounting Standard (Revised) on employees' benefits. The following table indicates status of the gratuity plan as required under AS-15 (revised).

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Obligation at beginning of the year	13,72,90,859	12,24,92,387
Interest cost	1,09,83,269	97,99,391
Current service cost	50,60,807	45,37,545
Benefits settled	(1,47,64,719)	(83,89,815)
Actuarial (gain)/loss	(16,31,482)	88,51,351
Obligation at the end of the year, at fair value	13,69,38,734	13,72,90,859
Change in plan assets		
Plan assets at beginning of the year, at fair value	10,71,83,842	9,67,95,097
Expected return on plan assets	1,00,30,019	87,66,472
Contributions	1,50,00,000	1,00,12,088
Benefits paid	(1,47,64,719)	(83,89,815)
Actuarial gain/loss	NIL	NIL
Fair value of plan assets at the end of the year	11,74,49,142	10,71,83,842
Reconciliation of present value of the obligation and the fair value of the plan assets.		
Fair value of plan assets at the end of the year	11,74,49,142	10,71,83,842
Present value of the defined benefit obligation at the end of the year	13,69,38,734	13,72,90,859

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Assets/(liability) recognized in the balance sheet		
Gratuity cost for the year		
Service cost	50,60,807	45,37,545
Interest cost	1,09,83,269	97,99,391
Expected return on plan assets	(1,00,30,019)	(87,66,472)
Actuarial gain/ loss	(16,31,482)	88,51,351
Net gratuity cost	43,82,575	1,44,21,815
Assumptions		
Discount rate	8.00%	8.00%
Expected return on plan assets	9.40%	9.30%
Expected rate of salary increase	7.00%	7.00%

7. Materials valued Rs.62.35 lakhs are lying with outside parties for job works (previous year Rs.39.51 lakhs).
8. INCOME-TAX
- a) Current Income-tax: Tax on income for the current period determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act,1961.
- b) The following Deferred Tax Assets are recognised to the extent that there is a reasonable certainty where assets can be realised in future. The assets are recognised by using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
ASSETS		
Gratuity	14,22,146	47,90,927
Others	1,45,63,925	1,38,05,016
Total	1,59,86,071	1,85,95,943
LIABILITIES		
Difference in depreciation for accounting and tax purposes	53,45,808	58,79,466
Total	53,45,808	58,79,466
Deferred tax asset (NET)	1,06,40,263	1,27,16,477

9. Segment reporting:

Segment information as required by the Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India is not required to be disclosed as there is neither more than one business segment nor more than one geographical segment.

Related Party Transactions:

Holding Company: Singareni Collieries Company Limited, Kothagudem. Disclosure of transactions with the holding company is not required since both the companies are state controlled entities.

10. Confirmation of balances under sundry debtors, loans & advances has been asked for but not received from parties.
11. Earnings per share(AS-20):

Amount (₹)

Particulars	For the year ended	
	31.03.2013	31.03.2012
A Net profit after tax	7,75,94,543	7,19,40,184
B Number of ordinary equity shares(Fully paid up)	1,72,71,293	1,72,71,293
C Earnings per Share (A/B)	4.49	4.17

12. All figures are rounded off to the nearest rupee.
13. Previous year's figures, wherever necessary, have been re-grouped, recast and reclassified to confirm with those of the current year.
14. The Company has reviewed the carrying amounts of fixed assets based on internal valuation and found that none of the fixed assets suffered an impairment loss and hence no provision / write off of impaired assets in terms of AS-28 issued by the Institute of Chartered Accountants of India is considered necessary during the year.
15. Non-current liabilities – Long term borrowings:

Schedule(3): Interest free loan from Government of Andhra Pradesh Rs.1,00,00,000/- vide G.O Ms.No.201 dated 21-8-1997 for implementing the Voluntary Retirement Scheme as a full and final settlement of the concessions to be given to the Company.

The company has implemented the voluntary retirement scheme in the year 1997 and requested the Government of AP for Moratorium up to 31.03.2011 for repayment of the said interest free loan and the same is not repaid.

B. INFORMATION REQUIRED UNDER PARA 5 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956

1. INFORMATION REGARDING TURNOVER:

Sl.No.	Sale of Products / services	Current year 2012-13		Previous year 2011-12	
		QTY. MTs.	Amount (₹)	QTY. MTs.	Amount (₹)
1	Material Handling Equipment	5,847.71	68,36,42,895	6,133.87	64,31,65,125
2	Job orders	145.88	1,19,19,486	190.18	1,42,79,340
3	Spares	688.62	8,80,14,751	160.15	5,35,67,770
4	Repairs/ Reconditioning	418.46	3,71,14,848	262.97	2,59,95,852
	Total	7,100.67	82,06,91,980	6,747.17	73,70,08,087

2. RAW MATERIALS CONSUMED FOR SALE OF PRODUCTS

Sl.No.	Description	Current year 2012-13		Previous year 2011-12	
		QTY. MTs.	Amount (₹)	QTY. MTs.	Amount (₹)
1	Raw materials				
	Direct	5,363.53	23,54,73,618	5,936.87	19,94,78,451
	Others		3,99,84,682		2,95,90,643
2	Bought out Items		16,69,62,112		15,19,56,406
3	Stock Items		95,95,719		64,14,970
4	Maintenance Material		17,05,782		5,84,797
5	Consumable Stores		86,27,709		56,57,293
6	Consumable Tools		20,76,955		20,49,626
			46,44,26,577		39,57,32,186
	Less: Material included in work-in-progress & Finished goods.		2,08,15,801		1,04,82,197
	Total		44,36,10,776		38,52,49,989

3. PURCHASE OF RAW MATERIALS

Sl.No.	Description	Current year 2012-13		Previous year 2011-12	
		QTY. MTs.	Amount (₹)	QTY. MTs.	Amount (₹)
1	Steel	7,667.64	31,84,04,367	4,256.28	16,21,32,341
2	Other Raw Materials		4,26,54,865		2,98,79,392
3	Bought Out Items		16,33,48,300		16,15,52,112
4	Stock Items		1,14,59,406		87,29,173
5	Maintenance Material		47,05,688		28,31,220
6	Consumable Stores		73,19,712		53,22,497
7	Tools		15,34,996		33,98,123
8	Spares		25,75,136		13,99,016
	Total		55,20,02,470		37,52,43,874

4. PARTICULARS REGARDING CAPACITY AND PRODUCTION *

(in MTs.)

Sl. No.	Product Group	Licensed capacity		Installed capacity		Actual capacity	
		Current year 2012-13	Previous year 2011-12	Current year 2012-13	Previous year 2011-12	Current year 2012-13	Previous year 2011-12
1	Material Handling Equipment	4710	4710	250	250	2247	2167
2	Chemical, Pharma-ceutical & Mini plant	2000 1000	2000 1000	0 1188	0 1188	0 0	0 0
3	Textile Machinery	160	160	0	0	0	0
4	Leather Processing Machinery	500	500	312	312	0	0
5	Size Reduction Equipment	2000	2000	1750	1750	0	0
6	Job Orders	0	0	0	0	146	190
7	Air Pollution Equipment	3000	3000	0	0	0	0
8	Road Headers & Tunneling Equipment	8 Nos	8 Nos	0	0	0	0
9	Maintenance Spares & over hauling equipment	0	0	0	0	1102	1142
10	Long Wall Roof Support System	3 systems	3 systems	0	0	0	0

NOTE: 1. The Machinery & Equipment installed are of general purpose nature and capacities of the machinery & Equipment are interchangeable.

2. Capacity is based on 2 shift basis.

3. Installed Capacity is arrived on the basis of Product Mix as per the Project Report.

* Being technical matter information given as provided by management.

5. DETAILS OF REMUNERATION TO MANAGING DIRECTOR

Sl.No.	Description	Current year 2012-13 (₹)	Previous year 2011-12 (₹)
1.	Salary	17,96,897	20,76,901
2.	P F Employer contribution	1,54,750	1,62,029
3.	FPF Co., contribution	16,672	17,457
4.	Admn. Charges	8,961	10,773
5.	House Rent	1,80,000	1,80,000
6.	Others	38,203	55,421
	Total	21,95,483	25,02,581

Note: Managing Director is on Deputation from Holding Company, SCCL

6. THE VALUE OF IMPORTS ON CIF BASIS

A) Spare Parts and Components ₹ 7,18,862/- (Previous year: ₹ 21,47,389/-).

B) Percentage of Materials consumed.

Amount (₹)

Sl.No.	Description	Current year 2012-13		Previous year 2011-12	
		Percentage	Value	Percentage	Value
1	Materials				
	Imported	0.13	5,97,941	0.32	12,73,875
	Indigenous	59.18	27,48,60,359	57.57	22,77,95,219
2	Spare parts, components and others				
	Imported	0.14	6,34,138	0.01	51,908
	Indigenous	40.55	18,83,34,139	42.10	16,66,11,184
	Total		46,44,26,577		39,57,32,186

7. FOREIGN CURRENCY/ EXCHANGE TRANSACTIONS

a) Expenditure in Foreign Currency :

Royalty ₹ NIL (Previous Year : NIL)

Spare Parts and Components ₹ 7,18,862/- (Previous year: ₹ 21,47,389/-)

ISO Certification charges NIL (Previous Year: NIL)

b) Earnings Foreign Exchange NIL (Previous Year: NIL)

CASH FLOW STATEMENT AS PER ACCOUNTING STANDARD-3

(₹ in lakhs)

PARTICULARS	2012-2013		2011-2012	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax and extraordinary items		1116.83		945.76
Adjustment for depreciation	20.17		22.29	
Adjustment for interest paid	101.83		93.38	
		122.00		115.67
Operating Profit before working capital changes		1238.83		1061.43
Increase(-)/decrease in long term loans and advances	-72.10		-217.31	
Increase(-)/decrease in other non-current assets	-3.01		-18.38	
Increase/decrease in current assets	-826.15		-369.82	
(Increase)/Decrease in Deferred Tax Asset	-20.76		-10.97	
Increase/decrease(-) in Trade payables	532.63		110.23	
Increase/decrease in other current liabilities	15.19		0.49	
Increase/Decrease(-) in short term provisions	-105.67	-479.86	23.72	-482.03
Net Cash Flow from operations		758.97		579.40
Exceptional items	37.19		107.61	
Earlier provisions	-		-	
Provisions for taxation	-343.00		-323.00	
Provisions	-14.31		-	
Deferred Tax Asset(Net)	20.76		10.97	
		-299.36		-204.42
CASH FLOW FROM OPERATING ACTIVITIES(A)		459.61		374.98
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	-24.74		-19.00	
Capital work-in-progress	3.67		-3.67	
Decrease of fixed assets	2.13		-	
		-18.94		-22.68
CASH FLOW FROM INVESTING ACTIVITIES(B)		-18.94		-22.68
C) CASH FLOW FROM FINANCING ACTIVITIES				
Increase/Decrease(-) in Loans from banks and institutions	-338.74		-289.45	
Interest paid	-101.83	-440.57	-93.38	-382.83
Net increase in Cash & Bank(A+B+C)		0.10		-30.53
Opening balance of cash and bank		15.39		45.92
Closing balance of cash and bank		15.49		15.39

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

1. Registration Details		
Registration No:		2071
State Code		1
Balance Sheet Date		31.3.2013
2. Capital Raised during the year:		
Public Issue		NIL
Rights Issue		NIL
Bonus Issue		NIL
Private Placement		NIL
3. Position of Mobilisation and Development of Funds:	(Rupees in thousands)	
Total Liabilities		765246
Total Assets		765246
Source of Funds:	(Rupees in thousands)	
Paid up Capital		172718
(Including share deposit)		
Reserves & Surplus		246939
Secured Loans		28413
Unsecured Loans		10000
Application of Funds:	(Rupees in thousands)	
Net Fixed Assets		33854
Capital work-in-progress		881
Investments(DTA)		10640
Net Current Assets		412695
Miscellaneous expenditure		NIL
4. Performance of Company:	(Rupees in thousands)	
Turnover		820692
Total Expenditure		706721
Profit Before Tax		113971
Profit After Tax		77595
Earnings per Share		4.49 (in rupees)
Dividend Rate		NIL
5. Generic Names of Principal Products, Services of the Company:		
	Item Code No.	Product Description
	8428.00	Material Handling Equipment
	8431.00	Maintenance Spares Overhauling Services
	8430.00	Mining Equipment

(Signatures to accounting policies and notes 1 to 25)

For and on behalf of the Board

Sd/-
(V.Venkateswara Rao)
Company Secretary & FM (I.A)

Sd/-
(N.Chakravarthy)
Chief(Finance & Accountants)

Sd/-
(B. Ramesh Kumar)
Chairman

Sd/-
(I.V.N.Prasad)
Managing Director

Date : 29.06.2013
Place : Hyderabad

As per our report of even date
For M/s.Rao & Narayan
Chartered Accountants
(FRN: 3097S)

Date : 29.06.2013
Place : Hyderabad

Sd/-
(P.V.Subba Rao)
Partner (M.No.09269)



Promoting Community Development



Paddy fields adjacent to an Opencast mine



The Singareni Collieries Company Limited
(A Government Company)
Registered Office:
Kothagudem Collieries (PO) - 507 101
Khammam District,
Andhra Pradesh, India.

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