

GOVERNMENT OF INDIA
MINISTRY OF COAL

RAJYA SABHA
UNSTARRED QUESTION NO. 1180
TO BE ANSWERED ON 27.07.2018

Net profit of Coal India Limited

1180. DR. SANJAY SINH:

Will the Minister of COAL be pleased to state :

- (a) whether it is a fact that Coal India Limited has witnessed a 52 per cent drop in net profit in the last quarter of financial year 2017-18;
- (b) if so, the statement of last 5 year's profit therein;
- (c) the reasons behind dip in net profit and PSU-wise financial statements therefor; and
- (d) the proposal for expansion and modernisation of mines along with safety measures therein?

ANSWER

MINISTER OF RAILWAYS, COAL, FINANCE AND CORPORATE AFFAIRS

(SHRI PIYUSH GOYAL)

(a) to (c) Yes sir. The Profit after Tax of Coal India Limited (Consolidated) for 4th quarter of FY 2017-18 was Rs 1295.34 crores as against Rs 2718.80 crores in the corresponding 4th quarter of FY 2016-17 registering a decline of Rs 1423.46 crores which is around 52%. The major reason for dip in net profit was on account of impact of past service cost of Rs 7384.37 crores arising out of revision in gratuity ceiling limit from Rs 10 lacs to Rs 20 lacs vide amendment of Payment of Gratuity Act with effect from 29th March 2018; which was fully provided for, in the 4th quarter Financial Statements of FY 2017-18. Although the Company, achieved growth in coal production and off-take, earned higher revenue from sale of coal and also reduced costs in various heads in the 4th quarter of FY 2017-18 ; mainly due to the above provision of Rs 7384.37 crores the profits declined by 52%. The statement of profit of Coal India Limited (Consolidated) for last five years is as under:

(Rs in crores)

Year	Profit before Tax	Profit After Tax
2017-18	10726.44	7020.22
2016-17	14446.33	9279.77
2015-16	21589.09	14274.33
2014-15	21583.92	13726.70
2013-14	22879.54	15111.67

(d) Expansion & modernization of existing mines, wherever feasible, is being undertaken for enhancement of coal production viz higher capacity mines with heavy mechanization to take advantage of economy of scale, expansion of existing mines wherever feasible, enhanced EC under special dispensation wherever possible, high capacity shovels and surface miners wherever geo-mining conditions are favorable, introduction of Surface Miners in opencast mines, Continuous Miner and Long wall in Under Ground mines etc. For improvement in safety standard, the measures being taken includes- implementation of risk assessment based Safety Management Plans (SMPs), implementation of Principal Hazards Management Plans (PHMPs) along with Trigger

Action Response Plan (TARP), Online CIL Safety Information System (CSIS), Detection of mine gases by using Methanometer, CO-detector, Multi-gas detector etc, monitoring of mine environment by Environmental Tele Monitoring System (ETMS) & Local Methane Detectors (LMD) etc. , Dumpers fitted with Proximity Warning Devices, Rear view mirrors and camera, Audio-Visual Alarm (AVA), Automatic Fire Detection & Suppression system etc.

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