MEMORANDUM OF UNDERSTANDING

BETWEEN

COAL INDIA LIMITED

&

MINISTRY OF COAL

<u>2020 – 21</u>

Brief about (Coal India Limited).

Annex-I

1	Name of the CPSE	Coal India Limited
2	Status (Please tick):	Maharatna/ Navratna/Miniratna/Others
3	Schedule of the CPSE(Please tick)	A/ B/C/D/none
4	Purpose for which CPSE has been setup and the main business now	To produce and market the planned quantity of coal and coal products
		efficiently and economically in an eco-friendly manner with due regard to
		safety, conservation and quality.
5	Any capital restructuring during 2018-19, i.e., buy-back of shares, issue	Information for FY 2019-20 are as below:
	of bonus shares, issue of fresh shares, splitting of shares and percentage of PAT given as dividend.	44.25% of PAT given as dividend. No Buy Back in FY 2019-20.
6	Whether shares are listed (if yes, name of stock exchange and price of	(Amount in Rs.)
	the share as on date)	NSE BSE
		Price as on 27.10.2020 113.95 113.65
7	Any change in Capacity during the year or next year(MoU Year)	An addition of 57.86 MT of coal production is proposed in 2020-21 against
		the production of 602.14 Mt in 2019-20.
8	Any business unit hived off or to be hived off or added or to be added	Production of 3 mines suspended during 2019-20 & 4 new mines are likely
0	during the year or next year (MoU Year)	to start during 2020-21.
9	Brief about the Sector in which the CPSE is operating and national and	Major chunk of CIL production is power grade coal with CIL's despatch to
	international environment, regulatory environment etc.	power house during 2018-19 was about 491Mt & during the 2019-20 is 462.96 MT.
		CIL is under administrative control of Ministry of Coal, Govt. of India.
		Various Acts, and Rules applicable for the operation of coal mines in India
		namely, Mines Act, 1952, Coal Mines Regulation, 2017, Indian Electricity
		Rules 1956, Mines Rules, EIA etc.
10	Details of revival plan if approved	N.A.
11	Any adverse comments by statutory auditors and its impact on	NIL
	Revenue/Profit/Loss/Assets/Liabilities.	
12	Whether C&AG Supplemented the comments of Statutory Auditor. If	NIL
	not, give details along with impact.	
13	No. and Name of Subsidiaries Company along with amount invested and	Separate sheet attached as Annexure-A.
	share in its profits during last five years.	
14	No. and Name of Joint Venture Companies along with amount invested	Separate sheet attached as Annexure-B.
	and share in its profit during last five years.	

Annex – II Mandatory Parameters Part A Coal India Limited

SI.	Financial	Unit	Marks	2019-20	Best in			MoU Target			Improvement
No.	Performance			(Est.)	Last 5	Excellent	V.G.	Good	Fair	Poor	(%)
	Criteria				years*	100%	80%	60%	40%	20%	
1	Turnover Revenue from Operations (Net of taxes)	Rs. crore	10	96080	99547	101000	93000	88500	83000	78000	
2	Operating Profit									•	
	Operating profit (Profit before Tax excluding other Income, Extraordinary and Exceptional Items) Operating profit as a percentage of Revenue from operations	%	20	18.70	21.35	21.35	18.70	12.00	10.00	8.00	
3	Return on investme	ent:	•					•	•		•
	PAT as a % of Average Net Worth	%	20	57.75	78.41	78.41	57.75	30.00	25.00	20.00	
	Total (A)		50								

^{*}Best in last 5 years is prior to and excluding FY 2019-20.

Other Parameters Part B Coal India Limited

SI. No.	Performance Criteria	Unit	Marks	2019-20 (Est)	Best in Last 5						Improv -ement
110.				(230)	years*	Excellent	V.G.	Good	Fair	Poor	(%)
						100%	80%	60%	40%	20%	
4	Coal Production	Mil. Tonne	10	602.14	606.89	660	630	580	550	520	4.63
5	Achievement of CAPEX target of Rs. 10000 Crore	%	15	-	-	130	100	90	85	80	
6	Percentages of value of CAPEX contracts/ projects running/ completed during the year without time/ cost overrun to total value of CAPEX contracts running/ completed during the year	%	5	-	-	100	95	90	85	80	
7	Trade Receivables (Net) as number of days of Revenue from Operations	Days	3	37	13.59	14	19	21	23	25	48.65
8	Percentage of procurement of goods and services through GeM portal to total procurement of goods and services during the previous year i.e. FY 2019-20	%	5	-	-	25	20	15	10	5	
9	% Improvement in Departmental Equipment Capacity Utilization of OC Mines over previous Year.	%	2	-	-	10	8	6	4	2	æ.
10	% Improvement in Departmental Equipment Capacity Utilization of UG Mines over previous Year.	%	2	-	-	8	7	6	5	4	
11	Reduction in overall claims against the Company not acknowledged as debt	%	4	-	-	20	18	16	14	12	

SI. No.	Performance Criteria	Performance Criteria Unit		Marks 2019-20 (Est)		Best in MoU Target Last 5					Improv -ement
				()	years*	Excellent	V.G.	Good	Fair	Poor	(%)
						100%	80%	60%	40%	20%	
12	Installation and operationalization of Rooftop/ground mounted 10 MW aggregate capacity of Solar Power Plant	Date	2	-	-	01.03.21	10.03.21	15.03.21	25.03.21	31.03.21	
13	% increase in Overburden Removal (OBR) over the previous year	%	2	-	-1	34	25	20	15	10	-
	Total (B)		50								

^{*}Best in last 5 years is prior to and excluding FY 2019-20.

- 1. In working out achievements for the year, quantified qualification of CAG/Statutory Auditors would be adjusted in case of overstatement of Revenue/Profit/surplus or understatement of Loss/Deficit in addition to the negative marks prescribed in MoU guidelines.
- 2. Adjustment would be made in the targets in case of improvement in actual performance over the estimated performance in the base year (2019-20) as per MoU guidelines.
- 3. It was agreed that targets decided are unconditional and no offset will be allowed on any ground. Further evaluation would be subject to compliance of Additional Eligibility Criteria as contained in MoU guidelines.

4. Targets approved by IMC along with estimated figure provided by CPSEs as recorded in Minutes of IMC meeting.

(Pramod Agrawal) Chairman

Coal India Limited

(Ahil Kumar Jain)

Secretary

Government of India, Ministry of Coal

PART-A TREND ANALYSIS

Sl.	Financial Performance		Target						
No.	Criteria	Unit	v/s Actual	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue from Operations - Gross	Rs. crore	Actual	97730	110724	125329	130938	147627	142080
2	Revenue from Operations -Net	Rs. crore	Actual	74120.07	78007.63	78411.21	85862.44	99546.89	96080.34
	Revenue from Operations -Net	Ks. Crore	MoU	-	-	84860	82000	90000	100000
3	a. Profit before Tax *	Rs. crore	Actual	21583.92	21439.80	14446.33	10726.44	27125.46	24071.32
	b. Other Incomes	Rs. crore	Actual	6570.64	5940.58	5324.21	4658.32	5873.73	6105.40
	c. Extraordinary & Exceptional items	Rs. crore	Actual	-5.00	-	-	-	-	-
i a	e. Operating Profit/ Loss (a- b+/-c+/-d)	Rs. crore	Actual	15008.28	15499.22	9122.12	6068.12	21251.73	17967.09
	f. Operating Profit as a		Actual	20.25	19.87	11.63	7.07	21.35	18.70
	percentage of Revenue from Operations (Net)	%	MoU	-	-	18	10	9	17.5
4	a. PAT	Rs. crore	Actual	13726.70	14266.78	9279.77	7020.22	17464.42	16700.34
	b. Net Worth at year end	Rs. crore	Actual	40343	34521	24122	18819	25400	32437
	c. Average Net worth	Rs. crore	Actual	41368	37432	29322	21470	22270	28918
		.,	Actual	33.18%	38.11%	31.65%	32.70%	78.41%	57.75%
	d. PAT/ Avg Net Worth	%	MoU	-	-	-	26	38	68
	f. Paid-up Share Capital	Rs. crore	Actual	6316.36	6316.36	6207.41	6207.41	6162.73	6162.73
	g. Gol share	%	Actual	79.65%	79.65%	78.86%	78.546%	70.959%	66.13%
	h. Reserves and surplus excl OCI and Capital Reserve	Rs. crore	Actual	34027	28205	17915	12611	19236	26274
5	Total Expenses	Rs. crore	Actual	59106.79	62508.41	74876.61	81200.45	78295.16	78114.42
6	Total Incomes	Rs. crore	Actual	80690.71	83948.21	89322.94	91926.89	105420.62	102185.74

	I	I	Tauret		l e				
Sl. No.	Financial Performance Criteria	Unit	v/s Actual	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
7	Total expenses/ Total Incomes	%	Actual	73.25%	74.46%	83.83%	88.33%	74.27%	76.44%
8	a. Cash and Bank Balance and equivalent	Rs. crore	Actual	46634.69	38085.38	30339.93	30599.86	31277.00	27244.25
	b. Balance in Current account included in (a) above	Rs. crore	Actual	1460.17	2283.24	2259.12	1955.38	2106.89	909.96
	c. Invest in mutual fund	Rs. crore	Actual	1637.67	1939.96	513.47	400.57	1749.96	99.70
9	Long Term Borrowing	Rs. crore	Actual	201.83	263.06	294.80	1054.40	1472.27	1993.38
10	Current Borrowing	Rs. crore	Actual	0.03	929.03	2712.97	476.54	730.47	4432.61
11	Dividend paid/ declared for the year, excluding Dividend Tax	Rs. crore	Actual	13074.88	17306.84	12352.76	10242.24	8105.58	7395.27

PART-B TREND ANALYSIS

SI. No.	Financial Performance Criteria	Unit	Target v/s Actual	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
				404.24	F20.7F	FF4.14	567.37	606.89	602.14
1	Coal Production	Mt	Actual	494.24	538.75	554.14	507.37	606.89	602.14
			MoU	507	550	598.61	600	610	660
2	CAPEX	Rs.	Actual	5173.49	6123.03	7700.06	9334.55	7311.46	6269.65
2	CAPEX	crore	MoU	5225	5990.50	7765	8500	9500	10000
	CAPEX contracts/		Actual	-		36.21	78.2	73.07	49.74
3	projects running/ completed without time/ cost overrun to total value of CAPEX	%	MoU	-	-	-	90	100	100
4	Trade Receivables (net)	Rs. crore		8521.88	11463.70	10735.85	8689.16	5498.55	14408.22
5	Trade receivables (Net) as number of days of	Days	Actual	32	38	31	24	13.59	37.01
	RO(gross)		MoU	=	5	-	26	37	20

Details of Subsidiaries of Coal India Limited with amount invested in Share Capital and share in its profit (during last five years)

* The subsidiaries mentioned above are fully owned (100%) subsidiary companies.

* As per each year Annual Accounts

	201	4-15	201	5-16	2010	6-17	201	7-18	201	8-19	2019-20	
Company	Investmen t (Rs Cr)	PBT (Rs Cr)										
Eastern Coalfields Limited (ECL)	2218.45	1782.41	2218.45	1300.04	2218.45	15.32	2218.45	(1466.73)	2,218.45	1298.39	2,218.45	1501.35
Bharat Coking Coal Limited (BCCL)	2118.00	1154.22	2118.00	783.76	2118.00	(263.08)	2118.00	(2125.25)	2118.00	557.05	4657.00	991.12
Central Coalfields Limited (CCL)	940.00	2740.34	940.00	3118.74	940.00	2373.02	940.00	1343.57	940.00	2693.96	940.00	2934.49
Northern Coalfields Limited (NCL)	177.67	3713.47	177.67	4065.51	136.56	3120.44	136.56	4089.72	126.19	6659.16	126.19	6985.45
Western Coalfields Limited (WCL)	297.10	544.79	297.10	431.46	297.10	(1075.26)	297.10	(2829.28)	297.10	193.72	297.10	12.12
South Eastern Coalfields Limited (SECL)	359.70	5659.46	359.70	5173.32	298.78	3186.35	298.78	3820.67	278.36	5570.4	278.36	2510.20
Mahanadi Coalfields Limited (MCL)	186.40	5314.24	186.40	6260.41	141.23	6852.41	141.23	7336.88	132.37	9277.49	132.37	8627.52
Central Mine Planning & Design Institute Limited (CMPDIL)	19.04	39.33	19.04	42.54	19.04	65.53	19.04	120.82	19.04	263.82	19.04	312.62
Coal India Africana Limitada	0.01		0.01		0.01		0.01		0.01		0.01	
Coal India Limited (Consolidated)	6316.37	21583.92	6316.37	21589.09	6169.17	14433.71	6169.17	10726.44	6,129.52	27,125.46	8,668.52	24,071.32

In addition, CIL has a wholly owned foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL) (100% equity) formed with a purpose of Exploitation of coal after exploration of coal block. The current status of CIAL is that its coal licenses has been surrendered, as the property was not suitable for mining economically.

a. Investment in JVs (Book value)

(Amount in Rs. Crores)

Joint Ventures	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
International Coal Venture Private Limited (ICVPL)	2.80	2.80	2.80	2.80	2.80	2.80
CIL NTPC Urja Private Limited	0.08	0.08	0.08	0.08	0.08	0.02
Talcher Fertilizers Limited	159.50	16.34	5.02	0.02	0.02	-
Hindustan Urvarak & Rasayan Limited	751.09	440.33	333.25	5.03	-	-

b. Total Share in Profits/losses from JVs

(Amount in Rs. Crores)

Joint Ventures	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
International Coal Venture Private Limited (ICVPL)	-0.18	-0.16	0.04	-0.15	-1.14	-
CIL NTPC Urja Private Limited	-	-	-	-	-	-
Talcher Fertilizers Limited	-1.01	-5.08	0.02	-0.01	-	-
Hindustan Urvarak & Rasayan Limited	0.02	4.47	0.38	-1.6	-	-

SL. No	Subs	Projects	Cap (Mty)	MILESTONES	Total Sanctioned Capital (Rs Crs)	Timeline for Completion
1	ECL	Sonepur Bazari Comb. OC	8.00	Construction of CHP (12 MTY)	1055.05	Mar-21
2	ECL	Hura OC	3.00	Possession of 20 Acre tenancy land	359.69	Mar-21
3	ECL	Chitra East OCP	2.50	Shifting of Khoon Village (30 PAFs)	513.99	Mar-21
4	ECL	Siduli OC & UG	2.32	Approval of estimate for shifting of HT Overhead line	535.18	Mar-21
5	ECL	Jhanjra Exp. UG	5.00	Construction of Workshop	1210.12	Mar-21
6	ECL	Nakrakonda Kumardihi B OCP	3.00	Floating of tender for HEMM procurement	502.68	Mar-21
7	ECL	Tilaboni UG	1.86	Floating of tender for drivage of pair of inclines	916.617	Mar-21
8	ECL	Parasea-Belbaid	2.07	Floating of tender for construction of approach road to proposed site of incline no. 1 & 2	826.42	Mar-21
9	BCCL	Moonidih XV Seam UG	2.5	Completion of drivage of Incline No. II (2050 m)	1230.27	Mar-21
10	BCCL	Muraidih U/G Mine (Barora Area)	2.00	Completion of Shaft Sinking	339.875	Mar-21
11	BCCL	Madhuband Coal Washery	5.00	Completion of construction of Madhuband Coal Washery up to product storage silo	289.45	Mar-21
12	BCCL	NT ST OCP	6.00	Preparation of Mining Plan of NT-ST Colliery (Amalgamating Kujama Colliery)	555.52	Mar-21
13	BCCL	Patherdih NLW Washery	5.00	Finalisation of Tender for RLS Construction	269.82	Mar-21
14	CCL	Rajrappa OC	3.00	Preparation of Haul road for Block II -250 metres.	510.85	Mar-21
15	CCL	Amrapali OC	25.00	Commissioning of Rainwater Harvesting system at PO Office Amrapali	5136.15	Mar-21
16	CCL	Karma OC	1.00	Construction of school at R&R site of Sugia	162.46	Mar-21

SL. No	Subs	Projects	Cap (Mty)	MILESTONES	Total Sanctioned Capital (Rs Crs)	Timeline for Completion
17	CCL	Churi-Benti UG	0.81	Estimate preparation, & approval for construction of side wall as permanent support in the trunk roadway of no.7 incline (Belt Line)	163.51	Mar-21
18	CCL	North Urimari OC	7.5	Award of work for construction of 6 nos. of room in P.O Office building and security check post at main gate of North Urimari Project Office.	1553.06	Mar-21
19	CCL	Magadh OC	51.00	Installation of one no of road weigh Bridge	7254.37	Mar-21
20	NCL	Jayant	20.00	Commissioning of 10-12 cubic meter FE Loader	1783.09	Feb-21
21	NCL	Block B	8.00	Preparation of NIT & its approval for Block B Incremental CHP (4.5 MTPA)	998.71	Oct-20
22	NCL	Dudhichua	20.00	Placement of supply order of 4 nos. of 160 mm RBH Drills	1255.17	Mar-21
23	WCL	Amalgameted Kamptee & Inder Deep OC	3.20	Possession of land admeasuring 30 Ha	313.34	Mar-21
24	WCL	Bhanegaon OC	1.00	Construction of Substation for 11KV /3.3 KV	409.68	Jan-21
25	WCL	Ukni Deep OC	2.00	Possession of balance 20 Ha Tenancy Land	318.14	Mar-21
26	WCL	Kolarpimpari Extn OC	1.50	Shifting of CHP	402.90	Mar-21
27	WCL	Bellora Naigaon Deep OC	1.00	Achievement of Production target of 0.45 MTY	252.71	Mar-21
28	WCL	Amalgamated Yekona I & II OC	2.75	Notification U/ Sec 9 of CBA Act for 974 Ha (apx) land.	727.28	Mar-21

SL. No	Subs	Projects	Cap (Mty)	MILESTONES	Total Sanctioned Capital (Rs Crs)	Timeline for Completion
29	WCL	New Majri UG to OC	1.20	Notification U/ Sec 7(1) of CBA (A&D) Act of 227 Ha land	295.45	Feb-21
30	WCL	Dhankasa UG	1.00	Possession of 10 Ha land for surface infrastructures.	458.07	Mar-21
31	WCL	Vishnupuri UG to OC	2.00	Submission of proposal of 442 Ha (apx) land for Notification U/ Sec 9(1) of CBA (A&D) Act	195.57	Feb-21
32	WCL	Gandhigram UG	1.26	Notification U/ Sec 7 of CBA Act admeasuring 655 Ha (Apx) land.	414.16	Mar-21
33	SECL	Gevra OC Expn.	70.00	Floating of NIT for construction of 02 nos. Rapid Rail Load Out system at Gevra OC	11816.40	Jul-20
34	SECL	Kusmunda OC Expn.	50.00	Approval of descending order list of Pali village	7612.33	Mar-21
35	SECL	Baroud OC Expn. RCE	10.00	Placing of proposal of 238.325 Ha Forest land before FAC	2103.21	Mar-21
36	SECL	Pelma OC	15.00	Preparation and submission of Bid Document in MDO mode	1624.59	Mar-21
37	SECL	Kartali East OC	2.50	Assessment of compensation for 01 no of village	178.44	Mar-21
38	SECL	Rampur-Batura OC	4.00	Obtaining EC of 2.00 MTY from MoEF	1248.93	Mar-21
39	SECL	Jagannathpur OC RCE	3.00	Achievement of 0.50 MT coal production	459.49	Mar-21
40	SECL	Manikpur OC Expn.	3.50	Approval of tender document for construction of CHP	321.50	Jul-20
41	SECL	Chhal OC Seam III	6.00	70% Disbursement of land compensation (Tenancy) from approved one	610.63	Mar-21

SL. No	Subs	Projects	Cap (Mty)	MILESTONES	Total Sanctioned Capital (Rs Crs)	Timeline for Completion
42	SECL	Rajnagar OC RPR	1.70	Drilling of 15 nos. exploratory bore holes to assess/confirm seam thickness & its extent	357.79	Dec-20
43	SECL	Kanchan OC EXPN.	2.00	Conducting PH for 2.0 Mty EC	371.04	Jan-21
44	SECL	Amritdhara OC	2.00	Submission of proposal for notification u/s 4(i) of CBA for approach road	481.60	Mar-21
45	SECL	Amera OC RCE	1.00	Disbursement of 50% amount of compensation of Parsodikala village.	335.97	Mar-21
46	SECL	Batura H/W	0.50	Obtaining ToR for 0.50 MTY	231.92	Mar-21
47	SECL	Amgaon OC RCE	1.00	Obtaining Stage II FC of 93.58 Ha FL	316.11	Feb-21
48	SECL	Durgapur OCP	6.00	Preparation and submission of Bid Documents in MDO mode	916.24	Mar-21
49	SECL	Madannagar OCP	12.00	Land Notification u/s 4(i)	1875.32	Mar-21
50	SECL	Amadand OCP	4.00	Submission of land compensation of 01 village	869.44	Mar-21
51	SECL	Vijay West OCP	3.00	Notification u/s 4(i) of CBA for land as per PR	976.95	Mar-21
52	SECL	Mahamaya OC	1.50	Disbursement of 20% land compensation amount against sanctioned amount of Rs. 82.28 crore.	410.26	Mar-21
53	SECL	Jhiria West OC	1.50	Forwarding of proposal of 354.258 Ha Forest land to MoEF	389.97	Mar-21
54	MCL	Ananta OCP Expn. Ph-III	15.00	Possession of Forest land (20 Ha)	207.28	Mar-21
55	MCL	Bhubaneswari OCP (20.0 Mty)	20.00	Completion of construction of CHP- SILO.(10.0 Mty)	490.1	Mar-21

SL. No	Subs	Projects	Cap (Mty)	MILESTONES	Total Sanctioned Capital (Rs Crs)	Timeline for Completion
56	MCL	Jagannath Re-organisation OCP (6.0 Mty)	6.00	Development of Boulpur R&R site.	337.66	Mar-21
57	MCL	Hingula-II OCP Expn. Ph-III (15.0 Mty)	15.00	Possession of Forest land (25 Ha)	479.53	Mar-21
58	MCL	Balaram OCP Extension (15.0Mty)	15.00	Second phase levelling of Jamunali R&R site.	3504.21	Mar-21
59	MCL	Gopalji-Kaniha OCP	30.00	Award of compensation payment for villages of Kaniha OCP. (50%)	8416.19	Mar-21
60	MCL	Basundhara (W) Extension OCP	7.00	Identification of CA land and its DGPS survey.	479.15	Mar-21
61	MCL	Kulda OCP	15.00	Online submission of Form-A, Part-I of forest diversion proposal (134.69 Ha) in the MoEF&CC portal.	289.03	Mar-21
62	MCL	Siarmal OCP (40.0 Mty)	40.00	Processing & Submission of forest diversion proposal of forest land (349.71Ha) to MoEF&CC, New Delhi.	3756.36	Mar-21
63	MCL	Garjanbahal OCP (10.0Mty)	10.00	Coal Production of 8.0 MT	1375.38	Mar-21
64	MCL	Integrated Lakhanpur-Belpahar- Lilari OCP (30.0Mty)	30.00	Processing & Submission of forest diversion proposal (part-II) of forest land (417.07 Ha).	2434.75	Mar-21
65	MCL	Re-organisation of Bharatpur OCP	20.00	Online submission of Form-I for EC (26 Mty)	2838.87	Mar-21