


<p>कोल इण्डिया लिमिटेड महारत्न कंपनी 3 तल्ला, कोर-2 प्रेमिसेस-04-एमआर, प्लॉट-ए एफ-III, एक्शन एरिया, न्यूटाउन, रजरहट, कोलकाता-700156 फोन 033-23246526, फैक्स-033-23246510 ई मेल: <a href="mailto:mviswanathan2.cil@coalindia.in">mviswanathan2.cil@coalindia.in</a> वेबसाइट: <a href="http://www.coalindia.in">www.coalindia.in</a></p>		<p><b>Coal India Limited</b> <b>A Maharatna Company</b> <b>(A Govt. of India Enterprise)</b> 3rd floor, Core-2 Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156 PHONE; 033-2324-6526, FAX; 033- 23246510 E-MAIL: <a href="mailto:mviswanathan2.cil@coalindia.in">mviswanathan2.cil@coalindia.in</a> WEBSITE: <a href="http://www.coalindia.in">www.coalindia.in</a> CIN- L23109WB1973GOI028844</p>
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Ref.No.CIL:XI(D):4157/4156:2019:

Dated:01.10.2019

To,  
Listing Department,  
Bombay Stock Exchange Limited,  
14<sup>th</sup> Floor, P.J.Towers, Dalal Street,  
Mumbai – 400001  
Scrip Code 533278

To,  
Listing Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051.  
Ref: ISIN – INE522F01014

**Sub:- Domestic Non Deal Road Show at Mumbai on 3<sup>rd</sup> and 4<sup>th</sup> October' 2019**

Dear Sir,

DIPAM is organising a Domestic Non Deal Road Show on 3rd and 4th October' 2019 at Mumbai for further divestment of shares of Coal India Ltd by Govt. of India. As advised, Senior Officers of CIL will participate in the Road Show. Accordingly we are attaching Corporate Presentation for the same.

This is in terms of Regulation 46(2)(o) of Listing Regulations 2015.

This is for your information and records please.

Yours faithfully,

*M Viswanathan*  
11/10/19

(M. Viswanathan/एम.विस्वनाथन)  
Company Secretary/कंपनी सचिव  
& Compliance Officer/कम्प्लायंस ऑफिसर

Encl: As above



कोल इण्डिया लिमिटेड  
**Coal India Limited**

भारत सरकार का उपक्रम  
A Government of India Undertaking  
एक महारत्न कंपनी A Maharatna Company

# Coal India Limited Corporate Presentation

October 2019



# Industry Overview



## Coal India Ltd. – Genesis, Vision & Mission

### 1975

- Nationalized coal mines under Coal Mines Authority Ltd. re-organised as Coal India Limited.
- **Coal Production ~ 79 Mt**

### Today

- Largest pure play coal producer in the world
- CIL was awarded prestigious 'Maharatna\*' status by GOI.
- Coal Production – 210 Mt in YTFY20 till August 2019

### VISION

To emerge as a global player in the primary energy sector committed to provide energy security to the country by attaining environmentally & socially sustainable growth through the best practices from mine to market.

### MISSION

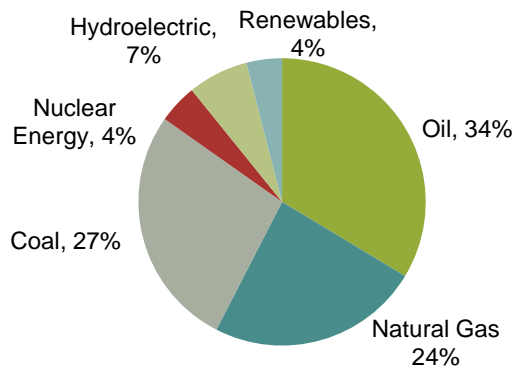
To produce and market the planned quantity of coal and coal products efficiently and economically in an eco-friendly manner with due regard to safety, conservation and quality.



# Global Coal Sector

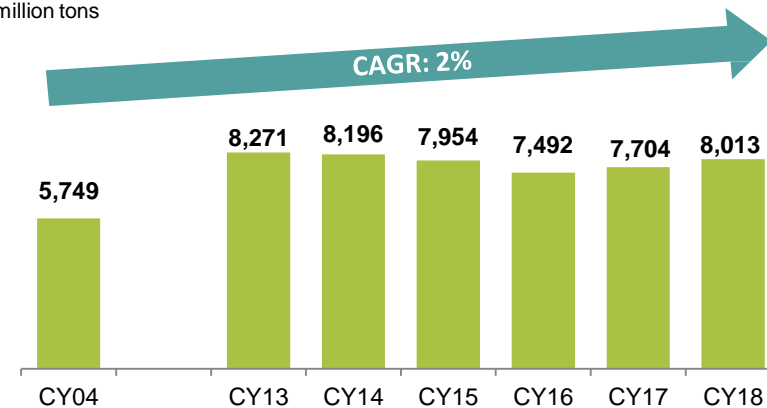
## Coal – Second Most Used Fuel Globally<sup>(1)</sup>

World Primary Energy Consumption (CY18)



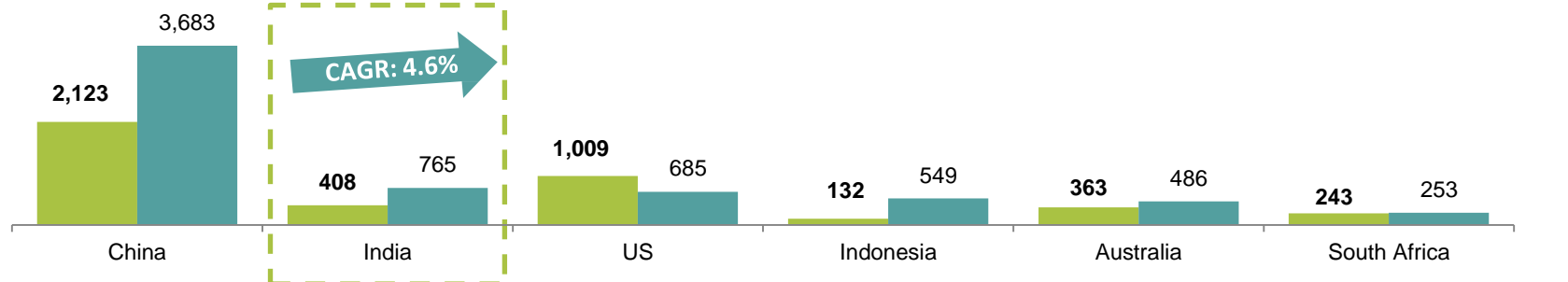
## Global Coal Production<sup>(1)</sup>

million tons



## India was 2<sup>nd</sup> Largest Coal Producer Globally in 2018<sup>(2)</sup>

million tons



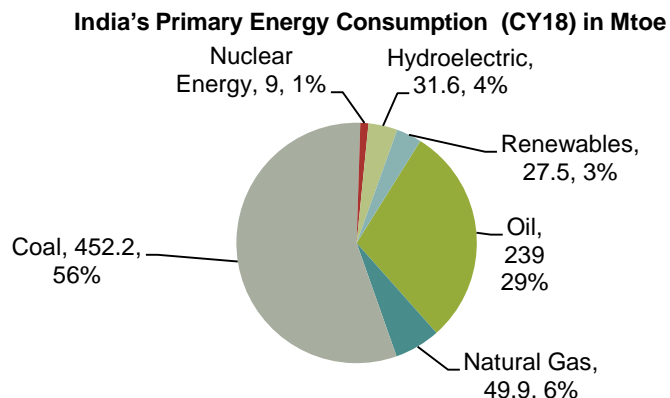
India's production CAGR of ~5% amongst the highest growth rates in the global coal sector

Source: <sup>(1)</sup> BP Statistical Review 2019; <sup>(2)</sup> Production data is for CY04 and CY18 as published in BP Statistical Review 2019



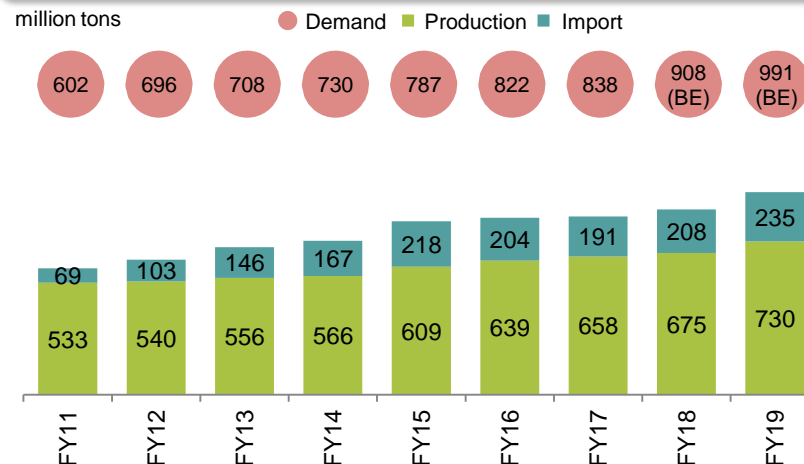
# India's Coal Sector Overview

## Coal – India's Primary Source of Energy<sup>(1)</sup>



Coal provides 56% of Indian energy needs & ~73% of the entire power generated in the country is coal based <sup>(5)</sup>

## Demand Supply Scenario<sup>(2)</sup>



## Inventory of Geological Resources of Indian Coal (up to a depth of 1,200 meters) as on 01-Apr-2018<sup>(3)</sup>

Category	Proved	Indicated	Inferred	Total	% Share
Coking (billion ton)	20	13	3	36	11%
Non Coking including tertiary coal (billion ton)	129	126	28	283	89%
<b>Total (billion ton)</b>	<b>149</b>	<b>139</b>	<b>31</b>	<b>319</b>	<b>100%</b>
% Share	47%	44%	9%	100%	

Coal meets ~27% of the world's energy needs<sup>(1)</sup> and generates 41% of world's electricity<sup>(4)</sup>

Source : <sup>(1)</sup> BP Statistical Review of world energy 2019-68<sup>th</sup> edition, <sup>(2)</sup> CCOs Coal Directory of India : 2017-2018 & MOC Annual Plan Documents, <sup>(3)</sup> Inventory of geological resources of Indian coal prepared by Geological Survey of India on the basis of resources estimated by CMPDI, MECL, SCCL, GSI and DGM (Maharashtra) and DGM (Chhattisgarh) as on 01-Apr-2018, Data as per ISP methodology which can be different from that under UNFC classification <sup>(4)</sup> World Coal Association, Coal Facts, 2019; <sup>(5)</sup> BP Statistical Review of world energy 2019-68<sup>th</sup> edition

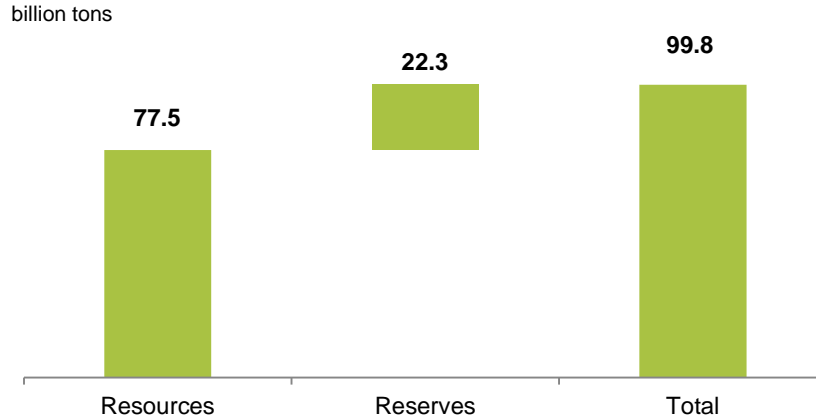


# Coal India Highlights



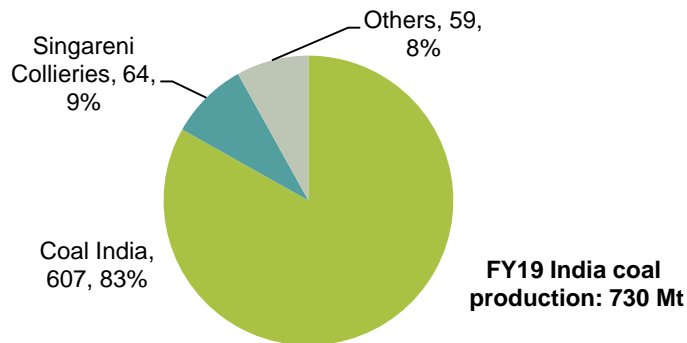
# Coal India: Key to India's Energy Security

## Coal India – Resources and Reserves<sup>1</sup>



- 2D / 3D seismic survey methods are being adopted for exploration purpose, enabling faster identification of resources
- Development of Coal Bed Methane (CBM) / Coal Mine Methane (CMM) prospects in collaboration with the Government Agencies
- In addition to 99.8 Bt of total resources and reserves in CIL blocks, additional blocks with total geological reserve of 54Bt have been tentatively assigned to CIL by GoI<sup>(4)</sup>

## Key to India's Energy Security<sup>2</sup>



- Coal India contributed 83% to India's total coal production in FY19
- Coal accounts for 56%<sup>(3)</sup> of India's primary energy consumption
- Coal India operates 364 mines via 8 coal producing subsidiaries
- Coal India coal production target for FY20 is 660 Mt

<sup>1</sup> Data as of April 1, 2016 based on the United Nations Framework Classification (UNFC) classification as measured and prepared by CMPDI Ltd, a wholly owned subsidiary of Coal India Limited. Total reserves do not include reserves in Mozambique <sup>2</sup> Provisional Statistics for 2018 from Coal Controller Organisation, Ministry of Coal, Government of India & Coal India Annual Report FY19 <sup>3</sup>BP Statistical Review of World Energy June '19 – 68th edition <sup>4</sup> Tentative allotment of coal blocks by Ministry of Coal Others include DVC, TISCO & Captive Blocks





# Key Company Highlights

## Organizational Commitment to Sustainable Development

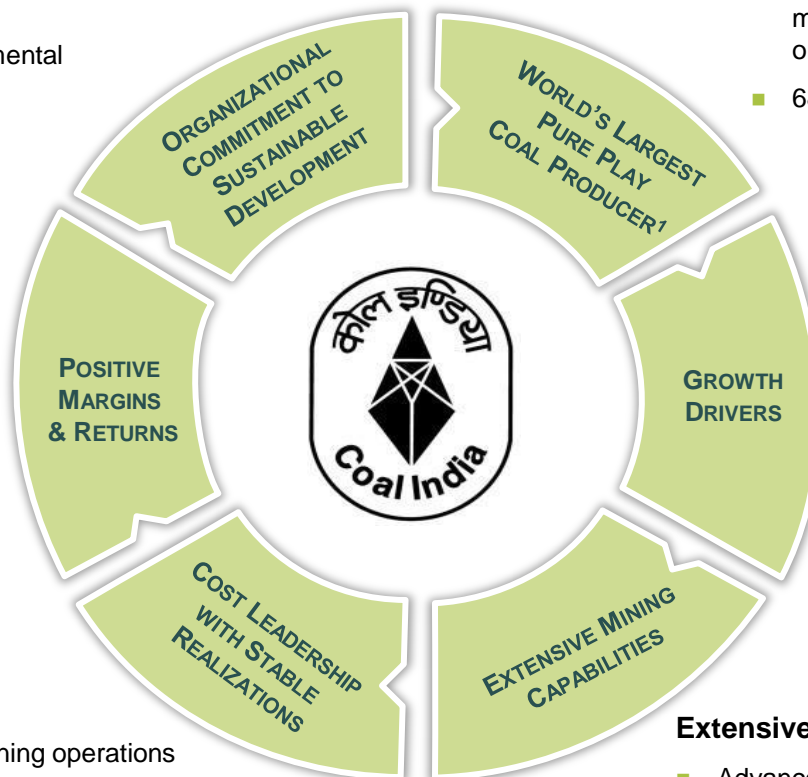
- High focus on social, environmental and health & safety initiatives
- Documented CSR policy

## Positive Margins & Returns

- FY19 EBITDA<sup>(3)</sup> margin of 29.4% & Q1FY20 EBITDA<sup>(3)</sup> margin of 29.8%
- FY19 ROAE<sup>(3)</sup> of 74.9% & Q1FY20 ROAE<sup>(3)</sup> of 16.20%
- FY19 Dividend Payout Ratio of 46%

## Cost Leadership with Stable Realizations

- Higher proportion of open cast mining operations and increasing labor productivity
- Improving productivity & efficiency through use of higher capacity equipment for higher output.



## World's Largest Pure Play Coal Producer<sup>(1)</sup>

- YTDFY20 till August 2019 production of 210 million tons across 364 working mines, with ongoing projects for further ramp-up.
- 68.6 bt Resources and 19.8 bt Reserves<sup>(2)</sup>

## Growth Drivers

- Coal accounts for more than 55%<sup>(4)</sup> of the total commercial energy production in India
- Favorable expected demand from key sectors such as power and steel

## Extensive Mining Capabilities

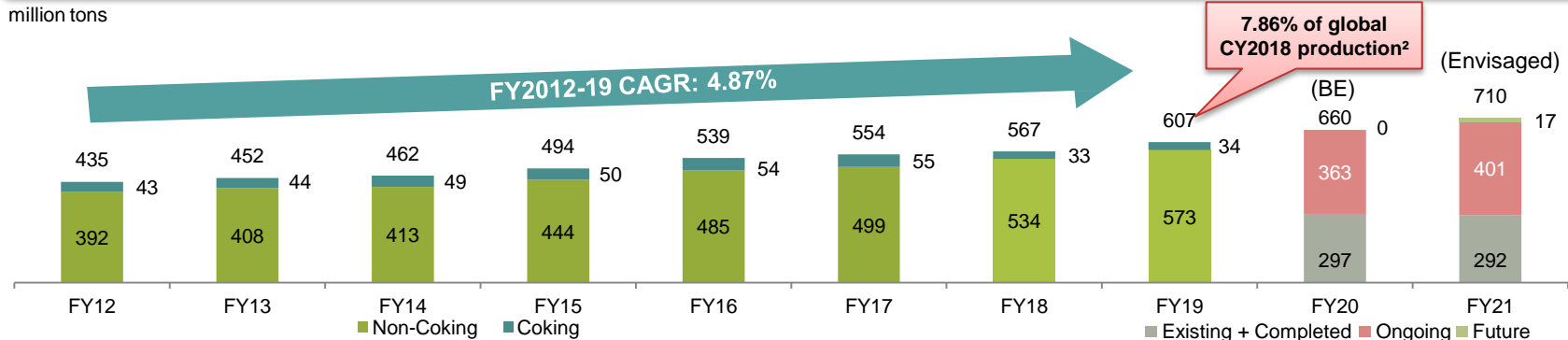
- Advanced technology in open cast mining
- Focus on meeting commitments to the power sector

<sup>1</sup> Largest listed coal company by annual production in FY2019 <sup>2</sup> Data as of April 1, 2013 based on the United Nations Framework Classification (UNFC) classification as measured and prepared by CMPDI Ltd, a wholly owned subsidiary of Coal India Limited. Total reserves do not include reserves in Mozambique <sup>3</sup> EBITDA (unaudited) has been calculated by adjusting (adding back) with profit before tax the finance cost, depreciation / amortization/ impairment, provisions, write-offs, prior period adjustments and extra-ordinary items, if any. EBITDA includes other income. EBITDA margin represents EBITDA as a percentage of Total Income (net of excise duty). ROAE FY19 calculated as the ratio of Profit after taxes to the average shareholders' equity for FY18 and FY19. <sup>4</sup> Coal India Annual Report 2019, BP Statistical Review



# 1 World's Largest Pure Play Coal Producer

## Largest Pure Play Coal Producer Globally<sup>1</sup>, Slated for Further Growth



- The growth in 2014-15 was 7%, Highest ever growth of 9.1% was achieved in 2015-2016 to reach a production level of 539 Mt & ~7% in 2018-19 reaching production level at 607 Mt
- Enhanced production from OC mines achieved through introduction of more number of Surface Miners and high capacity machines
- Incremental coal production by CIL during last 5 years (FY 2015 - FY 2019) was 113 MTs, compared to increment of 63 MTs during previous 5 years from FY11 to FY15

### Ongoing Projects

- 122 major ongoing Coal projects are under implementation:
  - Expected contribution of about 363 Mt in FY 2020; planned to reach level of 401 Mt in FY 2021
  - Operating large project-Kusmunda Opencast (50 MTY), Gevra Expansion Project (70 MTY), Dipka OC (25MTY), Bhubaneswari OC (25 MTY), Jayant (20MTY), Dhadhichua (20 MTY)

### Future Projects

- 55 new projects, with a targeted capacity of 196 MTY, have been identified in FY 2018-2019, out of which
  - Project reports of 32 projects are under formulation
  - Out of the balance 23 projects, 11 projects having ultimate capacity of 57.44 MTY have been approved

### Other Initiatives

- Investment in logistics and infrastructure for coal offtake
  - 8 major railway infrastructure projects to improve offtake from 3 growing coalfields in 3 subsidiaries
  - Development and construction of Major Road Infrastructure for Coal Transport
  - Capacity Enhancement of Rapid Loading Systems / Silo
  - Investment in larger size heavy earth moving machineries
  - Operator Independent Truck Dispatch Systems have been installed in 11 large Opencast projects in 4 subsidiaries

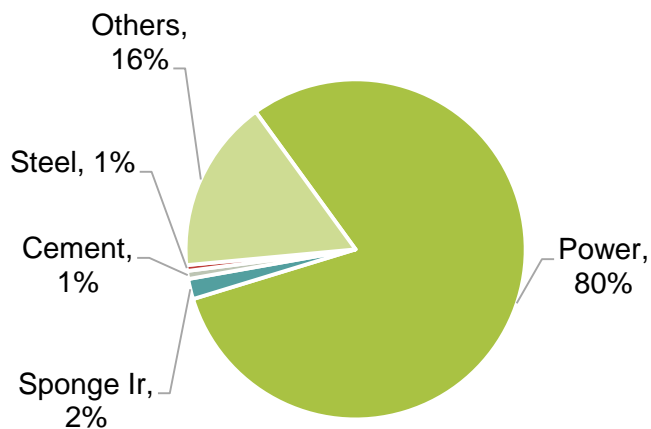
Note: FYE 31-March; Source: BP Statistical Review 2019, XI<sup>th</sup> 5 Year Plan published by the Planning Commission of India <sup>1</sup> Largest listed coal company by annual production in FY2019; <sup>2</sup> Global production data for year ended 31-Dec; Coal India production data for year ended 31-March; For comparison purposes with global production for Dec-2018, Coal India data for FY2019 has been used.; <sup>3</sup> Production data for FY17, FY18, FY19, FY20 & FY21 is based on Company data and not independently verifiable. There can be no assurance that this target / capacity will be reached.



2

## Growth Drivers In Place

### Sector Wise Demand of Coal\* (YTFY20 till August 2019)



### Demand Growth from End Industries

- Large energy deficit coupled with low per capita consumption expected to drive significant capacity additions in power sector
- Coal continues to serve the country as its primary commercial energy provider
- Coal is expected to account for most of the incremental power capacity in India
- Besides power, cement and steel industries are also expected to increase coal demand
- Collaboration with State Governments & Railways for 'Railway Linkages' at important coalfields
- Expected favorable demand from power & steel; Country adopts power for all 24x7



## 3A Extensive Mining Capabilities

### Exploration

- 0.465 million meters of drilling achieved in YTFY20 till Aug'19.
- Exploratory drilling in 64 CIL blocks / mines & 47 Non CIL/Captive block/mines in FY 2019-20 till Aug'19
- Capacity expansion & modernization of drills, supply orders for 7 Hi-tech Hydrostatic drills have been issued since Jan'18.
- Exploration and drilling expenses of INR 166.14 crore incurred in Q1FY20

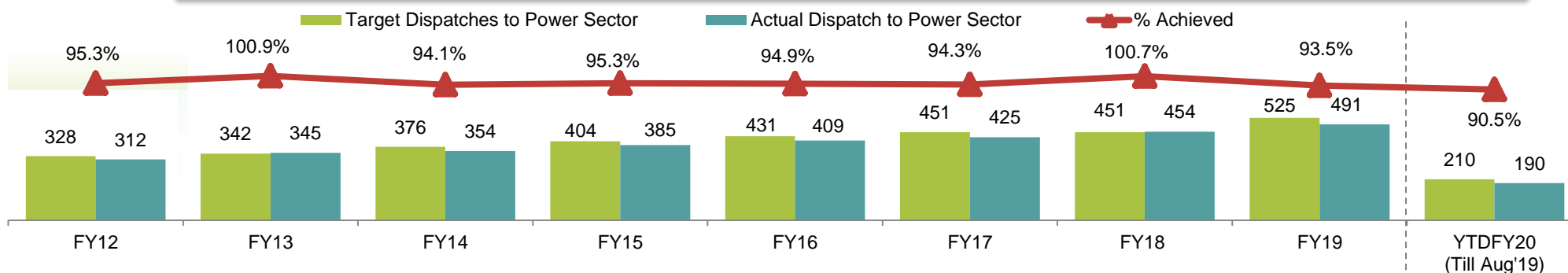
### Mining

- 364 mines owned
  - 180 open cast mines
  - 166 underground mines
  - 18 mixed mines
- Production in YTFY20 till August 2019 was 198 million ton from open cast mines and 12 million ton from underground mines
- Target for FY20: OC-628 Mt, UG- 32 Mt

### Beneficiation

- Operates 16 washeries
- 4 non-coking coal beneficiation facilities with throughput capacity of 16.22 mtpa
- 12 coking coal beneficiation facilities with throughput capacity of 22.18 mtpa
- Future Programme:** 17 new washeries, capacity 93.5 Mty
  - Coking – 8 Nos (26.5 Mty) + 2(8 Mty) being converted from non-coking to coking coal
  - Non-coking – 7 Nos (59 Mty)

### Focus On Meeting Target<sup>2</sup> Dispatches To The Power Sector



Source: Company data and filings

<sup>1</sup> As provided by the Company data and not independently verifiable

<sup>2</sup> Target Dispatches to the Power Sector as per Company's annual reports

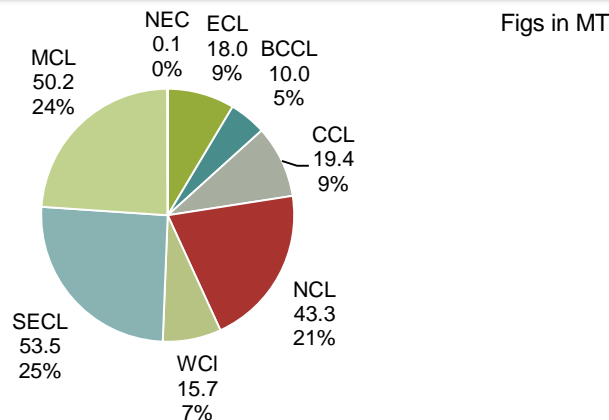
<sup>3</sup> Through in-house and outsourcing resources \*Provisional Data



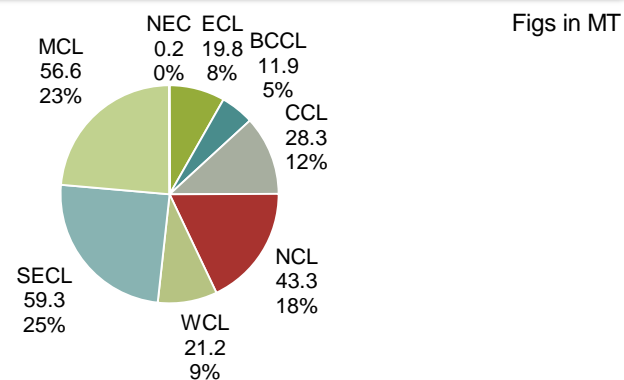
3B

# Subsidiary Performance during the current year

## Production Performance YTFY20 (Till 31<sup>st</sup> Aug'19)



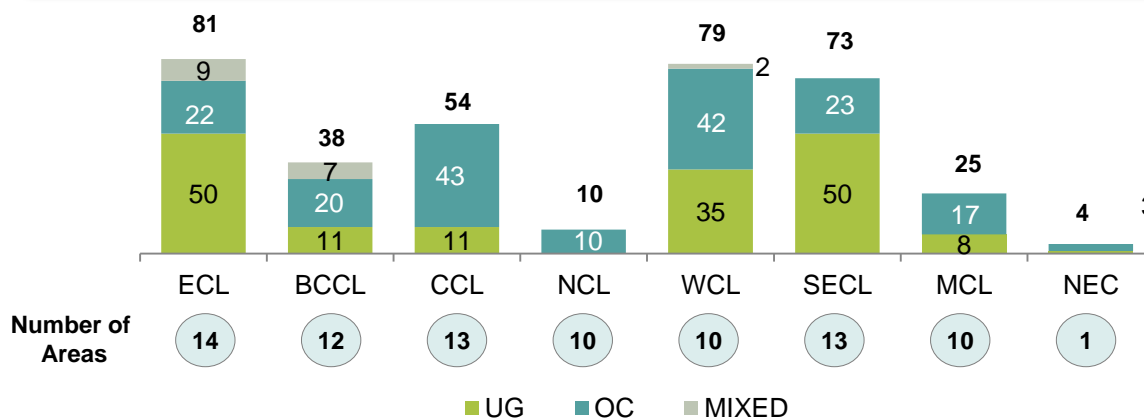
## Offtake Performance YTFY20 (Till 31<sup>st</sup> Aug'19)



## Manpower

Sub. Co.	01.09.2019
ECL	58,592
BCCL	44,956
CCL	39,014
NCL	14,809
WCL	41,275
SECL + DCC	53,686
MCL	22,166
NEC	1,315
CMPDIL	3,231
CIL HQ	894
<b>TOTAL</b>	<b>2,79,938</b>

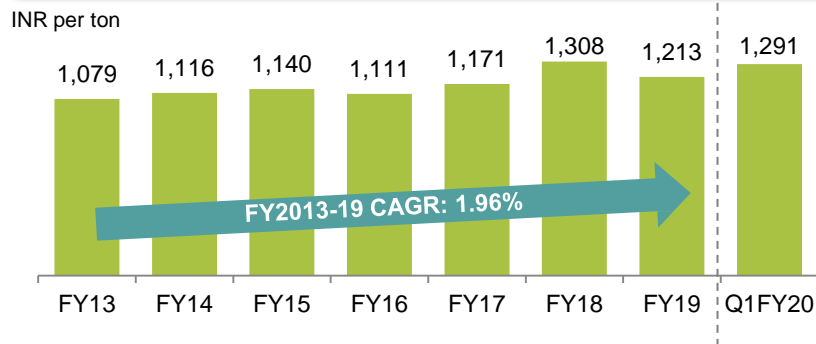
## Subsidiary-wise Number of Mines (As on 1<sup>st</sup> April, 2019)



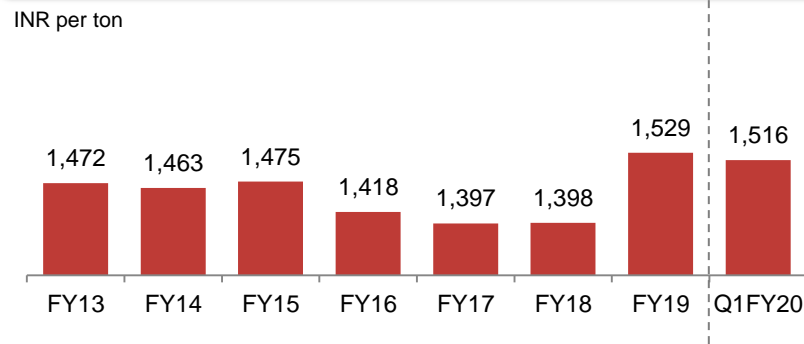


# 4 Operating Cost under Control with Stable Realizations

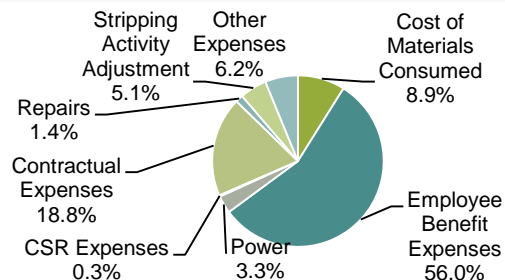
## Operating Cost per Ton<sup>1</sup>



## Average Sales Realizations<sup>2</sup>



## Q1FY20 Operating Expenditure Profile<sup>3</sup>



## Cost Efficiency Drivers

- Cost per ton under control
- Bulk of mining operations through opencast mines (OCM)
- Improving productivity & efficiency through use of higher capacity equipment for higher output
- Introduction of Operator Independent Truck Dispatch System in large OCMs

Note: Consolidated financials; Yearly audited financials upto FY2015 are prepared as per the then prevailing Indian GAAP, while audited financials from FY2017 are Prepared as per IFRS compliant Indian Accounting Standards-Ind AS and comparatives for FY2016 were restated as per Ind AS requirement on First Financial Statement. Further, FY2018 have been regrouped and restated as comparative in audited financial statement of FY2019, wherever required as per the provisions of Ind-AS. Similarly FY2019 have been regrouped and restated as comparative as per provisions of Ind-AS.

<sup>1</sup> Operating cost per ton calculated as ratio of total expenses adjusted for changes in inventories of finished goods/work in progress and stock in trade, finance costs, depreciation/amortization/impairment, provisions, write offs and excise duty (FY2018, FY2017 and FY2016, where excise duty is included in total expenses) to total raw coal production

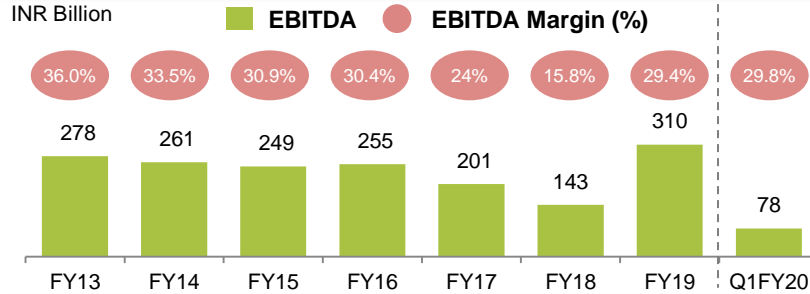
<sup>2</sup> Average realizations calculated as the ratio of net revenues from the sale of coal to the total dispatches during the period. The total sales/dispatches include raw coal, washed coal, coke and other products. <sup>3</sup> Breakup of Q1FY20 operating expenses, excludes changes in inventories of finished goods/work in progress and stock in trade, finance charges, depreciation / impairment, provisions, write-offs and excise duty. <sup>4</sup> FSAs are contractual Fuel Supply Agreements with third parties based on Company data



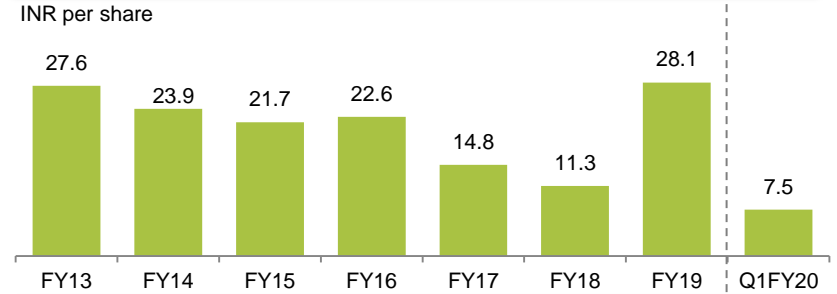
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## Positive Margins and Returns

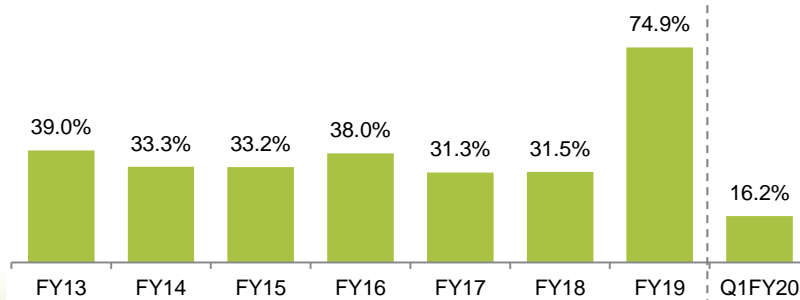
### EBITDA and EBITDA Margin (%)<sup>1</sup>



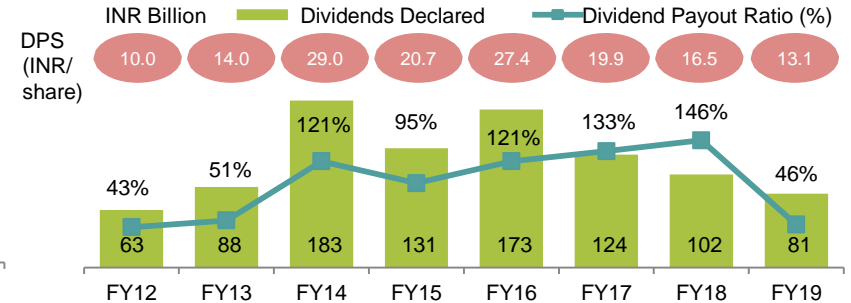
### EPS



### ROAE (%)<sup>2</sup>



### Dividends Declared & Payout Ratio



Coal India ranked #2 in Coal and Consumable Fuels Asian/Pacific region by Platts in 2019<sup>(3)</sup> on the basis of its financial performance

Note: Consolidated financials; Yearly audited financials upto FY 2015 are prepared as per the then prevailing Indian GAAP, while audited financials from FY 2017 are Prepared as per IFRS compliant Indian Accounting Standards-'Ind AS' and comparatives for FY 2016 were restated as per Ind AS requirement on First Financial Statement. Further, FY 2018 have been regrouped and restated as comparative in audited financial statement of FY 2019, wherever required as per the provisions of Ind-As. Similarly FY2019 have been regrouped and restated as comparative as per provisions of Ind-AS.

<sup>1</sup> EBITDA (unaudited) has been calculated by adjusting (adding back) with profit before tax the finance cost, depreciation / amortization/ impairment, provisions, write-offs, prior period adjustments and extra-ordinary items, if any. EBITDA includes other income. EBITDA margin represents EBITDA as a percentage of Total Income (net of excise duty). <sup>2</sup> ROAE calculated as the ratio of Profit after taxes to the average shareholders' equity for the current and the prior fiscal year. For FY16, 17, 18, 19 and Q1FY20 (i.e. in the financial statements prepared as per Ind-AS), profit after tax represents profit for the period attributable to owners of the company.<sup>3</sup> <https://top250.platts.com/Top250Rankings>



# 6 Organizational Commitment to Sustainable Development

<b>Social</b>	<ul style="list-style-type: none"> <li>Coal India being a responsive company, recognizes people affected by involuntary displacement due to mining activities and is committed to restore and improve income and living standard of affected families through monetary compensation, employment, R&amp;R benefits and infrastructure amenities in a transparent and equitable manner.</li> <li>CIL strives to maintain healthy relationship with all the stakeholders, primarily those affected by the operations of the company.</li> <li>CSR initiatives principally focused on project affected persons and persons living within 25km radius of project sites</li> <li>Main focus areas include healthcare, sanitation, education, environmental sustainability and conservation of natural resources, promotion of sports and projects for rural development</li> <li>Actual spent of INR 44.63 Cr to fund CSR activities up to Q1FY20</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>45 units and 6 companies are ISO 9001 compliant, 21 units<sup>1</sup> and 5 companies are ISO 14001 compliant, 21 units and 4 companies are OHSAS 18001 compliant, 32 Laboratories are ISO:17025 compliant, and 01 unit is ISO:50001 compliant.</li> <li>CIL HQ has been certified with ISO 9001:2015 (Quality Management System), ISO14001:2015(Environment Management System) &amp; ISO 50001:2011 (Energy Management System)</li> <li>Since 2008-09, Satellite Surveillance was introduced by CIL to assess status of backfilling, plantation in reclaimed areas including OBs, Social forestry, Distribution of waste land etc.</li> <li>Since inception, CIL has planted more than 97.65 million saplings in mine lease area till 2018-19 over an area of around 39,029 hectares through well structured Environment Management Plans</li> </ul>
<b>Safety</b>	<ul style="list-style-type: none"> <li>Preparation and implementation of Safety Management Plan (SMP) in all mines.</li> <li>Preparation and implementation of Principal Hazard Management Plan (PHMP).</li> <li>Conducting multi-disciplinary Safety Audit in all operating mines.</li> <li>Preparation of risk based site-specific Standard Operating Procedures(SOP)s for mining activities</li> <li>Scientific Study of pit slope &amp; OB dump of OC mines for stability.</li> <li>R&amp;D projects on mine safety.</li> <li>Mechanization of mining operation to minimize exposure of workmen.</li> <li>International exposure on rescue through participation in international mine rescue competition.</li> <li>Stress on training for upgrading of knowledge &amp; skill by SIMTRAS accredited trainers.</li> </ul>



**Working towards increasing acceptability of mining practices**



Source: Company data and filings as on 30<sup>th</sup> June, 2019

<sup>1</sup> Units are defined as mines, washeries, workshops, hospitals, training institutes etc.





**Thank You**

