COAL INDIA LIMITED

A Maharatna Company
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(Notice of the 51st Annual General Meeting and Integrated Annual Report for FY 2024-25)

Date: 22/08/2025

Name: - Arya Dukhande & Tanisha Jaiswal

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Introduction

Coal India Limited (CIL) is a state-owned coal mining corporation under the administrative control of the Ministry of Coal, Government of India. Established in November 1975, CIL is headquartered in Kolkata, West Bengal, and is the largest coal-producing company in the world.

The company operates through 84 mining areas spread across 8 states of India, with a network of subsidiary companies such as Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Northern Coalfields Limited (NCL), Mahanadi Coalfields Limited (MCL), and Central Mine Planning & Design Institute (CMPDI).

CIL contributes over 80% of India's domestic coal production, making it a backbone of the country's energy sector, as coal remains the primary source for electricity generation in India. The company plays a crucial role in ensuring energy security and supports industries such as power, steel, cement, and fertilizer.

It is a Maharatna company, a status that recognizes its financial and operational strength, and it is also listed on the BSE and NSE.

Scale & Reach

- World's Largest Coal Producer – CIL accounts for ~75–80% of India's total coal production, making it the single biggest coal-producing company globally.

- Production Volume – In FY 2024–25, India's total coal output crossed 1 billion tonnes, with CIL contributing the largest share.

- Extensive Mining Network – Operates through 7 wholly-owned subsidiaries and 1 mine planning consultancy, covering 8 states of India.

- Manpower Strength – Among the largest corporate employers in India with over 2.3–2.5 lakh employees.

- Market Reach – Supplies coal to key sectors such as power generation, steel, cement, and fertilizers, ensuring India's energy security.

- Distribution Infrastructure – Strong logistics via railways, roadways, and ports, supported by e-auction mechanisms to ensure wide market accessibility.

- Strategic Importance – Backbone of India's energy mix, meeting over half of the nation's primary commercial energy requirements.

Business Segments

1. Mining & Production

- Core segment: Exploration, extraction, and production of coal.
- CIL accounts for ~75–80% of India's total coal production.
- Operates 352+ mines (both underground & opencast).

2. Coal Beneficiation & Washeries

- Operates coal washeries to improve coal quality and reduce ash content.
- Supplies beneficiated coal to power plants, steel plants, cement, and other industries.

3. Power Generation (Through Subsidiary – NLCIL JV & Others)

- Entered into pit-head thermal power plants to diversify revenue streams.
- Collaboration with NTPC, NLC, and SECI for renewable and conventional power projects.

4. Trading & E-auction of Coal

- E-auction for non-core sector consumers (cement, steel, sponge iron, etc.).
- Special forward auctions for power sector.
- Spot e-auction, exclusive e-auction for specific industries.

5. Coal Bed Methane (CBM) & Clean Energy

- Involved in exploration and extraction of Coal Bed Methane.
- Investing in renewable energy projects (solar, wind, green hydrogen).
- Focus on carbon neutrality and diversification into cleaner fuels.

6. Consultancy & Services

- Provides consultancy in mine planning, design, environmental management, and R&D.
- Subsidiaries like CMPDI (Central Mine Planning & Design Institute**)** specialize in exploration & consultancy.

7. Fertilizer & Diversification Projects

- Revival of sick fertilizer plants (e.g**.,** Talcher Fertilizers Ltd.).
- Investments in chemicals and other non-coal businesses.

Strategic Role in India’s Economy & Energy Securities

Coal India Limited (CIL) plays a strategic role in India’s economy and energy security by meeting nearly 75–80% of the nation’s coal demand, ensuring stable fuel supply for power generation, steel, cement, and other core industries while reducing import dependency. As the principal supplier to thermal power plants, CIL supports around 50–55% of India’s electricity generation, thereby ensuring affordable power for households, industries, and infrastructure development. It acts as a key enabler of economic growth by sustaining industrial activity, generating large-scale employment in mining regions, and contributing significantly to government revenues through taxes, royalties, and dividends.

Beyond its economic contributions, CIL drives regional development through CSR initiatives that improve healthcare, education, and infrastructure in mining belts. Strategically, it is also leading India’s gradual transition towards sustainable practices, investing in cleaner mining technologies, coal gasification, renewable energy, and environmental restoration.

Recognition & Financial Stability

Coal India Limited (CIL), the world's largest coal producer and a Maharatna PSU under the Ministry of Coal, plays a vital role in ensuring India's energy security. It enjoys global recognition, featuring in the Fortune 500 and Forbes Global 2000 rankings, and is acknowledged for its efforts toward sustainability, mine safety, and renewable energy initiatives. Financially, CIL remains highly stable with annual revenues of over ₹1.5–1.7 lakh crore, consistent profitability, and strong EBITDA margins. The company is largely debt-free, ensuring robust liquidity and minimal financial risk, while also being one of the highest dividend-paying PSUs, contributing significantly to government revenues. Its strong market capitalization and investor confidence further reinforce its position as a financially sound and strategically important enterprise.

Global Footprint

🌍 **World's Largest Coal Producer** – CIL leads globally in coal production and reserves.

IN **Domestic Core, Global Recognition** – Operations are India-centric but acknowledged worldwide in the energy sector.

🌐 **International Ventures** – Explored mining opportunities in Mozambique, Australia, Indonesia, South Africa, and the USA.

🤝 **Global Partnerships** – Engaged in collaborations for technology, sustainability, and resource security.

📈 **Strategic Influence** – CIL's scale shapes India's position in global energy and climate discussions.

Company Overview

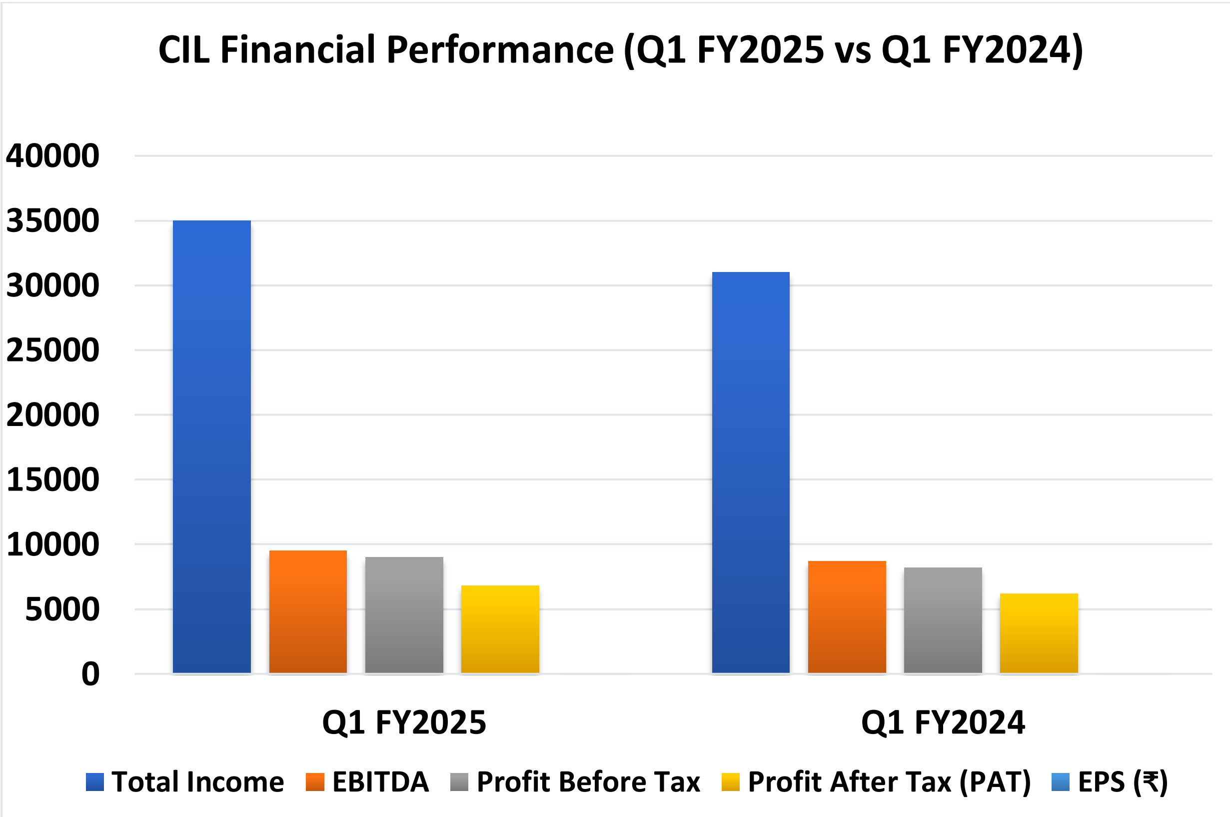
Attribute	Details
Name	Coal India Limited (CIL)
Founded	1975
Headquarters	Kolkata, West Bengal, India
Industry	Mining & Energy (Coal Production & Supply)
Ownership	Government of India (Majority shareholder through Ministry of Coal)
Business Areas	Coal mining, coal beneficiation, supply to power, steel, cement & other industries
Scale	World's largest coal producer; contributes ~75–80% of India's coal output
Vision	To emerge as a global player in the primary energy sector, committed to sustainable development and energy security for India

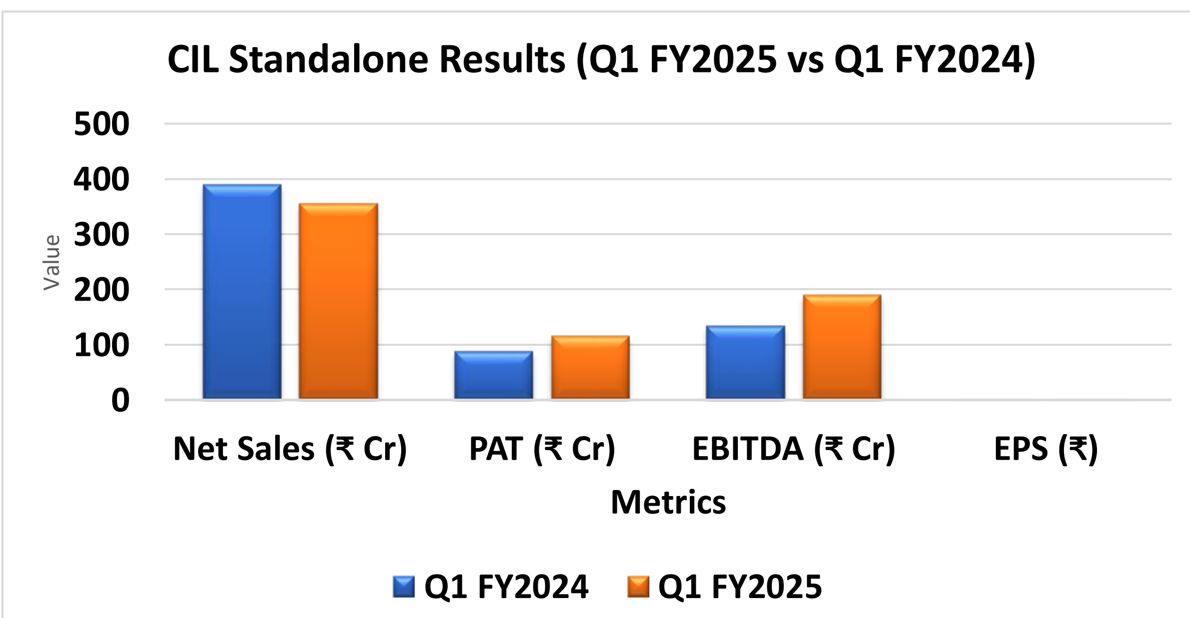
Standalone Financial Results Summary

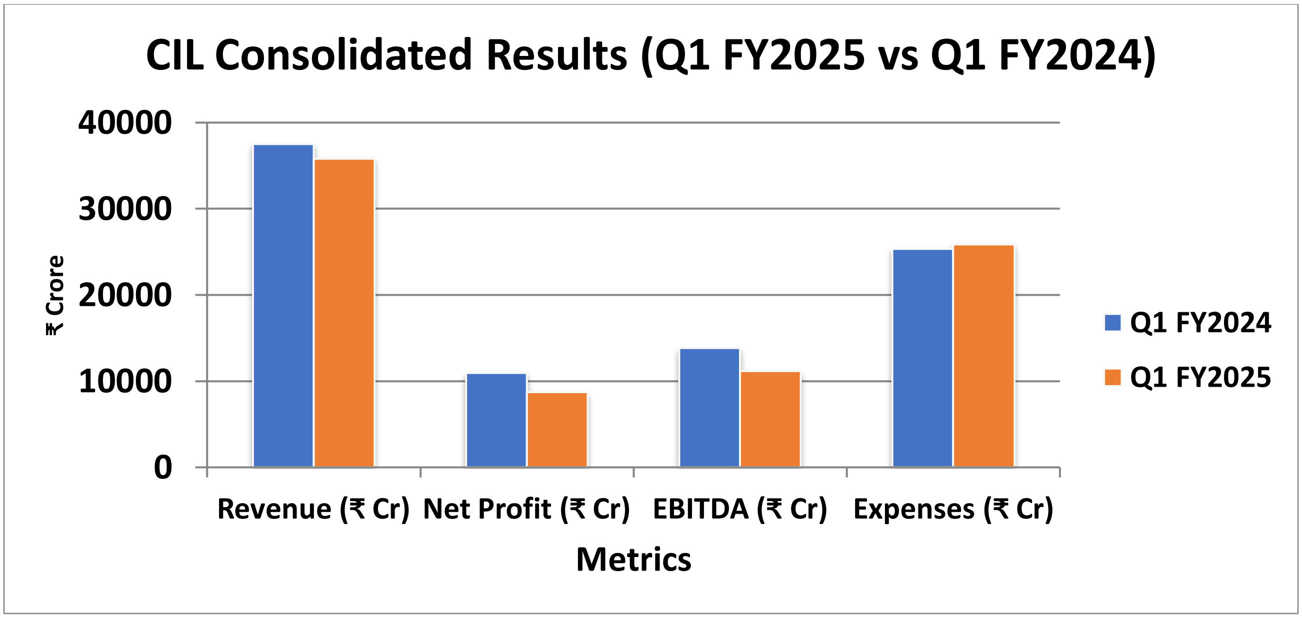
Metric	Q1 FY26	Q1 FY25	YoY Change (%)
Revenue from Operations	₹ 355.31 crore	₹ 389.71 crore	–8.83 %
EBITDA	— (not disclosed)	—	—
Profit Before Tax (PBT)	₹ 189.03 crore	₹ 133.88 crore	+41.2 %
Net Profit (PAT)	₹ 115.97 crore	₹ 87.46 crore	+32.6 %
EPS	— (not disclosed)	—	—

Consolidated Financial Results Summary

Metric	Q1 FY26	Q1 FY25	YoY Change (%)
Gross Sales / Revenue	₹35,842.19 crore	₹37,503.87 crore	–4.43 %
EBITDA	₹13,165 crore	₹15,478 crore	–15 %
Profit Before Tax (PBT)	₹11,709.15 crore	₹14,147 crore	–17 %
Net Profit (PAT)	₹8,734.17 crore	₹10,943.55 crore	–20.19 %
Consolidated EPS	₹14.19	—	—


CIL Financial Performance (Q1 FY2025 vs Q1 FY2024)
40000
35000
30000
25000
20000
15000
10000
5000
0
Q1 FY2025
Q1 FY2024
Total Income
EBITDA
Profit Before Tax
Profit After Tax (PAT)
EPS (₹)


CIL Standalone Results (Q1 FY2025 vs Q1 FY2024)
Value
500
400
300
200
100
0
Net Sales (₹ Cr)
PAT (₹ Cr)
EBITDA (₹ Cr)
EPS (₹)
Metrics
Q1 FY2024
Q1 FY2025



Key Highlights & Insights

1. **Market Leadership:** World's largest coal producer, contributing ~75–80% of India's total coal output.

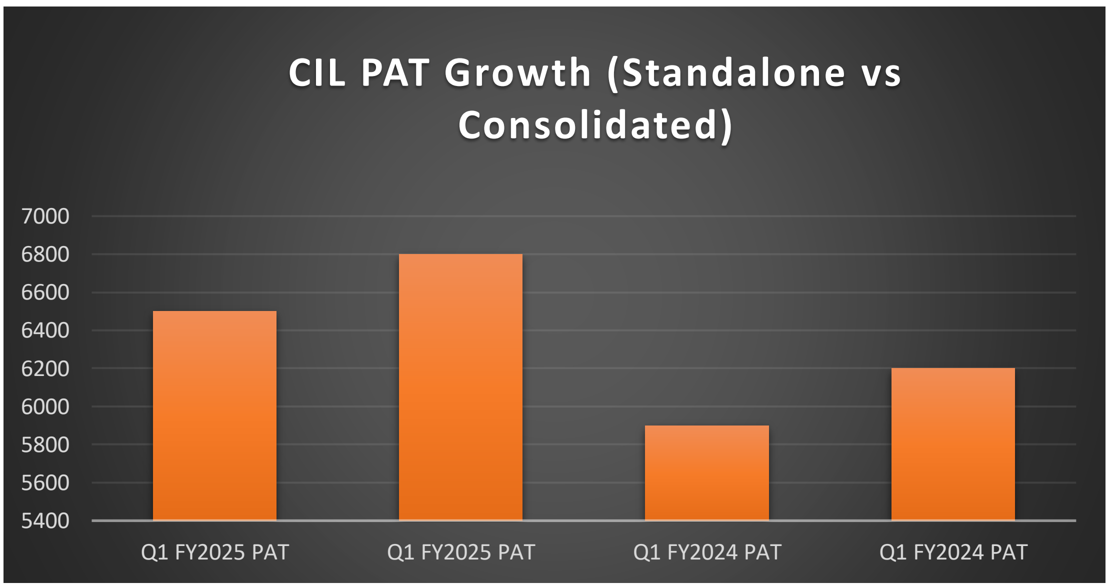
2. **Strategic Role:** Supplies ~50–55% of India's electricity generation needs by fueling thermal power plants.

3. **Financial Strength:** Consistently among India's top profit-making PSUs, with strong revenue and healthy dividend payouts to the Government of India.

4. **Energy Security Backbone:** Acts as a critical enabler of India's self-reliance in energy by ensuring steady coal supply.

5. **Sustainability Push:** Investing in coal gasification, solar power, and mine reclamation projects to diversify and align with India's green energy goals.

6. **Financial Reliability:** Strong dividend history makes it a preferred PSU for government revenue and retail investors.



Strategic Business Initiatives

1. Production & Modernization – Expanding mines, adopting mass production technologies, and automating operations.

2. Renewable Energy & Sustainability – Targeting ~3,000 MW solar by 2030, mine reclamation, and eco-friendly mining.

3. Coal Gasification & Diversification – Developing coal-to-chemicals, fertilizers, and methanol projects.

4. Logistics & Infrastructure – Strengthening rail connectivity, first-mile connectivity, and rapid loading systems.

5. Digital Transformation – Using AI, drones, ERP, and smart mining technologies for efficiency.

6. Global Partnerships & CSR – Exploring overseas opportunities, technology collaborations, and community development.

Industry & Regulatory Outlook

- **Industry Outlook**

- India's coal demand continues to grow, driven mainly by the power and industrial sectors.
- CIL achieved record production (~781 MT in FY24–25) and is targeting ~1 billion tonnes by FY28–29.
- Domestic output expansion is reducing dependence on costly thermal coal imports.
- Market risks remain from price fluctuations, cyclical demand, and rising renewable energy competition.

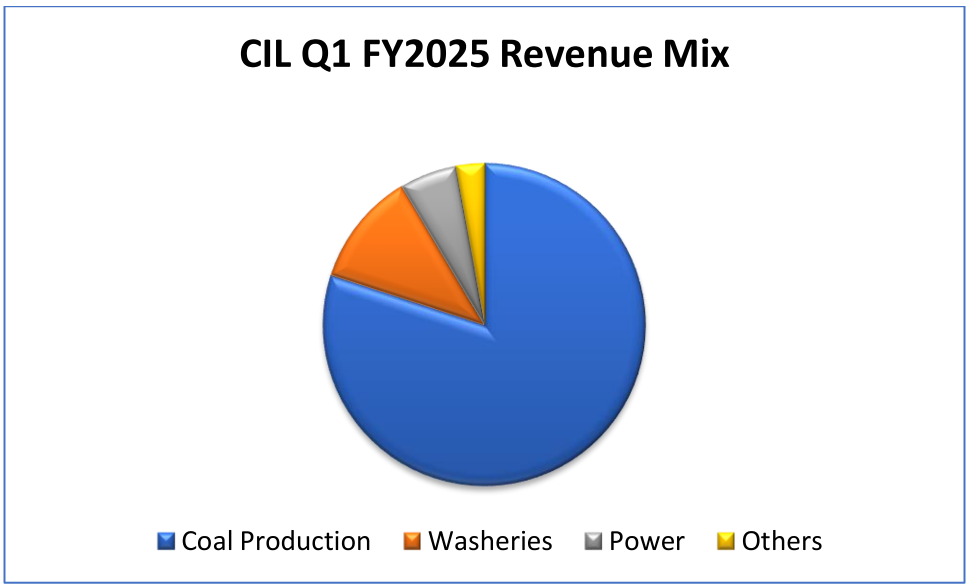
Regulatory Outlook

- Government pushing faster operationalization of coal mines with streamlined allotments and permissions.
- Revised SHAKTI coal distribution policy improving transparency and fuel supply security for power plants.
- Plans for a Coal Trading Exchange and digital platforms to enhance efficiency and market transparency.
- Stronger safety, closure, and environmental compliance norms for mines.
- Policy support for coal gasification, beneficiation/washeries, and underground mining to promote cleaner and value-added coal use.

Investment Insights

- **Financial Stability:** Monopoly position in domestic coal mining with strong government backing ensures predictable demand and steady cash flows.
- **Dividend Yield:** Known for high dividend payouts, CIL remains attractive for income-focused investors seeking regular cash returns.
- **CapEx-Driven Growth:** Ongoing investments in mechanization, mine development, and renewable energy diversification (solar projects) support medium-to-long-term growth.
- **Valuation Comfort:** Trades at reasonable valuation multiples, supported by robust free cash flows, government ownership, and strategic importance in India's energy security.

- **ESG Considerations:** While coal has high environmental impact, CIL is investing in cleaner technologies, mine closure management, and renewable projects to improve ESG profile.
- **Risks to Watch:** Declining global coal demand, environmental regulations, shift towards renewable energy, and potential volatility in global commodity prices.



Conclusion

Coal India Limited (CIL) continues to be the backbone of India's energy ecosystem, ensuring energy security by meeting the majority of the nation's coal demand while maintaining its position as the world's largest coal producer. Despite short-term challenges such as fluctuating revenues and rising competition from renewable energy, the company's strong fundamentals, government backing, and consistent dividend track record reinforce its strategic and financial stability.

CIL's proactive investments in mine modernization, coal gasification, diversification, and renewable energy highlight its commitment to both sustaining its core operations and aligning with India's long-term green energy transition. With robust free cash flows, significant market influence, and a forward-looking sustainability roadmap, Coal India is well-positioned to balance its traditional strengths with emerging opportunities.

Going ahead, while environmental and regulatory challenges may pose risks, the company's focus on innovation, operational efficiency, and ESG-driven growth initiatives will remain critical to maintaining its leadership in India's energy sector and creating long-term value for stakeholders.