

कोल इण्डिया लिमिटेड महारत्न कंपनी 3 तल्ला, कोर-2 प्रेमिसेस-04-एमआर, प्लॉट-ए एफ-III, एक्शन एरिया-1A, न्यूटाउन, रजरहट, कोलकाता-700156 फोन 033-23246526, फैक्स-033-23246510 ईमेल: mviswanathan2@coalindia.in वेबसाइट: www.coalindia.in		Coal India Limited A Maharatna Company (A Govt. of India Enterprise) Regd. Office: 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: mviswanathan2@coalindia.in WEBSITE: www.coalindia.in CIN- L23109WB1973GOI028844
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Ref.No.CIL:XI(D):04157:2015: 11 089

Dated: 24th Sep'2015

To,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sir,

Sub: Annual General Meeting Proceedings of Coal India Limited for 2014-15
Reference: ISIN – INE522F01014

Further to our letter no. CIL:XI(D):04157:2015:10812 dated 17th Aug.'2015, the 41st Annual General meeting of Coal India Limited was held on **Wednesday, the 23rd September'2015 at 10.30 A.M** at the **Science City**, Main Auditorium, JBS Haldane Avenue, Kolkata-700046. As per the AGM notice dated 4th July'2015 enclosed alongwith Annual Report & Accounts 2014-15, **Seven (7)** proposals were proposed, considered and approved by shareholders as under:-

- (1) Audited Financial Statements (**Standalone and Consolidated**) of the Company for the financial year ended March 31, 2015 including the Audited Balance Sheet as at March 31, 2015 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.
- (2) Confirmation of Interim dividend of **Rs. 20.70** per share on face value of Rs. 10/- per share as final dividend for the financial year 2014-15.
- (3) Re-Appointment of Shri R Mohan Das [DIN-01594255] who retired by rotation in terms of Section 152(6) of the Companies Act, 2013 and Article 39(j) of Articles of Association of the Company and being eligible, offered himself for reappointment.

M. B.

- (4) Re-Appointment of Shri N. Kumar [DIN-02624808] who retired by rotation in terms of Section 152(6) of the Companies Act, 2013 and Article 39(j) of Articles of Association of the Company and being eligible, offered himself for reappointment.
- (5) Appointment of Shri Sutirtha Bhattacharya as Chairman and Managing Director of the company, to hold office for the balance period of his appointment i.e. upto 31st August'17 from the date of this General Meeting or until further orders from Govt. of India, whichever is earlier.
- (6) Appointment of Shri Chandan Kumar Dey as a wholetime Director of the Company, to hold office for the balance period of his appointment i.e. upto 30th September'18 from the date of this General Meeting or until further orders from Govt. of India, whichever is earlier.
- (7) Ratification of remuneration payable to Cost Auditor appointed by the Board of Directors of the Company, to conduct audit of cost records of the Company for the financial year ending March 31, 2016.

We are also enclosing a copy of Chairman's Speech delivered at the 41st Annual General Meeting of the Company.

This is being sent under clause under clause 31(d) of the listing Agreement. This is for your information and records please.

Yours faithfully,

M. Viswanathan
28/9/18

(M.Viswanathan/एम.विस्वनाथन)

Company Secretary/कंपनी सचिव
& Compliance Officer/कम्प्लायंस ऑफिसर

Encl:As above

CHAIRMAN'S SPEECH

Dear Members,

I am pleased to welcome you today, on behalf of the Board of Directors of your company, Coal India Limited, at its 41st Annual General Meeting. My sincere thanks to all of you for being with us on this occasion.

The Annual Report for the Financial year ended 31st March, 2015 along with Director's Report, Audited Annual Accounts and Statutory Auditor's report are already with you and with your permission I assume them to be taken as read.

I am listing out some of the highlights achieved during 2014-15 by your company:

- a. Coal India achieved a production of 494.24 Million Tonnes of coal registering a growth of 6.88%, removing 886.53 Million Cubic Metres of Over Burden. The growth in overburden removal has been 9.92%. The company achieved an off-take of 489.38 Million Tonnes clocking a growth of 3.77%.
- b. All the subsidiaries of Coal India achieved growth in production compared to the last year. The growth in overburden removal, an important performance criterion, has been impressive all across Coal India. All subsidiary companies excepting one had recorded growth in off-take compared to the last year.
- c. You will be glad to know that, Eastern Coalfields Limited came out of BIFR and Bharat Coking Coal Limited was awarded Mini Ratna status.
- d. Government of India divested further 10% of its holding in Coal India in January 2015 realizing an amount of Rs 22,557 crores. This was the highest divestment amount received by the Government of India by selling its stake in any company till date.
- e. Your Company Board had approved 7 Coal Projects having an annual capacity of 73.42 MT.
- f. Project Report for setting up a Super Critical Thermal Power Project (2X800MW) at Mahanadi Coalfields Limited namely Mahanadi Basin Power Limited was approved by your Board.

1. Importance of coal and Coal India Limited

Globally, coal's contribution towards primary commercial energy is around 30% and coal helps generate 40% of world's electricity. In the Indian context, the importance of coal scales-up higher than the global average. In India, coal is the most dominant energy fuel meeting around 50% of country's primary commercial energy. Around 72% of the entire power generated in the country is coal based. The pivotal role of coal is expected to continue in the foreseeable future, primarily because of abundance of coal reserves, easy availability and affordability. As of 1st April 2015, the estimated geological resource of Indian coal stood at 306.59 Billion Tonnes.

And, Coal India Limited is at the vanguard of country's coal production, producing around 82% of the country's entire coal output. Coal India virtually empowers the power

sector in the country with nearly 78% of Coal India's entire supplies catering to power utilities of the country. 97 out of 100 Thermal Power Stations in the country receive coal from Coal India.

2. Accomplishments 2014-15

As I highlighted earlier, during 2014-15, Coal India produced 494.24 Million Tonnes of coal. You will be happy to know that stepping into a higher growth trajectory the increase in absolute terms, FY ending 2015, was nearly 32 Million Tonnes which is the highest ever incremental increase in a single financial year since the inception of the company. The 32 Million Tonne increase is also more than the incremental growth achieved during the previous four financial years combined.

Raw coal off-take during 2014-15 was 489.38 Million Tonnes, an increase of 17.80 Million Tonnes on a year-on-year comparison.

Despatch of coal and coal products, to power utilities of the country during 2014-15, registered a healthy growth of 8.9%. Coal supplies from Coal India as a whole surged ahead to 385.40 Million Tonnes which is an increase of 31.57 Million Tonnes, compared to 353.83 Million Tonnes achieved in 2013-14.

Other positives:

- (i) Eastern Coalfields Limited came out of BIFR.
- (ii) Bharat Coking Coal Limited was conferred the Miniratna status.
- (iii) Three new opencast mines Amrapali and Konar in Central Coalfields Limited, Makardhokra 1, Bhanegaon and Panganga in Western Coalfields Limited, and Jampali in South Eastern Coalfields Limited went operational.

Financial Performance:

Your company is one of the highest contributors to the government ex-chequer in the country to both - federal and state governments. Coal India paid a corporate tax of Rs.9572.05 Crores to Government of India in 2014-15, one of the highest cash payouts among the Indian corporate sector.

Coal India and its subsidiaries have also paid/adjusted Rs.21,482.21 crores towards Royalty, Cess, Sales Tax and other levies.

During 2014-15, Coal India as a whole earned a pre-tax profit of Rs.21,583.92 crores and a Profit After Tax of Rs. 13,726.70 crores.

Your company paid an interim dividend of Rs 20.70 per share during 2014-15. The total outgo from the company was Rs.13,074.88 crores of which Government of India which held 79.65% of company's shares, at that time, received Rs.10,414.14 crores. In addition, Government of India also received dividend distribution tax of Rs 2,526.30

crores from CIL and its subsidiaries, thus making the total inflow to Government of India Rs. 12,940.44 crores.

3. Strategies for Growth

Coal India is faced with challenging targets in the ensuing years. Going forward now on, to meet the production targets, Coal India needs to step into double digit growth from that of around 7% achieved during 2014-15. It is with a feeling of satisfaction, I share with you that during the first quarter of 2015-16, that is April till June, Coal India's production growth was consistently in double digits in each of the three months. The company ended the Quarter 1 on a high note of 12% growth.

To sustain the growth momentum in its production and target achievements in the future, your company has formulated multi-pronged strategies.

(i) Critical Railway Links - Collaboration with State Governments & Railways

There are coalfields under Coal India which have large deposits of coal and huge production potential but are not properly connected through rail links for evacuation of the coal. Three such coalfields that are expected to play critical role in coal production once, the rail links are commissioned are in Central Coalfields Limited (Jharkhand), Mahanadi Coalfields Limited (Odisha) and South Eastern Coalfields Limited (Chattisgarh).

In a synergic effort with respective State governments and railways, Coal India is actively pursuing the progress of these railway links. Special Purpose Vehicle (SPVs) have been formed in a tripartite partnership between Ministry of Railways, Ministry of Coal and the respective State governments with a win-win strategy for all the stakeholders. Coal India Limited through its subsidiaries, Railways nominated agency and the concerned State Govt. agency will form SPV and construct arterial lines as a Railways concessionaire.

(ii) Technology Development

(A) Geology

We propose to have

- 1) more use of Hydrostatic Drilling for high rate - presently 8 are in operation and 5 more are to be added by 2016-17.
- 2) more use of geophysical loggers - 5 in operation and 5 more by 2015-16.
- 3) optimisation of number of coring boreholes based on the complexity of geology of the block.
- 4) more use of 2D/3D Seismic Survey Technology.

(B) Opencast Mines

We propose to promote more of

- 1) High capacity equipment.
- 2) Operator independent Truck Dispatch Systems.
- 3) Vehicle Tracking System using GPS/GPRS.
- 4) CHP and SILOS for faster loading.
- 5) Monitoring using Laser Scanners

(C) Underground Mines

We propose to pursue

- 1) Continuous Miner Technology on large-scale.
- 2) Long-wall Technology at selected places.
- 3) Man Riding system in major mines.
- 4) Use of Tele-monitoring techniques.

(iii) Role of HR

Human Resource has to play an active role if your company has to achieve the challenging targets in future. HR Division had identified various areas that would supplement Coal India's efforts in this regard and is charting out a plan of recruiting multi-disciplinary professionals, skill upgradation for existing employees, identifying areas of improvement and such.

Your company had signed a Memorandum of Understanding with National Skill Development Corporation (NSDC) to promote special education and employment enhancing vocational skills.

4. Other Improvement Areas

(i) Coal Washing - A step towards Quality improvement

With limited scope of product differentiation, competitiveness of generic products like coal primarily centers around quality and price. To make the product better qualitatively, your company has decided to bring in consistency in quality by setting up coal washeries which will result in reducing the ash content and improved consumer satisfaction. This would also be in sync with environment friendly measures. NEERI has been engaged to guide us in the process.

At present, Coal India has a total coal washing capacity of 36.8 million tonnes per year through 15 existing washeries, of which 12 are coking and 3 are non coking with 23.30 MTY and 13.50 MTY capacities respectively.

In addition, your company plans to set up 15 washeries having state-of-the-art and innovative technology in coal beneficiation with an aggregate throughput capacity of 112.6

million tonnes per year. Out of these, 6 are coking coal washeries with a cumulative capacity of 18.6 million tonnes per year, and the rest 9 are non-coking coal washeries.

(ii) System Improvements

E-procurement will be universalized and more effectively implemented. ERP as a route towards organisational synergy will be fast tracked.

Your company has already adopted a host of ICT initiatives to make internal processes IT driven and to enhance all round system efficiency and transparency to improve employee, customer and vendors' satisfaction.

We have put in place electronic surveillance initiatives to keep watch on coal stock and track the coal loaded vehicles. Major initiatives include:

- (a) GPS/GPRS based VTS (Vehicle Tracking System) on coal transport vehicles.
- (b) OITDS (Operator Independent Truck Dispatch System).
- (c) Installation of CCTV at vulnerable points like entry/exit points, coal stock yards, railway sidings, material stores, explosive magazines and important offices.
- (d) RFID based boom barriers.
- (e) Wide Area Networking for connecting all the Mines, Projects, Sidings, Weigh Bridges and HQ through dedicated network for data transfer and Coalnet implementation.
- (f) Installation of in-motion Weigh Bridges with RFID tags.
- (g) Weigh Bridge connectivity for weight tracking.
- (h) Geo-fencing of mine areas.

Your company is also adopting improved measurement system of coal and OB through 3D Terrestrial Laser Scanner System for greater accuracy. Other initiatives include project monitoring system, land management system, integrated business solutions, document digitization management and archival system etc.

For greater employee satisfaction, initiatives like Grievance Management System, EIS (Executive Information System), Online filing of APR, Online PRIDE/PAR (Performance Appraisal Report), Online Vigilance Clearance System, Online CPRMSE (Coal India post-retirement medical scheme for executives) have been undertaken.

5. Green Initiatives

Your company is conscious of its commitment towards environment and ecosystem. The company strives to give back to the nature to the extent possible what has been pried away from her. Coal India takes appropriate measures to mitigate the impact of mining and associated activities in accordance with EIA / EMP of each project.

Coal India has created a green wealth of about 82 million plants including 15.74 Lakhs saplings planted during 2014-15. Satellite surveillance has been adopted for monitoring reclamation activities of 50 major Open Cast Projects producing 5 Million Cubic Metres or more of Coal and OBR every year. For projects of less than 5 Million Cubic Metres

per annum capacity the same is done once in every 3 years. It is evident from satellite surveillance that reclaimed land area has increased by 6.85 sq.km during 2014 in 50 major OCPs.

Study of National Remote Sensing Centre (NRSC), ISRO, Hyderabad in 2013 reveals that the fire area in Jharia Coalfields had reduced from 8.9 sq km (as assessed in Master Plan) to 2.0 sq km after undertaking various methods while implementing the Master Plan.

6. Safety – Always a priority

Safety of miners and mines remains a top priority concern for your company. In pursuit of higher production no compromise would be made on safety facet. Your company has a well-defined safety policy to ensure safety in all mines and establishments. The fatality rate per million tonne of coal produced has reduced by 30.77% and serious injury rate per million tonne has reduced by 11.63% in 2014 compared to its previous year. The endeavour is to elevate safety standards radically further, since in this regard there could be only 'Zero Accident' as the goal.

7. Corporate Social Responsibility

Corporate Social Responsibility apart from improving the quality of lives of people is also to take them along towards the goal of the company by partnering with them. While pursuing the enhancement of Coal production, CSR is being undertaken to have inclusive growth of villagers and the affected communities.

(i) Coal India and its subsidiaries have spent Rs. 298.10 Crores in FY ending 2015 on CSR initiatives.

(ii) Your company has taken an initiative towards Swachh Vidyalay Abhiyaan by way of construction of 48,735 toilets in 30,340 schools.

(iii) Coal India in a tie-up with Tata Medical Centre (TMC) has sanctioned Rs.41.11 Crores for construction of "Premashraya" a ten storied building, in Kolkata, which provides housing facilities for economically weak outstation patients visiting TMC for treatment. The facility is also extended to the relatives of the patients who accompany them. Apart from patient stay units, the building also has palliative care cubicles, child care centres, counselling rooms and physiotherapy facility.

(iv) Your company has signed an MoU with The Energy and Resources Institute (TERI), New Delhi, at a project cost of Rs. 32.92 Crores, for execution of development works in 40 villages of backward district of Purulia, West Bengal. The activities as identified by Planning Commission include clean energy cooking solutions, solar street lighting, agriculture and greening, training, income generation programmes, sanitation improvements, knowledge-cum-recreational centers etc.

(v) Coal India is setting up an Indian Institute of Information Technology (IIIT) at Kalyani in West Bengal, as one of the industrial partners on PPP model, with a contribution of Rs 6.40 Crores towards the project.

(vi) Your company has also funded -

- a) Alipurduar Municipality for setting up a Water Treatment Plant for the under privileged people of Alipurduar Municipality, West Bengal at a cost of Rs.78.40 Lakhs.
- b) Ramkrishna Mission Sevashram, Muzzafarpur, Bihar for construction of 100 bedded charitable Eye, E&T and Dental diagnostic Centres at a cost of Rs.4.93 Crores.
- c) National Institute of Larger Awareness (NILA), Assam for promotional and preventive health care through awareness programmes in rural population where literacy is low, at a cost of Rs.31.51 Lakhs.
- d) National Charitable Society, Pratapgarh, U.P. for installation of 50 Solar Powered Street lights and 50 hand pumps at a cost of Rs.30.45 Lakhs.
- e) Sunebeda Area Development Agency (SADA), Odisha for providing Bicycles to 12,000 Households at a cost of Rs.3.60 Crores.

8. Corporate Governance

Your company complied with the conditions of Corporate Governance, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India and Clause 49 of the Listing Agreement with the Stock Exchanges except for appointment of Independent Directors. As required under the said guidelines and provisions, a separate section on Corporate Governance has been added to Directors' Report and a Certificate regarding compliance of conditions of Corporate Governance has been obtained from a Practising Company Secretary.

Coal India has conducted Secretarial Audit for 2014-15, as required under Companies Act 2013 and the Secretarial Audit Report formed a part of Directors Report.

9. Vision

Your company's vision is to ensure that there is no shortage of coal in the country and make the country self reliant in coal. Not an easy task, but having been entrusted with a noble mission, Coal India aims to put in its best efforts in this commitment and is laying a strong foundation for that. We endeavour to traverse the path with that firm commitment.

10. Acknowledgement

On behalf of your Company's Board of Directors, I wish to convey my deep gratitude to you, our valued shareholders, for your continued support and trust. This motivates us to excel in all our pursuits and constantly create value for you as well as for the nation.

I appreciate the unstinted support and valuable guidance received from the Ministry of Coal, Government of India. I also express my sincere thanks to other Central Government Ministries and Departments, State Governments, all employees, Trade Unions, consumers and suppliers for their whole hearted co-operation and support.

Thank you

Jai hind!

Sutirtha Bhattacharya
Chairman