

Coal India net zooms 106% on higher sales

Coal India's (CIL's) net profit for the June-September quarter this financial year jumped 106 per cent to ₹6,044 crore against ₹2,933 crore during the same period year ago.

The rise comes on the back of increased sales of coal during the peak demand months, coupled with a rebound in power demand after Covid years. The revenue of the miner increased 28 per cent year-on-year (YoY) to ₹29,838 crore during the second quarter of the current financial year. In the April to September period, the rev-



enue rose by 33 per cent. The company's profit for the first half of the fiscal year spiked 143 per cent to ₹14,878 crore.

According to the company's presentation to investors, it registered a sale of 154 million tonnes (mt) of coal amounting to ₹27,538 crore with an average realisation of ₹1,781 per tonne.

During the April-October period, CIL's coal production increased 17 per cent to 350 mt YoY. Offtake of coal rose 6 per cent annually to 385 mt during the April to October period. **SHREYA JAI**

Date - 08-11-2022

Publication - Business Standard (Hindi)

कोल इंडिया का शुद्ध लाभ 106 फीसदी बढ़ा

कोल इंडिया लिमिटेड का एकीकृत शुद्ध लाभ चालू वित्त वर्ष की दूसरी तिमाही में 106 फीसदी उछलकर 6,044 करोड़ रुपये पर पहुंच गया। इससे पिछले वित्त वर्ष की दूसरी तिमाही में कंपनी ने 2,932 करोड़ रुपये का मुनाफा कमाया था। सार्वजनिक क्षेत्र की खनन कंपनी की शुद्ध बिक्री 2022-23 की सितंबर तिमाही में 29 फीसदी बढ़कर 27,538 करोड़ रुपये हो गई। एक साल पहले की समान तिमाही में यह 21,292 करोड़ रुपये थी। कोयले की वैश्विक स्तर पर कमी के कारण अधिक मांग से नीलामी में प्राप्ति बेहतर रही है, जिससे कंपनी का लाभ बढ़ा है। वहीं पिछली तिमाही यानी चालू वित्त वर्ष की पहली तिमाही की तुलना में दूसरी तिमाही में कंपनी का शुद्ध लाभ घट गया। तब कंपनी ने 8,834 करोड़ रुपया का मुनाफा कमाया था। दूसरी तिमाही के दौरान कंपनी का कुल खर्च 23,770 करोड़ रुपये रहा। बीते वित्त वर्ष यह 20,424 करोड़ रुपये था। कंपनी ने सितंबर तिमाही के दौरान ई-नीलामी से 1.36 करोड़ टन कोयला बेचा।

Date - 08-11-2022

Publication - Financial Express

Coal India profit more than doubles to ₹6,044 cr

STATE-OWNED CIL on Monday reported a 106% jump in its consolidated profit at ₹6,043.99 crore in the September quarter on higher revenue from operations.

The public sector enterprise had posted a consolidated profit of ₹2,932.73 crore in the year-ago period, Coal India said in a filing.

The consolidated revenue from operations during the July-September period of this year increased to ₹29,838.07 crore from ₹23,291.08 crore in the year-ago period, the BSE filing said.

The consolidated expenses of the coal behemoth increased to ₹23,770.12 crore from ₹20,424.52 crore in the year-ago period.

On a standalone basis, the company's profit in the second quarter increased to ₹2,694 crore, over ₹1,813.13 crore in the year-ago period.

The standalone sales increased to ₹164 crore in the quarter from ₹0.84 crore in the year-ago period.

—PTI

Date - 08-11-2022

Publication - The Economic Times

■ Coal India Profit More than Doubles to ₹6,044 crore

NEW DELHI Coal India (CIL) on Monday reported a 106% jump in its consolidated profit at ₹6,044 crore in the September quarter of FY23 on higher revenue from operations. The public sector enterprise had posted a consolidated profit of ₹2,932.7 crore in the year-ago period, CIL said in a filing to BSE.

Date - 08-11-2022

Publication - The Hindu Business Line

Coal India Q2 profit surges 106%

Our Bureau

Kolkata

Riding on the back of a higher volume growth and better realisation from e-auctions and imported coal, Coal India Ltd posted a 106 per cent jump in consolidated net profit to ₹6,044 crore for Q2 FY23 compared with ₹2,933 crore in the year-ago quarter.

Net sales on a consolidated basis increased 29 per cent to ₹27,539 crore (₹21,293 crore). The com-

● HIGHER REALISATION

The average realisation through e-auction route was close to ₹6,062 a tonne in Q2, up 40% from ₹4,340/t in Q1

pany's board has declared first interim dividend for FY23 at ₹15 per share of face value of ₹10 each. It has fixed November 16 as the record

date for the purpose of its declaration and December 6 as the date of payment/despatch of the dividend, the company told exchanges on Monday.

PRODUCTION RISES

The company witnessed nearly 11 per cent rise in production of coal at 139.228 million tonnes in Q2 (125.839 mt). Coal offtake was up nearly 5 per cent at 154.53 mt (147.43 mt).

The company's scrip closed at ₹249.50, up 1.42 per cent on the BSE on Monday.

शेयर होल्डरों व केंद्र सरकार को लाभांश देगी कोल इंडिया



**कोयला
जगत**

61.62

लाख शेयर होल्डरों को प्रति शेयर मिलेगा 15 रुपये का लाभांश

9,200

करोड़ रुपये लाभांश देने में खर्च किए जाएंगे कोल इंडिया की ओर से

जासं, धनवाढ : कोल इंडिया अपने शेयर होल्डरों को चालू वित्तीय वर्ष की दूसरी तिमाही में मुनाफा होने पर लाभांश देगी। इस मद में कोल इंडिया 9,200 करोड़ रुपये खर्च करेगी। कोल इंडिया के कार्यकारी निदेशक वित्त सुनील मेहता ने मंगलवार को बताया कि शेयर होल्डर को प्रति शेयर 15 रुपये लाभांश मिलेगा।

कोल इंडिया में शेयर होल्डरों की संख्या 61.62 लाख है। इसके अलावा कोल इंडिया केंद्र सरकार को 66 प्रतिशत लाभांश देगी। यह निर्णय कोल इंडिया बोर्ड आफ डायरेक्टर की बैठक के बाद लिया गया। मंगलवार को इसकी सूचना कोयला मंत्रालय से लेकर स्टॉक एक्सचेंज सहित अन्य संबंधित एजेंसी को दी गई।

यह बैठक कोल भवन कोलकाता में चेयरमैन प्रमोद अग्रवाल की अध्यक्षता में हुई। कोल इंडिया को इस वित्तीय वर्ष की दूसरी तिमाही में 6,080 करोड़ रुपये का मुनाफा हुआ है।



लाभांश केंद्र सरकार को भी कोल इंडिया द्वारा देने की तैयारी

बीसीसीएल में अब बढ़ाया जाएगा सौर ऊर्जा का प्रयोग

जासं, धनवाढ : कोल इंडिया ने सौर ऊर्जा की तरफ कदम बढ़ा दिया है। अपने कार्यालयों में ऊर्जा की जरूरत को पूरा करने के लिए रूफ टॉप पर सोलर पैनल लगाया जा रहा है। इसी के तहत बीसीसीएल में भी 38,820 स्क्वायर मीटर में सोलर पैनल लगाया जाएगा। इसके लिए 14 स्थानों को चिह्नित किया गया है। प्रबंधन ने इसके लिए विभिन्न स्तर पर निविदा जारी कर दी है। मार्च तक इस काम पूरा करने का लक्ष्य रखा गया है।

Date - 10-11-2022

Publication - Business Standard, Edition – Mumbai

CIL's capital expenditure rises 33% to ₹7,027 crore in Apr-Sep

Coal India on Wednesday said its capex grew 33 per cent to ₹7,027 crore in April–September FY23 as compared to the year–ago period. The firm's capex in the year–ago period stood at ₹5,300 crore. The two coal evacuation infrastructure heads – setting up of coal handling plants (CHP)/silos and railways lines – together accounted for 36 per cent or ₹2,547 crore of the total capex in the period under review, CIL said in a statement. Construction of CHPs/silos under first mile connectivity was the major capex head at ₹1,489 crore during the six–month period of FY23, as compared to ₹614 crore a year ago.

PTI

Coal India's dwindling upper crust gains

Larger shares of the state-owned miner's production are sold significantly below global benchmark prices, deterring global investors from participating in divestment plans

SRINAGAR
9 September

When global thermal coal prices crossed \$450 a tonne in September, reflecting a surge in demand for the fuel in Europe, Coal India, the world's biggest producer, was charging less than a sixth of international rates for a similar grade of fuel. A portion of the miner's produce is auctioned, which last fiscal fetched an average premium of 89 per cent over the company's notified prices, according to ratings agency CRISIL data. The premium on such auction sales slumped last quarter but the quantity of coal sold at market rates declined from last year's levels.

Successive Indian governments have shackled Coal India, preventing the miner from participating when coal prices (inc. by 2022, two years after the miner went public), the government issued a state-presidential decree ordering the company to supply fuel to private sector generators on long-term contracts at notified prices, leading to protests by minority shareholders that the order will hurt profits. New Delhi still wields a tight control, a disservice not only to the company but to its minority shareholders. Slicing away Coal India's creamy layers also puts off global investors from participating in New Delhi's plans to divest additional stakes in the company.

Most of Coal India's 621 million tonnes (MT) of production in 2021-22 was sold at artificially low prices to power plants. For instance, this March, the price of Indonesia's Kalimantan 4,200 kilocalories a kilogram (kcal/kg) averaged \$111 a tonne, excluding delivery and insurance, while Coal India's state-set price of a similar grade was between \$42 and \$54 a tonne. Indonesia is India's biggest supplier of imported coal.

"Coal India's mandate is to meet the country's energy security and keep power tariffs low," said Rajendra Chhabra, vice-president at Mumbai-based ratings agency ICRA, a Moody's affiliate. "If it was a private company they would have made enough money for 20 years at today's prices." Coal prices should remain high in the medium and long term, driven by robust demand, according to the International Energy Agency. The Paris-based energy club of rich nations sees global coal demand growing by around 1 per cent this year to about 8 billion tonnes this calendar year, matching its 2015 peak.

"It would be disastrous for the country's economy to have import parity prices for



UNPROFITABLE SEAMS Coal India sales and auctions data

	Jan-March 2022	April-June 2022	July-Sept 2022
Sales	101	178	795
Auctions	27.8	20.9	32.3
Auction premium	14%	4,340	6,361
Export premium	14%	1,540	1,114
Imported coal premium	NA	NA	3,500

In \$/MT, JAN-MARCH 2022: 101, APRIL-JUNE 2022: 178, JULY-SEPT 2022: 795

domestic coal," said Ajay Shankar, director-general fellow at TERI and a former senior bureaucrat in the power ministry. Coal India supplies coal to power plants on long-term agreements at notified rates, which are typically much cheaper than imports.

Indonesia's reference coal price (IRCA), based on 6,322 kcal/kg GAD coal with 8 per cent total moisture content and 15 per cent ash, at \$119.22 a tonne for September has more than doubled in a year. Coal India's notified rate for a similar grade was \$41 a tonne. This is partly because of the high level of impurities such as ash content, and partly because New Delhi wants to supply cheap fuel to generators so that they can keep tariffs low for residential and agricultural users.

India's coal-fired plants still meet more than half of the country's power demand. Renewables are petty in comparison, according to Central Electricity Authority data. India's coal consumption is estimated to grow at 4 per cent a year to meet rising energy demand, McKinsey said in a recent report.

Auctions were introduced to enable Coal India to improve supplies to customers without term contracts, and increase profits. "E-auctions help discover market-based pricing of coal and allows buyers to meet their short-term/seasonal requirements, and allows traders and end users who are not able to procure coal through the institutionalised linkage route," said Satnam Singh, director, energy, CRISIL. "The premiums received in e-au-

ctions help Coal India achieve better profitability, especially given that the miner has not increased its notified prices for the last four years."

For instance, in September, Coal India realised a 20 per cent premium for its average coal grade over notified prices on 4.7 MT of sales, according to ICRA data. Premiums averaged more than 300 per cent over notified prices last quarter.

Ironically, Coal India used to sell more coal via e-auctions when it secured lower premiums to global prices trended lower. The miner sold 124 MT in fiscal 2020-21 as market premiums became high quality coal globally had hit lows of \$50 a tonne, a fraction of today's levels. Auction volumes declined in 2021-22 to 108 MT — when premiums nearly doubled over 2020-21 levels after international prices surged to over \$300 a tonne. New Delhi trimmed auction sales to divert scarce fuel to state generators, which carried only a few days of stocks.

Sales at market rates have slumped further this fiscal despite coal trading at nearly \$460 a tonne in September. Just 10 MT of coal was sold via auctions in the July-September quarter by Coal India, having from the previous quarter after stocks at generators dried up in summer, according to company data. Around 142 MT was supplied under term agreements. The company supplied only 31 MT via auctions in the first half of this fiscal despite premiums quadrupling, compared to 54 MT in the October 2021-March 2022 period.

Surging peak demand for electricity this summer drained stocks at generators. Imports turned unaffordable. That prompted New Delhi to divert auction volumes to power plants, an industry official said. Sale of coal via auctions gets affected if demand for power surges, Coal India Chairman Prasad Agaswal has told analysts.

"While the realisation on e-auction coal is generally market-linked depending on the alternative, which is the imported coal price, we have observed that the prices even on e-auction coal are much lower than imported coal prices," said Bhuvan Patel, associate director, India Ratings. "Having said that, given the fuel supply agreement (FSA) coal is governed by pricing regulations, e-auction premiums have still been healthy, with these premiums over the FSA coal having jumped to around 300 per cent."

Just 10 MT of coal was sold via auctions in the July-September quarter by Coal India, having from the previous quarter, after stocks at generators dried up in summer

Date - 10-11-2022

Publication - The Hindu Business Line

Coal India capex sees 33% jump in H1 FY23

Our Bureau
Kolkata

Coal India Ltd (CIL) registered a 33 per cent jump in capex at ₹7,027 crore during the first half of the current financial year compared with ₹5,300 crore in the same period last year on the back of growth in expenditure on expansion of coal evacuation infrastructure.

The two coal evacuation infrastructure heads, which include setting up of coal handling plants (CHP)/silos and railways lines, together accounted for 36 per cent or ₹2,547 crore of CIL's total capex during the said period.

"Capex push is essential for long-term growth prospects. To align the increasing production with robust transportation logistics, CIL is fast tracking the development of its coal evacuation system," a senior executive of CIL said in a press statement.

LAND ACQUISITION

During the referred period, capital expenditure on coal evacuation projects pipped



BIG LEAP. CIL is likely to close FY23 with a capex close to ₹16,500 crore, up 2.6 times in 3 years. GETTY IMAGES/STOCKPHOTO

the heads of land acquisition and procurement of heavy earth moving machinery (HEMM) which conventionally comprises the bulk of the capex.

Construction of CHPs/silos under first mile connectivity was the major capex head at ₹1,489 crore in H1 FY23 with an increase of 2.4 times compared to ₹614 crore during corresponding period last year.

Most of the expenditure was incurred by CIL's three subsidiaries MCL, NCL and SECL.

Laying rails corridors and rail sidings was the next major head where capex has risen to ₹1,058 crore with an upsurge of 33 per cent.

Date - 10-11-2022

Publication - The Economic Times

HEFTY DIVIDEND LIFTS STOCK; ANALYSTS RAISE TARGETS

Coal India Soars, May Rise 20% More

Excitement After Strong Q2

Brokerage	Recommendation	Price Targets Q2 (₹)	
		Before	After
Kotak - Inst Equities	Reduce	225	250
ICICI - Inst Equities	Buy	294	294
CLSA	Buy	250	280
Antique Stock Broking	Buy	294	294
Spark Capital Advisors	Add	205	255
Citi	Neutral	220	240
Macquarie	Outperform	256.3	256.3
Motilal Oswal	Buy	265	325
Systematix Group	Sell	149	165
Equirus Securities	Reduce	227	220

SOURCE: Bloomberg

Our Bureau

Mumbai: Shares of state-owned Coal India surged to their highest levels in two-and-a-half years after its second-quarter earnings beat Street estimates. Some analysts raised their price targets. A hefty interim dividend (₹15 per share) also fuelled the bullish momentum in the stock that advanced nearly 3% on Wednesday.

Shares of Coal India closed at ₹256.85 apiece on the NSE, up 2.93% from the previous close.

Motilal Oswal has the most bullish view and expects the stock to

hit ₹325, translating into a further 21.2% upside from the current price. "Strong results; consensus continues to upgrade," the firm said in a client note. "Renewables continue to be unreliable with problems either related to availability, costs, storage or safety. As a result, dependence on coal is likely to increase in the near term whether investors prefer the same or not."

ICICI Securities and Antique Broking have set their price targets at ₹294, while CLSA expects the stock to touch ₹280 over the next 12 months.

Date - 10-11-2022

Publication - The Telegraph

Coal India stock at 3-year high

A STAFF REPORTER

Calcutta: The shares of Coal India jumped to a 3-year high on Wednesday on the back of a strong second-quarter performance and the PSU announcing an interim dividend of Rs 15 per share.

The stock hit Rs 263.30 on the BSE and ended at Rs 255.95. It had previously reached a high of Rs 263.05 on June 26, 2019.

Coal India has posted a 106 per cent year-on-year growth in consolidated net profit at Rs 6,044 crore, and on Wednesday said that its capital expenditure has soared 33 per cent on an yearly basis in the first half of 2022-23.

Brokerages remained bullish on the stock as the company recorded its highest-ever second-quarter EBITDA.

"We believe the world has come to terms that fossil fuel



cannot be ignored, at least in the near term. Under investment by the developed economies in the last decade has proven expensive with no alternate sources to Russian natural gas in sight other than coal," Motilal Oswal said in its recent note.

One of the key bottomline drivers for Coal India has been earnings from electronic auction.