

<p>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.cil@coalindia.in वेबसाइट: www.coalindia.in</p>		<p>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.cil@coalindia.in WEBSITE: www.coalindia.in CIN- L23109WB1973GOI028844</p>
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Ref.No.CIL:XI(D):04156:2017: 19117

Dated: 14th Sep'2017

Listing Department,
Bombay Stock Exchange Limited,
14th Floor, P.J.Towers, Dalal Street,
Mumbai – 400 001

Sub: AGM Proceedings of Coal India Limited for the financial year 2016-17
Ref. : Scrip Code 533278.

Dear Sir,

Further to letter No.CIL:XI(D):04156:2017 dated 18th Aug'2017, 43rd Annual General meeting of Coal India Limited was held on **Thursday, the 14th September'2017 at 10.30 A.M** at the **Science City**, Main Auditorium, JBS Haldane Avenue, Kolkata-700046. As per the AGM notice (including Addendum), Six (6) proposals were proposed as under:-

- (1) Audited Financial Statements (**Standalone and Consolidated**) of the Company for the financial year ended March 31, 2017 including Audited Balance Sheet as at March 31, 2017, Statement of Profit & Loss for the year ended on that date and Reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.
- (2) Confirmation of Interim dividend of **Rs. 19.90** per share on face value of Rs. 10/- per share as final dividend for the financial year 2016-17.
- (3) Re-appointment of Shri S.N.Prasad [DIN-07408431] who retired by rotation in terms of Section 152(6) of the Companies Act, 2013, Article 39(j) of Articles of Association of the Company and being eligible, offered himself for reappointment.
- (4) Appointment of Ms. Reena Sinha Puri Joint Secretary and Financial Advisor, Ministry of Coal [DIN-07753040] as Part Time Official Director of the Company to hold office from the date of this General Meeting till further order from Govt. of India.

Mto

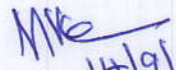
- (5) Ratification of remuneration payable to M/s Balwinder & Associates, Cost Auditor (Registration Number 000201) who was appointed as Cost Auditor by the Board of Directors of the Company to conduct audit of the cost records of CIL (Standalone) for the financial year ended 31st March, 2017.
- (6) Appointment of Shri Vinod Kumar Thakral [DIN-00402959] as an Independent Director of the company, to hold office for the balance period of his appointment i.e. upto 5th September 2020 from the date of this General Meeting or until further order from Govt. of India, whichever is earlier.

CIL has provided remote e-voting facilities through CDSL from 11th Sep'2017 to 13th Sep'17. In addition Tab based voting was provided at the AGM venue through CDSL. The results of remote e-voting would be clubbed with Tab based voting results and declared within 16th Sep'17 at the registered office of the Company. The result will also be uploaded in Company's website, www.coalindia.in and also in the website of M/s. Alankit Assignments Limited, www.alankit.com, in website of CDSL, www.evotingindia.com and also communicated to Stock Exchanges.

We are also enclosing copy of Chairman's Speech delivered at the 43rd Annual General Meeting of the Company.

This is for your information and records please. This is as per Regulation 30 of SEBI(LODR) regulations 2015.

Yours faithfully,


14/9/17

(M. Viswanathan/एम०विस्वनाथन)
Company Secretary/कंपनी सचिव
& Compliance Officer/कम्प्लायंस ऑफिसर

Enc: As above

CHAIRMAN'S SPEECH

My Dear Friends,

I am really delighted to welcome you all to the 43rd Annual General Meeting of Coal India Limited. The Directors' Report, the Financial Statement for the year 2016-17 and the report of Statutory Auditors together with the review report of Comptroller & Auditor General of India are already with you. I am sure you are fully aware of the financial & physical health of your company.

1. Coal in India

Energy plays a very important role in the growth of an economy. India's energy sector is on the cusp of transformation as it has set ambitious targets for itself. GOI accords high priority to the energy sector which is reflected in its efforts to make energy available to every citizen of the country at affordable price through its initiatives like Power for All by 2022, Pradhan Mantri Ujjwala Yojna, 175 GW of installed capacity of renewable energy by 2022 and focus on energy efficiency through programmes like Ujala. Energy is at the fulcrum of the sustainability agenda because if one sees the several goals that have been set by the UN under the sustainable development goals (SDG), electricity plays a very important role in several of those goals out of the 17 SDGs. Electricity has been found to be one of the fastest enablers to remove poverty. It empowers a person. Economic development of countries and states have been closely linked to the availability of adequate power, affordable power and regular power.

We have 17.5 % of the world population. Over 30 % of our population lives below the poverty line, 240 million people do not have access to electricity (energy poverty), 20 % people do not have proper housing and 7 % people do not have access to clean drinking water. Availability of affordable, reliable and sustainable energy is, therefore, key to transforming India.

India's share in world coal, gas and oil reserves are 7 %, 0.6 % and 0.4 % respectively. This has led to huge import dependence even when our per capita energy consumption (574 kgoe) is only

a third of the world average (1770 kgoe). Import dependence in oil and gas sector is understandable given the poor reserves we have but import dependence on coal particularly non coking coal is something that can be addressed by swift exploitation of domestic coal reserves. Imports contributed 25% of the coal supply in 2015-16 and 23 % in 2016-17 and could remain high unless domestic production grows rapidly. In 2015-16, import of non-coking coal was 156 MT against 174 MT in 2014-15. Coal production has increased substantially in the last three years, resulting in reduction in imports and foreign exchange savings of Rs 25,900 crores. Energy accounts for around a quarter of the total value of imports in India making it imperative for the Government to fulfil energy needs of the country independently and that too in a sustainable manner. There are four key objectives of our energy policy: Access at affordable prices, Improved security and Independence, Greater Sustainability and Economic Growth. Coal has the capacity to fulfil all the four objectives. Amongst fossil fuels, India is well-endowed with coal. As about 7% of the world's proven coal reserves are located in India, it enhances its stature amongst the basket of fuels. Additionally, coal is important to us for other reasons — large thermal power capacity, a large employer and negligible price volatility. The large power requirement and solid fuel demand in process industries brings to fore the need for efficient coal exploitation and investment in related infrastructure. The large planned new coal based thermal capacity is likely to put pressure on coal resources. Coal based power generation capacity of 125 GW in 2012 is likely to go up to more than 330-441 GW by 2040 (192 GW in FY 2017). The demand for these plants is likely to be first met by domestic coal, which will require quick exploitation of our reserves. All the above call for fuller coal resource assessment, optimum mining and efficient use. The share of coal in India's commercial primary energy supply was 55% in 2015-16 and is expected to remain high at 48-54% in 2040. Sustained levels of high domestic production would greatly advance India's energy security. Coal gasification technology and methanol economy also hold value for India to commercially tap our coal resources. The potentials of exploiting coal bed methane (CBM) and in-situ gasification of non-producible coal (Underground coal gasification or UCG for short) have not been exploited satisfactorily in India. Similarly, other value-added outputs such as methanol/DME can also be produced from coal.

2. Coal Requirement in Steel Sector of India

India became the 3rd largest producer of steel in 2015 and is now well on track to emerge as the 2nd largest producer after China. There is a significant potential for growth given the low per capita steel consumption of 61 Kg in India, as compared to world average of 208 Kg. As a result, demand for coking coal is likely to increase substantially in days to come.

Some of the important objectives of the National Steel Policy, 2017 are as under:

- a. Increase per Capita Steel Consumption to 160 Kgs by 2030-31.
- b. To domestically meet entire demand of high grade automotive steel, electrical steel, special steels and alloys for strategic applications by 2030-31.
- c. Increase domestic availability of washed coking coal so as to reduce import dependence on coking coal from 85% to 65% by 2030-31.

Raw materials requirement Projections for 2030-31 are.

- 1 Coking coal requirement: 161MT
- 2 Non-coking coal requirement for PCI: 31MT.
- 3 Non-coking coal requirement for DRI: 105 MT.

Against this backdrop, you will be proud to know that your company, Coal India Limited, the largest single producer of coal in the World spearheads the country's coal production and produces over 84% of the country's entire coal output. It is Coal India which virtually fuels and empowers the power sector in the country.

3. Accomplishments 2016-17

Sustaining the growth in production and off-take, the company exceeded half-a-Billion Tonne mark in both the physical facets for the second consecutive year.

During 2016-17, our coal production was 554.14 Million Tonnes (MT). You will be pleased to know that company increased its production by 15.39 million tonnes over last year. Coal production has taken a quantum jump of over 100 MTs in the last five-year span, from the level of 452.21 MT in 2012-13 to the current level. This scale of increase was never achieved before during the same span of time.

The performance of CCL, NCL and BCCL merit specific mention as the three companies achieved their respective AAP targets in coal production amid trying & testing circumstances. SECL continues to be at the helm of coal production with 140.0 MT mark during the year, with MCL giving a close competitive run with 139.21 MT mark.

Raw coal off-take during FY 2017 was 543.32 MT, an increase of 8.82 MTs over the previous year.

ECL, CCL, NCL, MCL and NEC achieved higher off-take than previous year.

Coal despatch to power utilities (including special forward e-Auction) during the year was 425.40 MT, registering a growth of 3% compared to last year (413.11 MT.). Despatch to NTPC clocked a growth of 4.9% over last year with materialization of 95% FSA/MoU commitment. But for the regulated intake of coal by many of the GenCos, despatch of coal to power sector could have been higher.

Other positives:

- 1) You will be pleased to know that your company's Gross Sales turnover was Rs.1,22,294.46 crores during the financial year 2016-17.

- 2) The underground production got major boost with the introduction of Longwall technology in Jhanjra Combined UG Mine (3.5 Mty.) of ECL in August'2016.
- 3) Coal India has been accredited with IS/ISO 9001:2015 (Quality Management System) and IS/ ISO 50001:2011 (Energy Management System) certification on 27th October'2016. It is now in the process of implementation of ISO 14001: 2015 (Environment Management System).

Financial Performance

Coal India is one the highest contributors to the government ex-chequer both –Central and State governments. Coal India paid corporate taxes of Rs.5165.96 crores to Government of India in FY 2016-17.

Coal India and its subsidiaries also paid/adjusted Rs.44,068.28 crores Royalty, Cess, VAT, DMF and NMET and other levies to various State Governments.

During 2016-17, Coal India as a whole earned pre-tax profit of Rs.14,433.71 crores and a Profit after Tax of Rs.9,265.98 crores.

Your company paid an interim dividend of Rs.12,352.76 crores at Rs.19.90 per share. Of the total dividend, the share of Govt. of India was Rs.9,736.40 crores and the rest Rs.2,616.36 crores was given to other shareholders.

4. Strategies for Growth

Coal India is faced with meeting challenging targets in the years ahead. Going forward, in order to meet the production targets, Coal India needs to step up to a double digit growth rate.

To sustain the growth momentum in its production and off-take, your company has formulated following multi-pronged strategies.

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

In a move for 'Synergy for Energy' to achieve the planned growth in production and evacuation, your company has undertaken three major Railway Infrastructure Projects to be implemented by Railways or JV Companies formed among IRCON, Subsidiary Company and concerned State Government.

The three major Railway Infrastructure Projects are:-

- (a) Tori – Shivpur-Kathotia New BG Line. This railway line caters to North Karanpura Area of CCL and it is likely to evacuate about 72 MTY of coal every year once it gets completed.
- (b) Jharsuguda – Barpali – Sardega Rail Link relates to the coalfields of MCL and the envisaged capacity evacuation is 70 MTY of coal from MCL.
- (c) East Rail Corridor and East West rail corridor is planned for evacuation of coal of Mand- Raigarh and Korba – Gevra Coalfields of SECL respectively. In all, about 180 MTY of coal shall be evacuated through these two corridors.

(ii) Acquisition and Possession of land

During 2016-17, about 3826 Hectares of land has been taken into possession in different subsidiaries of Coal India.

In all subsidiaries of Coal India, the major portion of land is acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957.

(iii) WEB Based Online Monitoring System

Following the introduction of Web based online monitoring of coal mining projects costing more than Rs.100 crores, so far, the monitoring of 69 projects costing more than Rs.150 crores

and capacity 3.0 MTY and above has been completed during 2016-17.

Additionally, monitoring of 67 coal mining projects (more than Rs.150 crores) has also been taken up during the year.

Critical issues are uploaded by CIL and its subsidiary companies on MOC's e-CPMP portal which enables MOC to follow up with the state governments and associated ministries to accelerate EC & FC approvals.

(iv)Technology Development

- a. Exploration capacity is planned to be augmented with more use of hydrostatic drills, geophysical loggers, 2D/3D Seismic Survey Technology and Optimization of number of coring boreholes based on the complexity of geology of the block.
- b. Introduction of high capacity equipment, Operator Independent Truck Dispatch Systems, Vehicle Tracking System using GPS/GPRS, CHP and SILOS for faster loading and monitoring using laser scanners have been planned to augment coal production from opencast mines.
- c. Introduction of Continuous Miner Technology on large scale, Long Wall Technology at selected places, Man Riding system in major mines and Use of Tele - monitoring techniques continued to receive priority to increase production and enhance safety in underground mines.

(v) System Improvements

Introduction of e-procurement of equipment and spares, e-tender of work and services, ERP implementation, establishment of connectivity, revision of guidelines and manuals, use of GPS for monitoring operational efficiency in road transport of coal have been planned to improve the overall system.

(vi) Customer Satisfaction

- a) For enhanced customer satisfaction, special emphasis has been laid on Quality Management, deciding to declare 2017-18 as 'Quality Year'.
- b) To monitor coal quality internally, a portal has been designed by your company to analyze coal quality on regular basis to capture entire life cycle of the sample.
- c) The guidelines/SoP issued by MoC on third party sampling at loading ends had already been implemented through Central Institute of Mining and Fuel Research (CIMFR). Sampling for quantity covered under FSA is continuing across various loading points of coal companies.
- d) For greater consumer satisfaction and to resolve consumer complaints, quality management is being followed diligently. On-line filing for redressal of complaints has been initiated. 99.42% of consumer complaints have been resolved during the year 2016-17.

5. Green Initiatives

Environmental and eco-system restoration is a conscious effort in Coal India Ltd. Your company is aware of the importance of environmental issues and tries, to the extent possible, to restore the environment and Nature to its original pristine condition. Mandatory obligations apart, Coal India takes it upon itself as a moral obligation.

To promote Green Initiatives taken by GoI, CIL has submitted Green Energy Commitment letter to MNRE for developing **1000 MW Solar Power Projects**. For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India (SECI).

Coal India has given its consent for floating NIT for 800 MW Solar PV Project to Solar Energy Corporation of India (SECI). In the 1st Phase, land has been identified by SECI for setting up of 250 MW Solar PV Project in the Solar Park of Madhya Pradesh Government in Neemuch Area. The power generated from the Projects will be used for captive consumption.

Plantation and Green belt are developed through extensive tree plantation programmes every year by the subsidiaries of Coal India. The subsidiaries of CIL have planted around 94.015 million of trees covering an area over 37557.458 Ha. till March'2017 and during 2016-17, 1.66 million trees have been planted covering an area of 661.20 Ha.

6. Safety – Always a priority

Safety of miners and mines remains a top priority concern for Coal India. In pursuit of higher production, no compromise would be made on safety front. Safety of miners and mines override any other priority. Coal India has a well-defined safety policy to ensure safety in all mines and establishments. There are many preventive measures being pursued against accidents. Safety personnel are exposed to the best practices internationally and are sent for training abroad enabling them to hone up their skills and to sensitize them to approach safety issue in a scientific and holistic manner. We are also inculcating and monitoring a safety culture and attitude. The endeavor is to elevate safety standards radically further, since in this regard there could be only 'Zero Accident' as the goal.

7. Corporate Social Responsibility

Apart from improving the quality of lives of people, Coal India's Corporate Social Responsibility initiatives also take them along towards the company's goal by partnering with them. While pursuing the enhancement of Coal production, CSR is being undertaken for inclusive growth of villagers and the nearby affected communities. Your company has spent Rs.489.67 crores in FY ending 2017 on CSR initiatives. Major activities undertaken are:

- 1) Training and preparation of Sports persons for Olympics and Para Olympics at project outlay of Rs.75 crores (Rs.25 crores per annum) through Ministry of Youth Affairs, Govt. of India.
- 2) Setting up of 16 Continuous Ambient Air Quality Monitoring Stations in 10 cities at an outlay of Rs.65 crores.

8. Corporate governance

Your company has 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 Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. As required under the 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.

Your company has conducted Secretarial Audit for 2016-17, as required under Companies Act 2013 and the Secretarial Audit Report is enclosed as a part of Directors report.

9. Vision

Coal India's vision is to ensure that there is no shortage of coal in the country and to make the country self-reliant in coal. Coal India envisions to be a commercially viable company and endeavours to move ahead as a contemporary, professional, consumer friendly and successful corporate entity committed to national developmental goals. The vision also extends to dedicate itself to the service of the countrymen in providing the primary commercial energy in an affordable and environmentally friendly manner. Your company aims to be not only a valued company but a company with values.

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, Auditors, Consumers, Suppliers and all other stakeholders for their continuous co-operation.

Jai Hind!

Gopal Singh
Chairman